

Non-Emitting Resources Sub-Committee (NER-SC)

November 2, 2017

Minutes of Meeting

Date held: November 2, 2017	Time held: 1:00-3:00pm	Location held: IESO Office (Adelaide)
Invited/Attended	Company Name	Attendance Status (A) attended; (TC) teleconference
Neetika Sathe	Alectra	TC
Olta Sibuku	AMP Solar	TC
Paul Luukkonen	AMP Solar	TC
Brian Wark	BrightSunnyFuture	A
Julien Wu	Brookfield Renewable Power	A
Sean Drygas	Bullfrog Power	TC
Wes Johnston	CanSIA	TC
Brandy Giannetta	CanWEA	A
David Thornton	EDS	TC
Sarah Griffiths	EnerNOC	TC
Debra Langelaan	Engine	TC
Scott Peever	GE Power	A
Frederic Belanger	HQEM	TC
Mark Hartland	IESO	A
Barbara Ellard	IESO	A
Ryan King	IESO	A
Tom Chapman	IESO	A
Brennan Louw	IESO	A
Robin McPherson	IESO	TC
JJ Davis	Kruger Energy	TC
Lynn Wizniak	Ontario Power Generation	A
Paul Norris	Ontario Water Power Assoc.	TC
Jason Chee-Aloy	Power Advisory LLC	A
Alison Cumming	Power Advisory LLC	A
Serge Laflamme	Tembec	A
Lindsay Miller	University of Windsor	A
Rupp Carriveau	University of Windsor	A
Scribe: Mark Hartland - Please report any corrections, additions or deletions e-mail to scribe.		

All meeting material is available on the IESO web site at: <http://www.ieso.ca/en/sector-participants/market-renewal/non-emitting-resources-subcommittee>

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Public

Non-Emitting Resources Sub-Committee

Committee Chair: Tom Chapman

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Introduction to the NER-SC

Tom Chapman from the IESO provided an overview of the Market Renewal program, as well as some of the other issues and trends in the sector that may impact the market in years to come. He explained that as the Ontario supply mix continues to evolve the IESO aims to have in place the mechanisms to operate the grid in a reliable and cost-effective manner.

Many of the initiatives within Market Renewal are currently in the high-level design phase (HLD). Recognising the important role non-emitting resources provide today and in the future, the IESO and MRWG have decided to establish a Non-Emitting Resource Sub-Committee (NER-SC) as a collaborative stakeholder forum to review, discuss and share information on challenges and opportunities for the participation of NERs in the future market.

Member Questions and Comments, with the IESO's response in italics:

A stakeholder asked how the IESO plans to integrate the work of the NER-SC with the timing of the staggered HLD deliveries for the various Market Renewal initiatives.

The IESO will come forward with a proposed work plan at the next meeting. One option being considered is for stakeholders to be given the opportunity to interact directly with the design streams in a more focussed discussion at a NER-SC in early 2018. This would help show the linkages between the different work streams.

Several stakeholders asked for clarity around the future electricity demand outlook communicated in the latest LTEP. This appears to be relatively flat except for scenarios that illustrate further electrification. In addition to this, a stakeholder asked what the outlook in terms of energy in the summer/winter commitment periods was for future years.

At the current time, the reference case shows steady demand with little to no growth at the bulk grid level. Future growth will depend upon policy decisions around the timing and extent of further electrification. These are decisions that have yet to be made. Action Item: The IESO will follow up internally to get a better understanding of the seasonal outlooks and report back to the NER-SC.

A stakeholder commented that modelling of the future market should take into account the difference between maintaining existing NERs, or the introduction of new assets.

The IESO agreed that this was an important distinction.

Role of the NER-SC and scope of work

The following focus areas were proposed to committee members to be included in the scope of work of the NER-SC.

- **Participation:** How will NERs participate in the proposed Market Renewal design?
- **Market efficiencies:** With an increase in hours with zero marginal cost resources, how will the further deployment of NERs affect energy markets going forward?
- **Commercial mechanisms:** What are the relative merits of different options to ensure Ontario attracts the resources that the province needs to meet system and policy goals?

During the subsequent discussion the IESO committed to supporting this work by retaining expert consultants to undertake research, analysis, and modelling. Stakeholders were also encouraged to present their area of technical expertise at future NER-SC meetings. There was general support for the scope as presented although several members expressed the view that the scope is quite broad and could be challenging to complete in the timeframe presented.

The IESO explained that the scope presented and feedback received will be the basis of a draft Terms of Reference document, to be circulated before the December NER-SC.

Member Questions and Comments, with the IESO's response in italics:

A stakeholder asked if storage would fall into the sub-committee's definition of non-emitting resources. Addressing barriers to storage participation was discussed in the LTEP.

The IESO also indicated that at this time, it had elected to not make an explicit definition of what constituted a NER (though this may be something the group looks at in the future) but encouraged storage participation in the group.

In the coming weeks the IESO aims to provide more information on how it plans to address barriers to storage. At the next SAC, the IESO will present the implementation plan from items identified in the LTEP and stakeholders will be given the opportunity to comment on the scope and timing of this plan.

Several stakeholders suggested topics of discussion that either they could present or they would be interested in hearing at upcoming meeting (including virtual net metering, the interaction between the wholesale market and distributed generation and better understanding how NERs participate in the market today. Stakeholders also asked if representatives from the Brattle Group could present to the NER-SC on a recent report they published looking into clean energy in New York.

The IESO thanked members for their ideas and offers to present and agreed to make sure these requests and any additional requests would be accommodated in future agendas.

Next steps

Meeting frequency

The IESO proposed that the NER-SC would meet in person on a monthly basis; however there will be the possibility to schedule conference calls or webinars in between meetings on an as needed basis.

Stakeholders expressed a strong need for scheduling longer meetings on a once per month basis. Where necessary this could extend to having two-day meetings as needed.

The IESO appreciated member feedback and will take this into consideration as the work plan is developed.

Co-Chair

The IESO proposed the idea of NER members selecting a Co-Chair from the stakeholder community. This is something that has worked well at the MRWG and could be utilised by the NER-SC to move agenda items along in a collaborative manner. To this end, interested stakeholders will be given the opportunity to put their name forward at the December 7th meeting.

TOR and Work Plan

A draft Terms of reference (TOR) document will be forwarded to participants of the sub-committee prior to the next meeting on December 7th. Sub-committee members are invited to provide feedback to the TOR document before this is finalised.

Additionally, stakeholders will be presented a draft work plan for feedback at the December 7th meeting, outlining potential agenda items for meetings throughout 2018.