

# Non-emitting Resource Sub-Committee

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December 7<sup>th</sup>, 2017

# Disclaimer

- This presentation and the information contained herein is provided for information and discussion purposes only. This presentation does not constitute, nor should it be construed to constitute, legal advice or a guarantee, representation or warranty on behalf of the IESO. In the event of any conflict or inconsistency between the information contained in this presentation and the Market Rules, the Market Manuals, any IESO contract or any applicable legislation or regulation, the provisions of the Market Rules, Market Manuals, contract, legislation or regulation, as applicable, govern.

# Agenda

12:00 pm - Lunch will be served

12:30 pm - Introduction

12:45 pm - Overview of the draft Terms of Reference

1:15 pm - Discuss the information gathering objective of the sub-committee

1:45 pm - Review the draft Work Plan for 2017/2018

2:30 pm - Receive a Member Presentation on:

- Identifying areas of the current Market Renewal initiatives that could benefit from further discussion
- Initial thoughts on challenges for future markets with a high level of zero marginal cost resources

3:30 pm - Wrap-up

# TERMS OF REFERENCE

# Terms of Reference outline

- The draft Terms of Reference follows a similar format to that of the MRWG, providing a clear outline for the following areas:

## TOR Section

## An example of what is outlined

### Roles and Responsibilities

- Stakeholders will contribute with information as the sub-committee aims to understand how NERs will participate in the market contemplated by Market Renewal

### Relationship to other forums

- The NER-SC is a sub-committee to the MRWG but can also expect to interact directly with other Market Renewal initiatives, in addition to other stakeholder engagements

### Scope and Objectives

- Sets out the questions the sub-committee will look to answer and the research and analysis process it will follow as it works towards a report for the MRWG

# Feedback

- Is the draft Terms of Reference comprehensive?
- Does it reflect the expectations of NER-SC participants?
- Are the proposed scope and objectives reflective of stakeholder expectations?
- Feedback on draft Terms of Reference to [engagement@ieso.ca](mailto:engagement@ieso.ca)

# INFORMATION GATHERING

# Information gathering

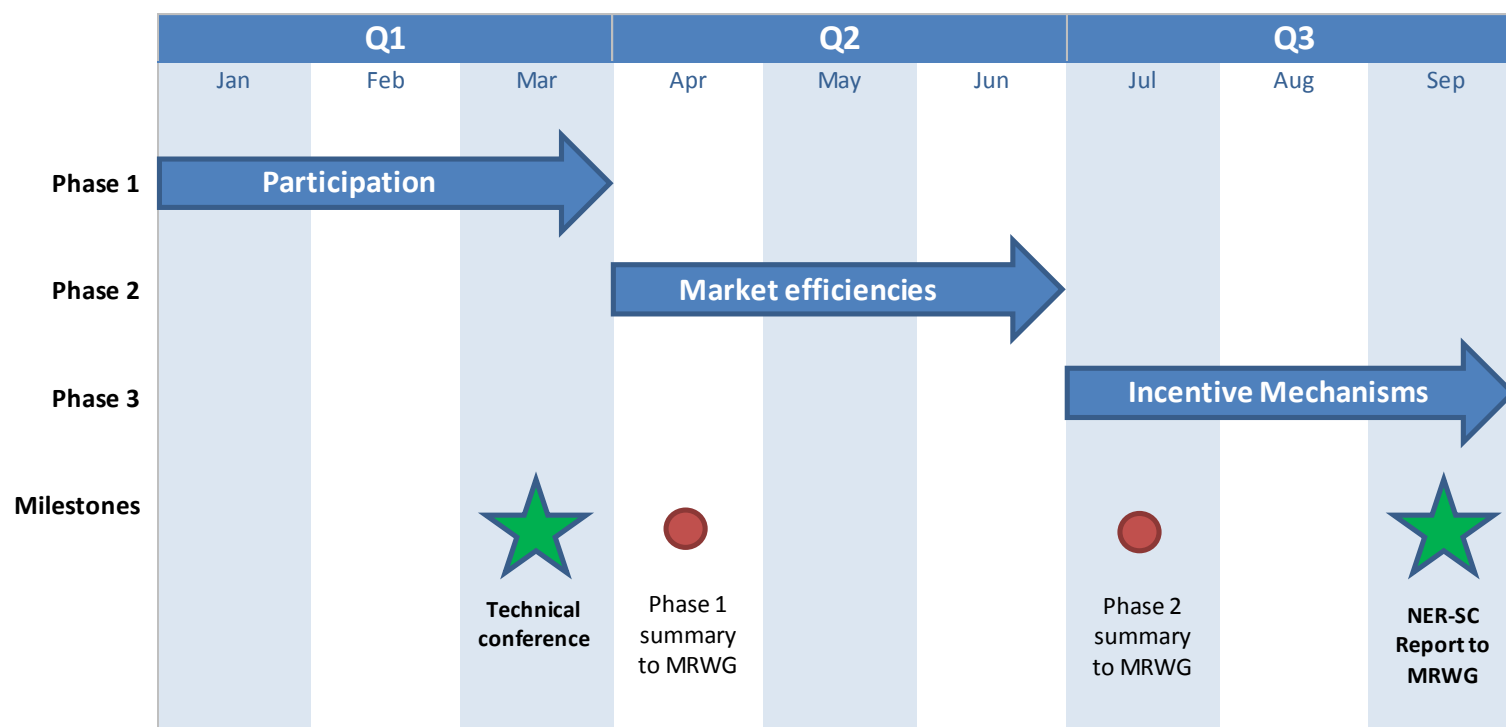
- The work of the sub-committee will focus on gathering information that will help inform:
  - Design decisions made by the Market Renewal initiatives
  - Strategic recommendations made by the MRWG
- To support with this work the IESO expects to draw upon the service of one or more of the consultants involved with Market Renewal



