

Stakeholder Engagement Plan

Resource Adequacy – Draft Posted September 2020

Introduction

The IESO remains committed to transitioning to the long-term use of competitive mechanisms to meet Ontario's resource adequacy needs and understands that stakeholder input is critical to inform this transition. To begin this discussion with stakeholders, the IESO has developed a draft resource adequacy strategy based on extensive stakeholder engagement conducted on the Incremental Capacity Auction High-level Design and additional discussions with individual stakeholders to better understand their specific risks. Key feedback themes that emerged through these discussions with stakeholders include:

- Recognition that a “one-size-fits-all” approach won't be sufficient to balance supplier, ratepayer and system operator risks and cost-effectively meet all of our needs
- Different resource types have different risks, requirements and timelines for development that should be considered
- Different tools are better suited to different resource types
- Some resources are not suited to competitive acquisition mechanisms
- System planning forecasts will have to align with any resource adequacy strategy we go forward with
- Increased risk in Ontario markets due to regulatory and political uncertainty

To facilitate competition, and provide business planning certainty, resource adequacy needs should be planned and acquired for three timeframes: short, mid and long-term. Through this consultation, the IESO will engage stakeholders to further develop a long-term competitive strategy to meet Ontario's resource adequacy needs reliably and cost-effectively while recognizing the unique needs of different resources.

This engagement plan outlines the objectives, approach, timeline and considerations for engaging stakeholders. This engagement plan may be subject to review and updates as the process evolves. All comments and enquiries on this engagement can be directed to engagement@ieso.ca.

Stakeholders and Communities

The IESO encourages all interested parties to participate as described in the Approach section below. The IESO anticipates that this initiative will be of particular interest to generators, industry associations, energy technology companies and other energy solution providers, demand response providers, consumers and consumer groups.

Engagement Objectives

The objective of this stakeholder engagement is to gather stakeholder input on the IESO's proposed strategy to competitively acquire resources to meet short, mid, and long-term electricity system capacity needs. The proposed strategy is designed to balance consumer/supplier risks and ensure cost-effective reliability over the long term.

Approach

The focus of this engagement will be on the development of a high-level strategy to acquire resources to meet short, mid and long-term electricity system capacity needs that balances consumer/supplier risks and ensures cost-effective reliability over the long term. Once the high-level strategy has been developed, the IESO expects that additional engagements will be required to develop details of the various mechanisms included in the strategy.

Success on the Resource Adequacy engagement will require collaboration between stakeholders and the IESO so that there can be better understanding of the unique needs of all parties involved. There will be opportunities for stakeholders to provide input through in-person meetings, webinars, and written feedback. In some instances, the IESO may hold targeted meetings to gather feedback from specific stakeholders with a particular interest and/or knowledge of an issue. The IESO will consider all relevant input and illustrate how feedback was considered in the development of the final outcomes.

The scope and deliverables of this initiative are related to initiatives under discussion in other IESO engagement forums. These interrelated engagements are primarily:

[Reliability Standards Review](#) through which, the IESO is engaging with stakeholders to explore the assumptions and approaches the IESO uses for system adequacy assessments.

The Resource Adequacy engagement will coordinate to ensure information and stakeholder feedback is shared between these initiatives and considered in the development of the final strategy.

This engagement plan will be implemented in accordance with the IESO's [engagement principles](#).

This is a public engagement process. All materials related to this initiative will be posted on the dedicated IESO engagement webpage. In addition, any information and feedback supplied by interested parties will become part of the public domain. Information and feedback that is marked confidential will be treated accordingly by the IESO.

Proposed Engagement Schedule

Anticipated timing for this engagement is presented below.

Timing	Activity
November 2019	Introduction to resource adequacy engagement
January 2020	Planned engagement meeting postponed
August 2020	Discussion at Stakeholder Advisory Committee (SAC) Meeting To gather SAC member feedback on launch of Resource Adequacy engagement
September 2020	Engagement launched
September 2020	Engagement webinar Begin discussion with stakeholder on development of a long-term competitive resource adequacy strategy.
Q4 2020/Q1 2021	Engagement webinars as needed
Q1 2021	Final high level strategy document published

Additional Background and Resources

For more information and background on this engagement, please visit the [engagement webpage](#).

Related Engagements:

- [Reliability Standards Review](#)