



Comments on IESO SAC Minutes – March 23<sup>rd</sup>, 2016

Agenda Item	Reference	OWA Comment
<p>Item 3 – Large Renewables Procurement Update</p>	<p>Comments, Page 5: Mr. Schembri asked what the IESO reaction is to the absence of applicants for solar rooftop projects. Mr. Cronkwright said that qualification submissions were received, but no proposals were submitted for solar rooftop projects and noted that this an area where we would like to hear from proponents about possible barriers to participation.</p>	<p>The waterpower industry is equally interested in the barriers to participation given the under-subscription form hydro and is willing to work with the IESO in the identification of these barriers to improve participation in LRP II.</p>
	<p>Comments, Page 5: Mr. Cronkwright said that with technologies, connection capacity is a consideration. For example, it is hard to relocate hydroelectric sites to transmission. The biotechnology sector has its own challenges, and feedback from the biotechnology sector about these would be interesting. Second, large-scale hydroelectric and biotechnology projects may have trouble making the economics work.</p>	<p>This is a statement of opinion that requires factual information in order to be substantiated– underrepresentation of hydro in had nothing to do with “trouble making the economics work”. It is recommended that the statement be removed.</p>
	<p>Comments, Page 5: Mr. Cronkwright said that the lowest prices were about 6.5 cents for wind projects , and these would yield the types of returns one would expect in a robust competition.</p>	<p>What is meant by “types of returns” – Return on Investment?</p>
	<p>Comments, Page 5: Mr. Cronkwright said the IESO would like to see all resources integrated within a regional approach.</p>	<p>How does this possibly work for large projects that produce electricity to meet requirements beyond the region? This begs the question of the link between Regional Planning and the LTEP</p>

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	Comments, Page 6: Mr. Burkom said capacity tables, interconnection availability, and timing of these releases are an issue.	The OWA strongly agrees with this concern.
Item 5 – Ontario Planning Outlook	Comments, Page 14 - Mr. Scongack asked for the IESO's view on pumped storage and how it fits in.	The OWA would similarly appreciate an update on the potential of pumped storage. The current LTEP presumes that pumped storage will be specifically assessed, yet we are unaware of any work in this regard.
	Comments, Page 15 - Mr. George Pessione (IESO) said the IESO is aware of several locations in Ontario where pumped storage can conveniently be built. They are limited by location, and value must be matched to the cost equation. The economics are not currently conducive for a pumped storage facility because building costs are high.	The OWA would appreciate the opportunity to review and provide comment on the economic analysis apparently undertaken by the IESO.
	Comments, Page 18 Mr. Young said there will be an update on the outlook report at the May 11, 2016, SAC meeting	The SAC should be provided with a copy of the Draft written report (i.e. more than the Slide Deck) for comment