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BY EMAIL

November 13, 2019

Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4

Attention: Ms. Christine E. Long

Dear Ms. Long:

**Re: OEB Staff Supplemental Interrogatories on Evidence of the Independent
Electricity System Operator (IESO)
Association of Major Power Consumers in Ontario (AMPCO)
Application to Review Amendments to the Market Rules Made by the IESO
Ontario Energy Board: File No.: EB-2019-0242**

Pursuant to Procedural Order No. 3, please find attached the supplemental interrogatories of OEB staff to the IESO in the above-referenced proceeding related to the IESO Evidence that was filed on November 8, 2019.

Yours truly,

Original Signed by

Michael Bell
Project Advisor, Application Policy and Conservation

cc: All Parties in EB-2019-0242

ONTARIO ENERGY BOARD

OEB Staff Interrogatories to the IESO

Association of Major Power Consumers in Ontario

**Application to Review Amendments to the Market Rules Made by the
Independent Electricity System Operator**

EB-2019-0242

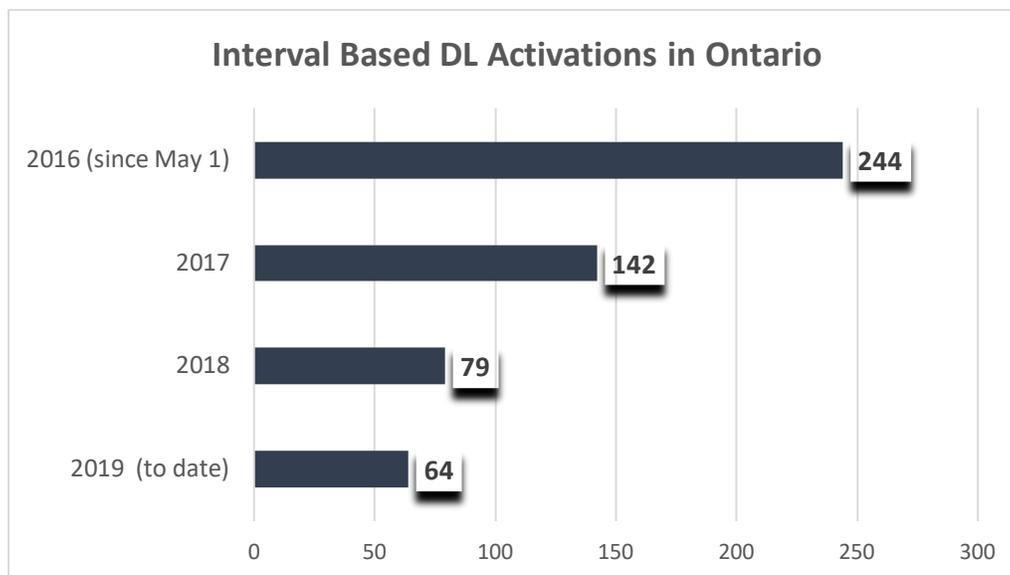
November 13, 2019

IESO-Staff-14

Ref: IESO Evidence, November 8, 2019, Tab A, p.8

Ref: OEB Staff IR #8, p.2

In the IESO evidence, the IESO noted that dispatchable loads have been economically dispatched less than 1% of the time since the DRA was introduced. Based on the table provided by the IESO in the response to OEB Staff interrogatory #8, the actual number of “interval based” activations of dispatchable load resources is 525, since May 2016, and the chart below, prepared by OEB staff using the data in the IESO’s table referenced above, shows the number of economic activations in each year.



Questions:

- Please explain why there has been such a significant (i.e., four-fold) and consistent decline in dispatchable load activations since 2016 -- from 244 to 64 -- as part of the IESO’s DRA.
- IESO stated in its response to OEB-Staff-8 that it expects 2020 DR economic activation frequency not to differ from 2019 levels. Please describe the currently expected frequency of economic activations in 2021, 2022, and 2023.
- Is any change in DR economic activation frequency upcoming years (relative to prior years) to be attributed to the procurement of both generation and demand response resource commitments via the same auction process?

IESO-Staff-15

Ref: IESO Evidence, November 8, 2019, Tab A, p.30

IESO refers to Ontario-specific analysis that was undertaken by Navigant, and notes in its November evidence that, “any reductions in the IESO market price may simply be offset by out of market Global Adjustment payments” due to more DR activations resulting from bidding into the market at prices lower than generators.

Questions:

- a) If any other type of resource (e.g. storage) were bidding into the market at prices lower than generators, would the potential outcome due to the Global Adjustment (GA) be any different? If it would be different, please explain why.