

# Market Renewal: Energy Workstream Update

Stakeholder Advisory Committee

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October 17, 2018

# Purpose

To provide an update on the energy workstream of the Market Renewal Program (MRP) and discuss the evolving stakeholder engagement approach

# Questions for SAC Input

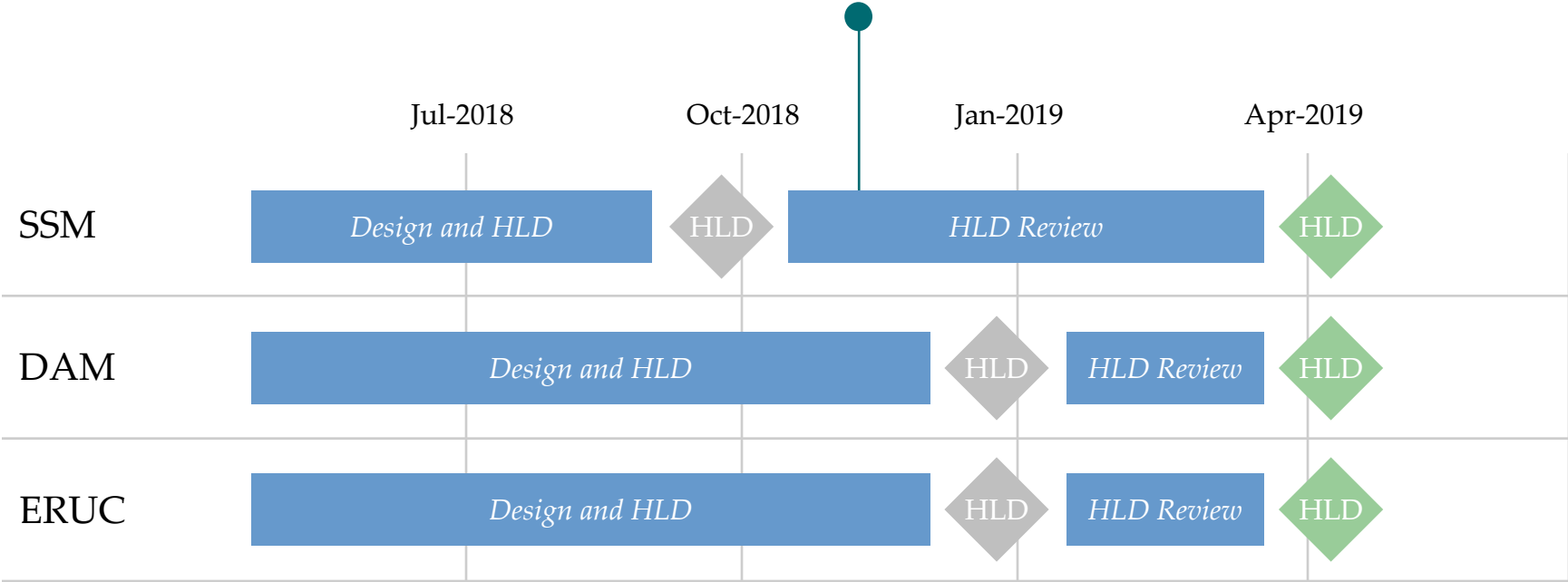
- Are we effectively supporting your constituencies' ability to participate in the HLD engagement?
- What are some ideas for broadening engagement from under-represented groups?
- Which areas should be our focus for education and capacity-building to support effective participation?

# Energy Update

- A major milestone for the MRP has been achieved with the publication of the first high level design (HLD)
  - The single schedule market HLD was published on Sept. 27
  - Stakeholders have until Nov. 22 to review and provide comments
  - A question and answer session will be held in late October to support the review process
- Preliminary decisions for all day ahead market (DAM) and enhanced real time unit commitment (ERUC) design elements for have now been presented
  - Final HLD meeting for DAM and ERUC may be held in November, if needed based on stakeholder feedback
- Draft DAM and ERUC HLDs on track to be published Q4, 2018

# Energy High Level Design Timelines

Feedback on  
SSM HLD Draft  
Due – Nov 22



 = DRAFT HLD published    
  = HLD final

# Market Renewal Design Process

## High-Level Design (HLD)

- Encapsulates the key concepts and high level decisions for a MRP initiative



## Detailed Design (DD)

- Detail necessary to develop system tools and processes
- Market Rules and Manuals



