

Memorandum

IESO BUSINESS UPDATE

To: Stakeholder Advisory Committee

From: JoAnne Butler, Market and Resource Development

Date: January 27, 2016

Subject: **IESO Business Update – Market Development Initiative**

Information Item

During the fall and early winter 2015/16, the IESO conducted a series of high-level meetings with stakeholders related to market development. The purpose of the meetings was to discuss opportunities to improve Ontario's wholesale market design by reviewing key challenges with the current design, potential solutions and future opportunities. These 'pre-consultation' meetings provided an initial step towards developing a cohesive multi-year market development work plan.

Throughout pre-consultation, stakeholders expressed their support for developing a longer-term plan. Over the course of these discussions, a number of other priorities emerged for the IESO to consider. These priorities included the need to: be mindful of broader changes occurring in the sector, focus on increasing efficiency, maintain the value of existing contracts, get commitment from all key stakeholders, and work at a pace that respects the resource constraints of involved parties.

The IESO continues to seek stakeholder feedback in the lead up to the launch of a formal engagement in the spring of 2016. The engagement will initially focus on establishing the elements of the work plan, setting timelines for design and implementation, and defining the stakeholder engagement process. Further details on this engagement and timing will be communicated to stakeholders in the coming weeks.