

# Demand Response Auction Project

Demand Response Public Meeting  
September 12, 2014

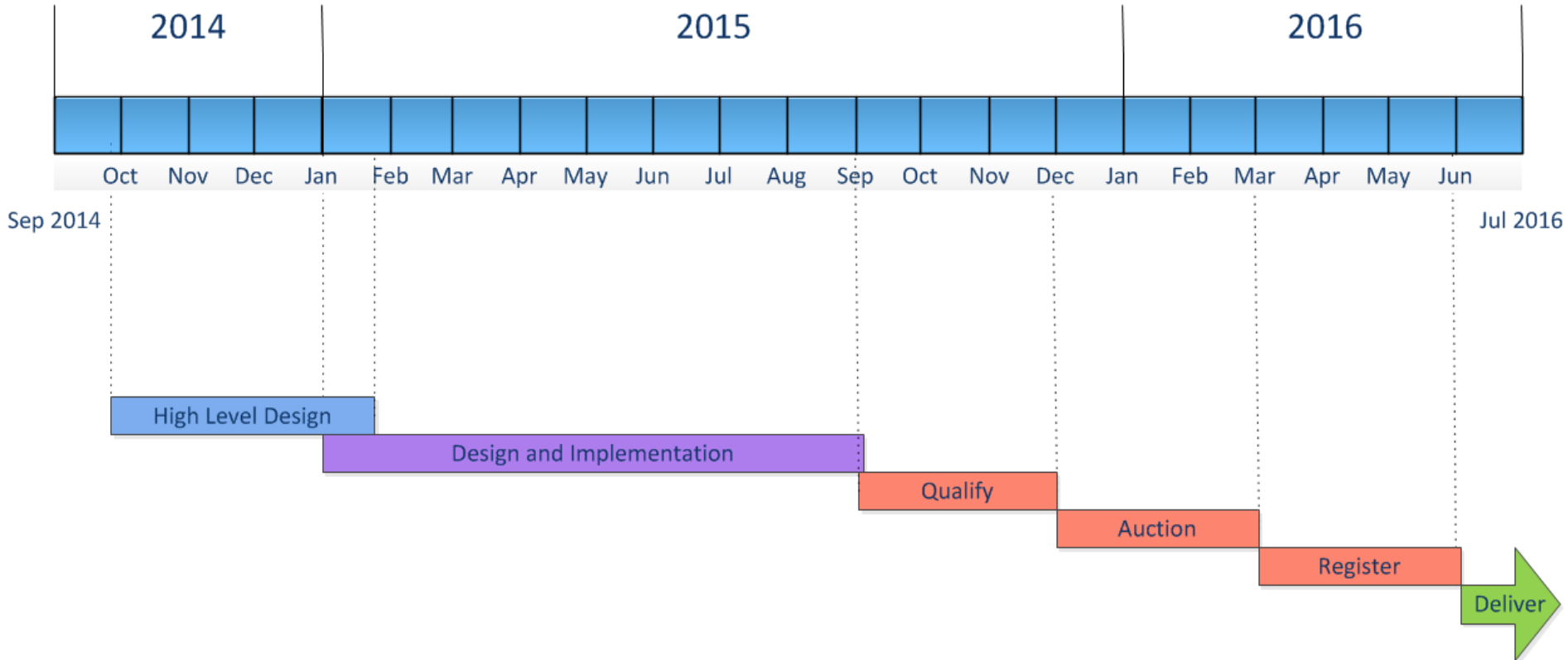


- DR Auction will be the market mechanism to procure Demand Response resources in the future
- Auction is a competitive platform to allow for selection of DR resources
- DR providers submit offers for the capacity that they are able to provide in the target year
- Providers that clear the auction are guaranteed the Auction clearing price in the target period for which the auction is being conducted

- DR Auction will be subject to a Stakeholder Engagement starting October 1, 2014
- Stakeholder input will be required to inform key areas of auction design
  - IESO will describe topics and may make proposals regarding features and design

- Starts October 1, 2014 with a Stakeholder Engagement meeting
- Stakeholder Engagement meetings will be approximately 3 weeks apart
- Targeting December 15, 2014 for a draft High Level Design
- Targeting January 2015 for finalized High Level Design
- Targeting June 2016 Delivery Date

# Illustrative DR Auction Project Timeline



- In order to move to the Design and Implementation phase in January 2015, a High Level Design proposal is needed by end of 2014
- Stakeholders will be asked to meet regularly throughout the fall:
  - Oct 1: Introduction, discuss design elements
  - 3 subsequent full day meetings to discuss design elements before end of November
  - We will post materials 3 days prior to the meeting
- Meetings will be structured into two halves:
  - First half – discuss ongoing design elements from previous meetings
  - Second half – discuss new design elements

- MW Requirement
- Participant Qualification
- DR Capacity Qualification
- Pre-auction Reporting
- Planning Period
- Commitment Period
- Auction Mechanics
- Delivery into Energy Market
- Monitoring & Compliance
- Settlement
- Cost Allocation
- Prudential Security

- Please follow the IESO's Stakeholder Engagement page for DR Auction Updates
- Questions can be sent to [Stakeholder.Engagement@ieso.ca](mailto:Stakeholder.Engagement@ieso.ca)