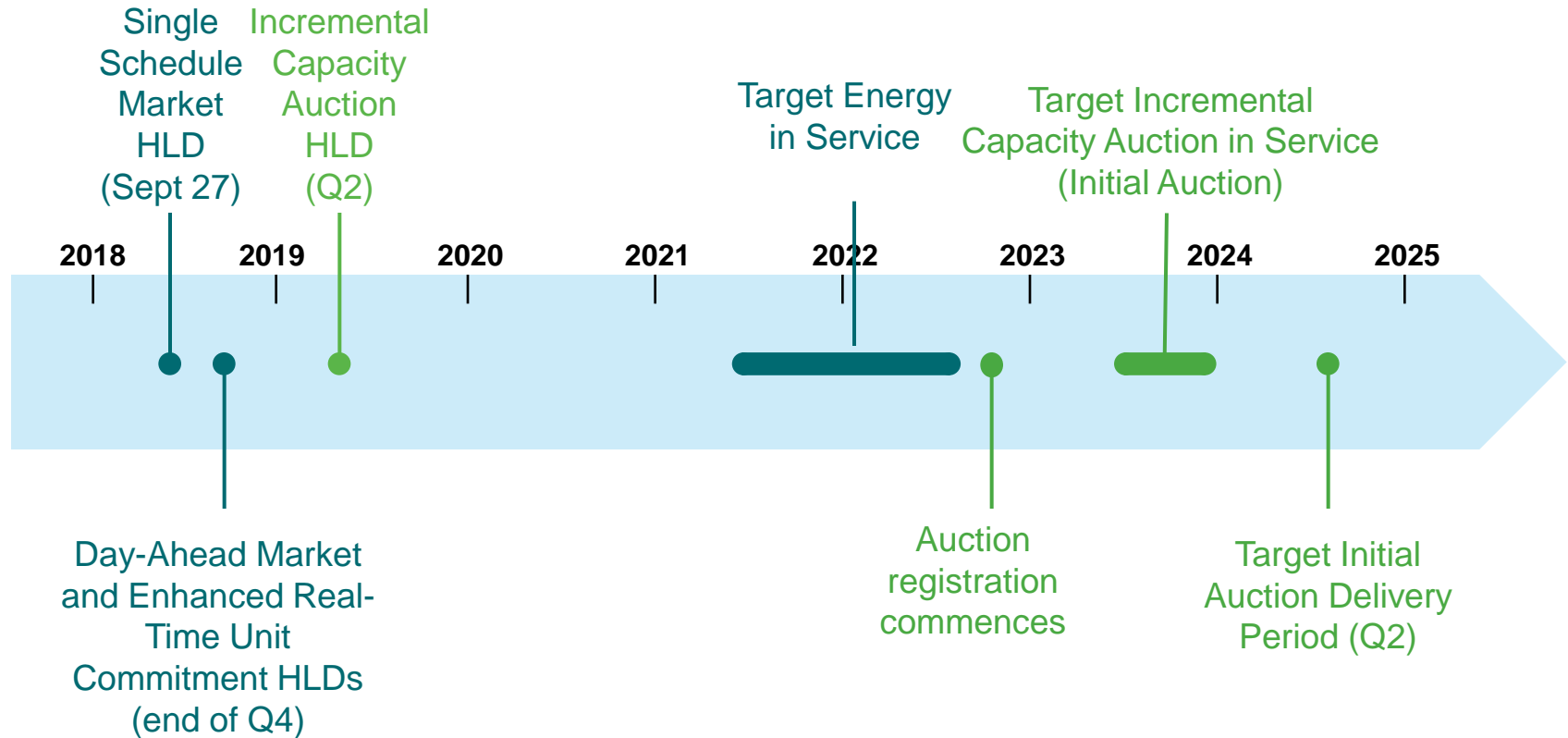
## Build, Test and Implement

- Market Rules and Manuals
- Process and tools building and testing
- MRP initiative goes into service

