

October 31, 2019

VIA RESS AND COURIER

Ms. Christine E. Long
Registrar and Board Secretary
ONTARIO ENERGY BOARD
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Dear Ms. Long:

Re: EB-2019-0242: Association of Major Power Consumers in Ontario (AMPCO) Application for Review of an Amendment to the Independent Electricity System Operator (IESO) Market Rules.

Evidence Describing Experience with Demand Response in FERC Jurisdictional Markets.

In P.O. No. 1 herein the Board directed AMPCO to file all affidavit material on which it intends to rely, whether in support of its motion for a stay of the Market Rule amendments or in support of its application. AMPCO did so on October 11th, as directed.

On October 18th the Board issued P.O. No. 2 in which it addressed, among other matters, interrogatories and evidence, and commented that;

1. it will allow an opportunity for intervenors and OEB staff to file evidence relevant to the issues to be considered in respect of the hearing of the Application; and
2. it is particularly interested in receiving evidence that describes the experience with compensation for demand response in markets in other relevant jurisdictions and the extent to which that experience is informative in the context of the IESO Market Rule amendments in issue in this proceeding having regard to any pertinent differences such as differences in market design or structure.

We have consulted with OEB staff and it appears that staff does not intend at this time to file any evidence. AMPCO agrees that evidence such as that which the Board has indicated it would be particularly interested in would be of assistance to all parties in considering the issues engaged by AMPCO's application.

Accordingly, and (given the tight schedule for this matter) pending and subject to the Board's determination of matters of cost eligibility, we write to advise that AMPCO wishes to file such

evidence, in order to assist the Board and all concerned, and to seek confirmation that the filing of such evidence by AMPCO will be accepted.

AMPCO has retained Charles River Associates (CRAI) to prepare evidence on;

- a. *The experience with compensation for economic activation of demand response in markets in FERC regulated jurisdictions; MISO, ISO-NE, PJM and NYISO.*
- b. *The implications, if any, of seeking to apply such a compensation mechanism in a market like Ontario's.*

The lead author of the evidence and the witness presenting the evidence at the oral hearing and responding to questions will be David Hunger. Dr. Hunger is a Vice President at CRAI, and was formerly a senior economist at the U.S. Federal Energy Regulatory Commission (FERC) and was at FERC at the time that commission engaged in the inquiry that resulted in Order 745, as referred to in AMPCO's application material. Dr. Hunger will be assisted in his work on the evidence by Jordan Kwok, an Associate Principal at CRAI who has also worked at FERC and whose expertise includes ISO/RTO market policy the functioning of the FERC jurisdictional wholesale electricity markets to be reviewed in the evidence.

As this evidence;

- i. is to be provided by independent experts;
- ii. is to be responsive to the Board's stated interest in the kind of evidence which it would find of interest given the issues engaged by AMPCO's application;
- iii. will be subject to interrogatories by all parties and cross-examination as appropriate; and
- iv. is not affidavit material filed by AMPCO (as directed in P.O. No. 1 to have been filed by October 11th),

we submit that it is not only entirely appropriate for AMPCO to file such evidence, but also that such filing would be of direct assistance to the Board and all concerned, and in the public interest in appropriate consideration, and resolution, of the instant application.

Given the November 8th deadline for filing additional evidence in this matter, CRAI has already commenced work on this evidence, and AMPCO has committed to paying for such work, and we would appreciate confirmation from the Board as soon as possible that it is prepared to accept the filing of the evidence as outlined above.

Yours truly,



Ian A. Mondrow

cc: Glenn Zacher, Counsel for IESO
James Hunter, IESO
Colin Anderson, President, AMPCO
Michael Bell (OEB Staff)
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Intervenors of Record

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