## Stakeholder Engagement

Education / Awareness / Feedback / Strategic Issues / Training

# Market Renewal Timeline



# Response to Feedback

## Question:

*A SAC member expressed interest in understanding expected rate impacts from Market Renewal and inquired as to when the OEB will get involved in the rate setting process*

## IESO Response:

- The Market Renewal Benefits Case estimated efficiency benefits of \$3.4B over 10 years, with customers expected to realize the large majority of benefits
- While all consumers will be better off, the OEB has an important role in determining pricing for distribution connected consumers
- The IESO has had initial discussions with the OEB on the rate setting process
- The completion of the high level design phase is the ideal time for this question to be explored in greater detail
  - Once decisions for transmission level consumers are established, the OEB can focus on approaches for distribution level consumers



# ENGAGEMENT UPDATE

# Transitioning from HLD to Detailed Design



**What is the best way to organize the Energy initiatives for the next phase of the project?**

- *Effective organizational structure and accountabilities*
- *Internal alignment and engagement*
- *External engagement*

## High Level Design

- Encapsulates the key concepts and high level decisions for a MRP initiative



## Detailed Design

- Detail necessary to develop system tools and processes
- Market Rules



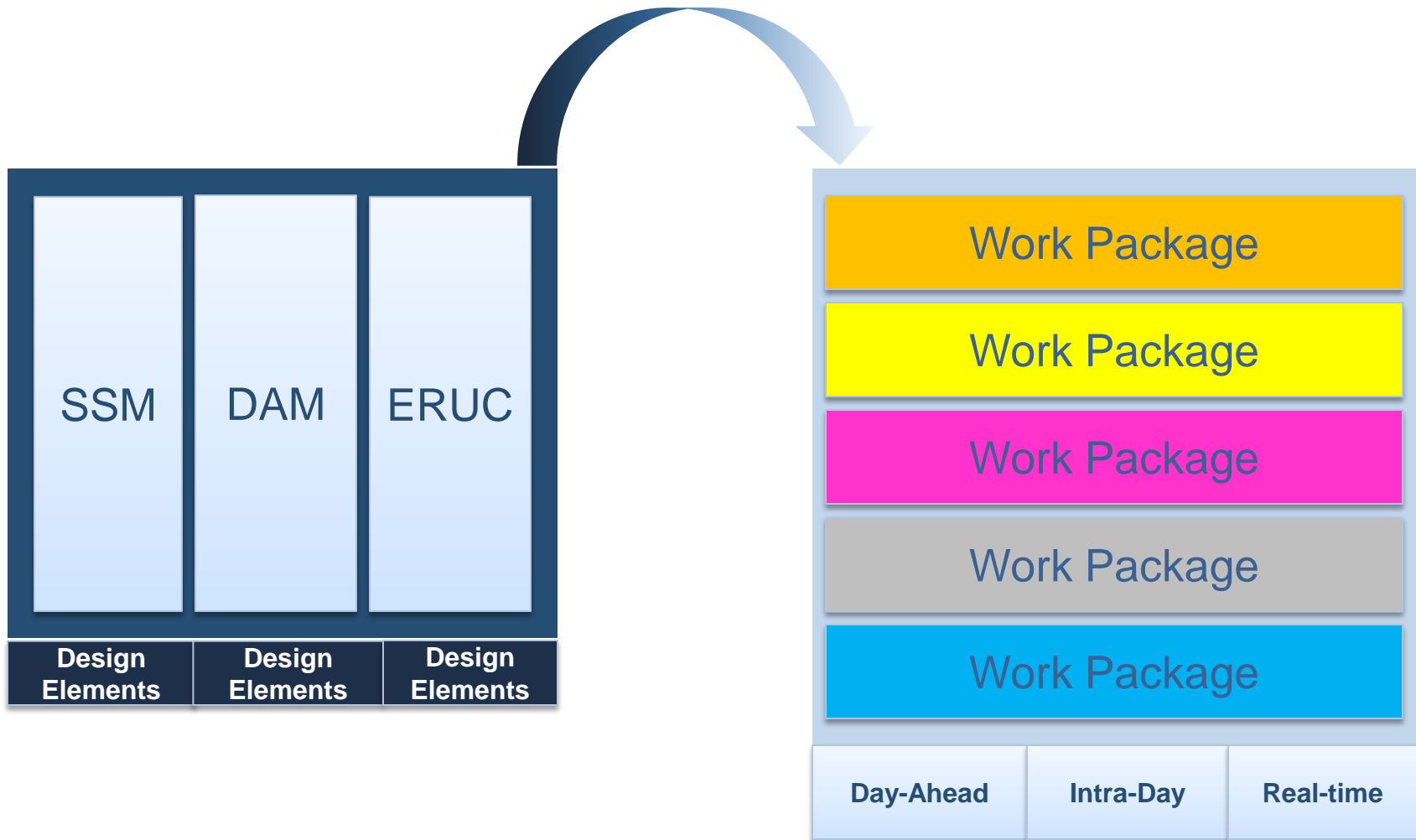
## Build, Test & Implement

- Market Rules & Manuals
- MRP initiative goes into service

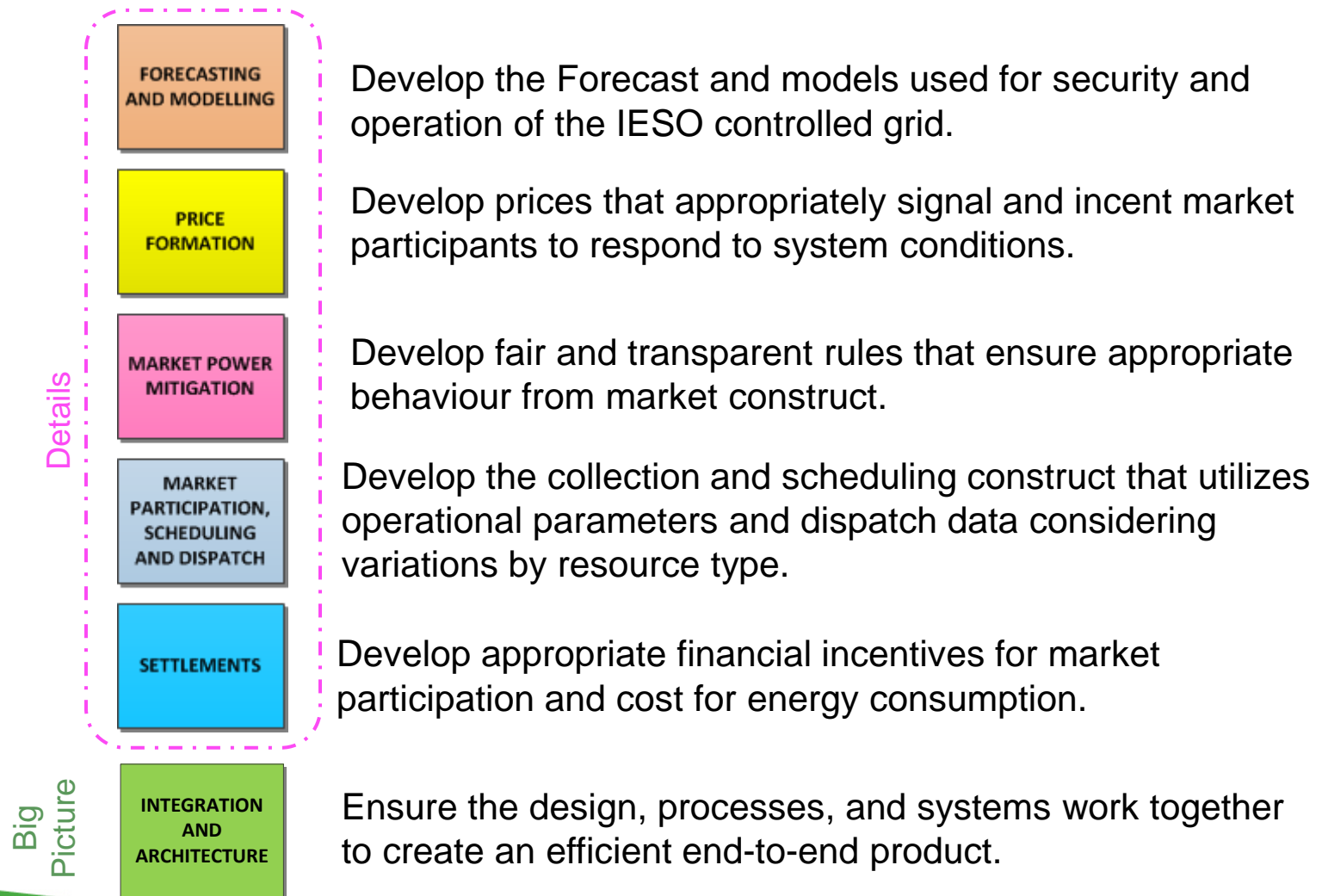
## Stakeholder Engagement

Education/Awareness/Feedback/Strategic Issues/Training

# Pivoting the Energy Workstream

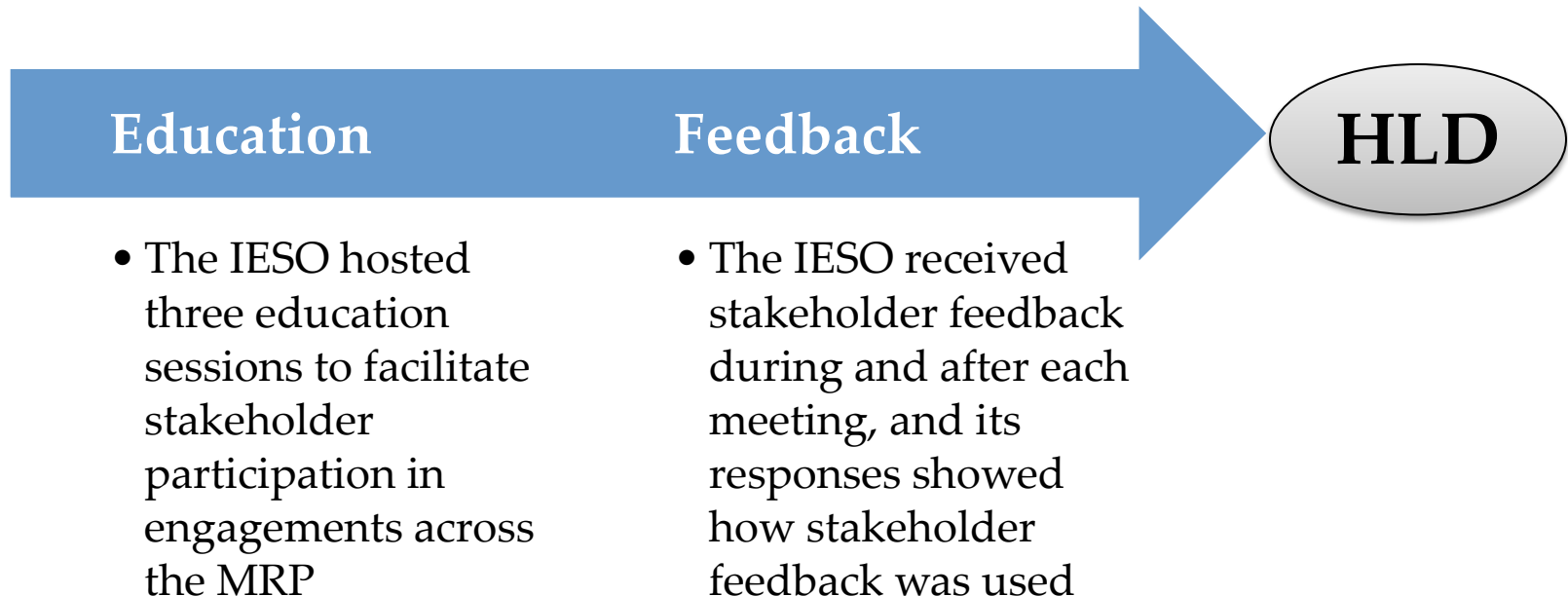


# Work Package Objectives



# Engagement Approach

- A diverse set of stakeholders representing all sectors participated in the engagement and provided feedback that helped inform the HLD

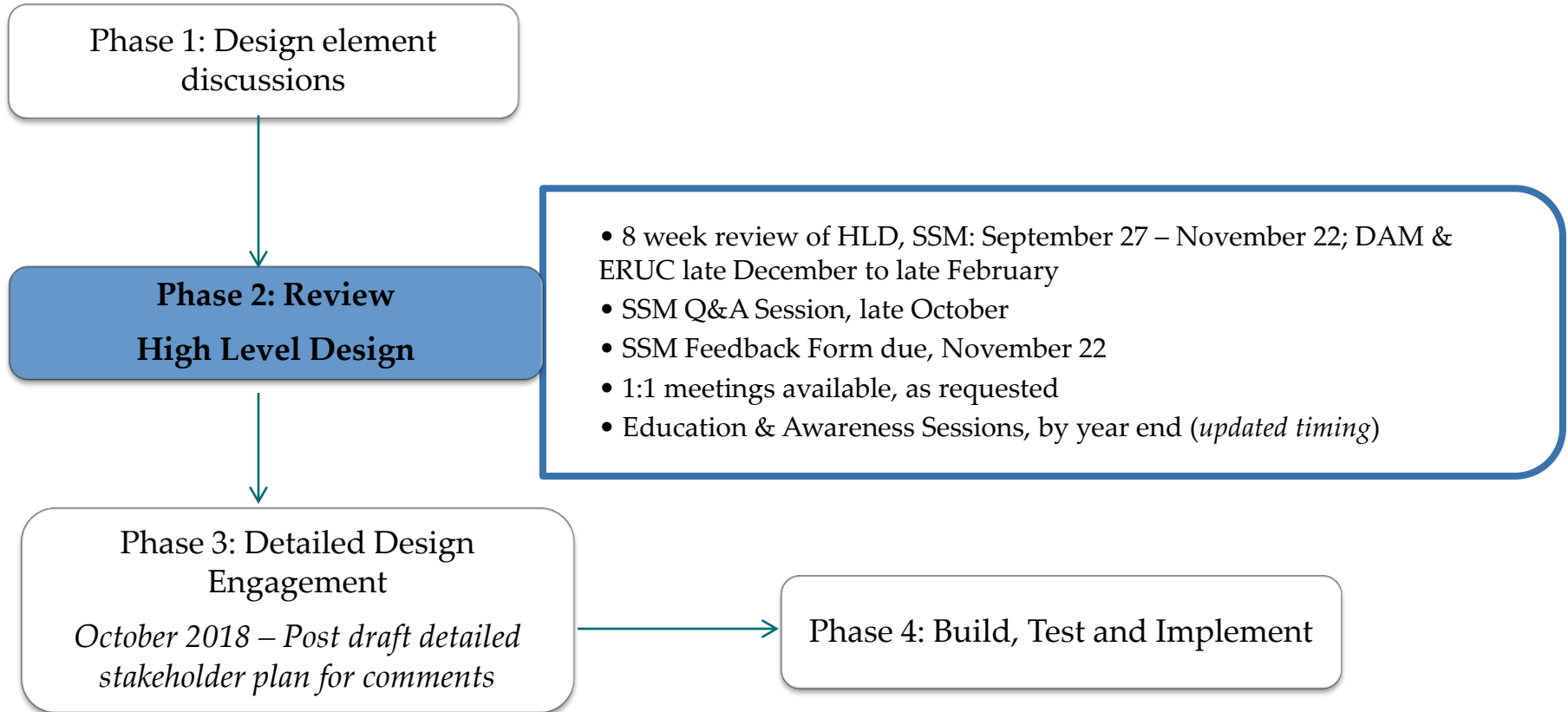


# Engagement Objectives

As we transition from High Level Designs to Detailed Designs, the engagement approach will evolve to meet stakeholder needs:

- **Broaden outreach** – ways to accomplish this will include: utilizing IESO account management contacts for market participants and industry associations and LDCs for lower volume resources connected to the distribution network
- **Build Capability** - Host education and awareness sessions throughout the fall to build capability for participation during the engagement phase; conduct training sessions for market participants in 2019 until implementation
- **Tailor engagement to needs** - Engage stakeholders in the appropriate Work Packages based on their expertise to more effectively and efficiently develop the Detailed Design

# Next Steps



# Questions for SAC Input

- Are we effectively supporting your constituencies' ability to participate in the HLD engagement?
- What are some ideas for broadening engagement from under-represented groups?
- Which areas should be our focus for education and capacity-building to support effective participation?