# WORK PLAN

# Activities and Milestones

- The scope of work falls into three main categories; participation, market efficiencies, and incentive mechanisms. These will feed into a final technical report that will be produced for the MRWG

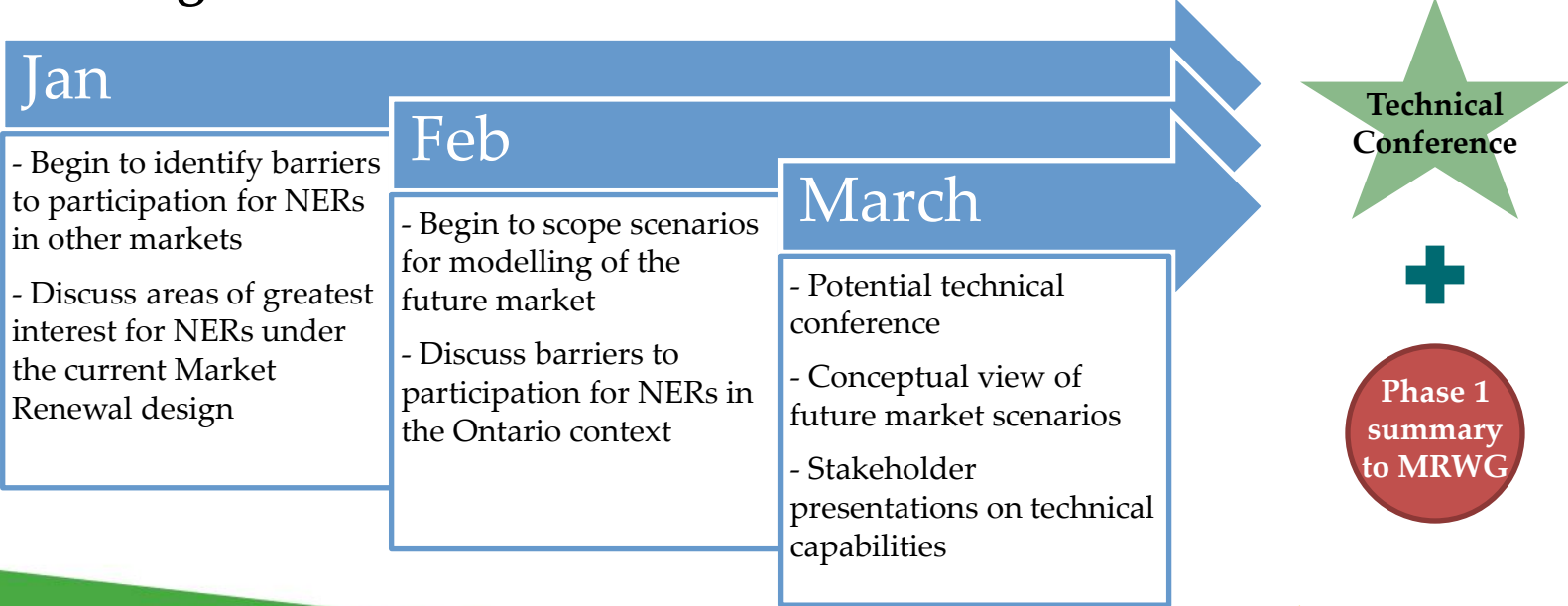


Note that these are indicative timelines for discussion with the group

# Phase 1 - Participation

- Phase 1 will look at the future integration and barriers to participation for non-emitting resources in the proposed Market Renewal design scope

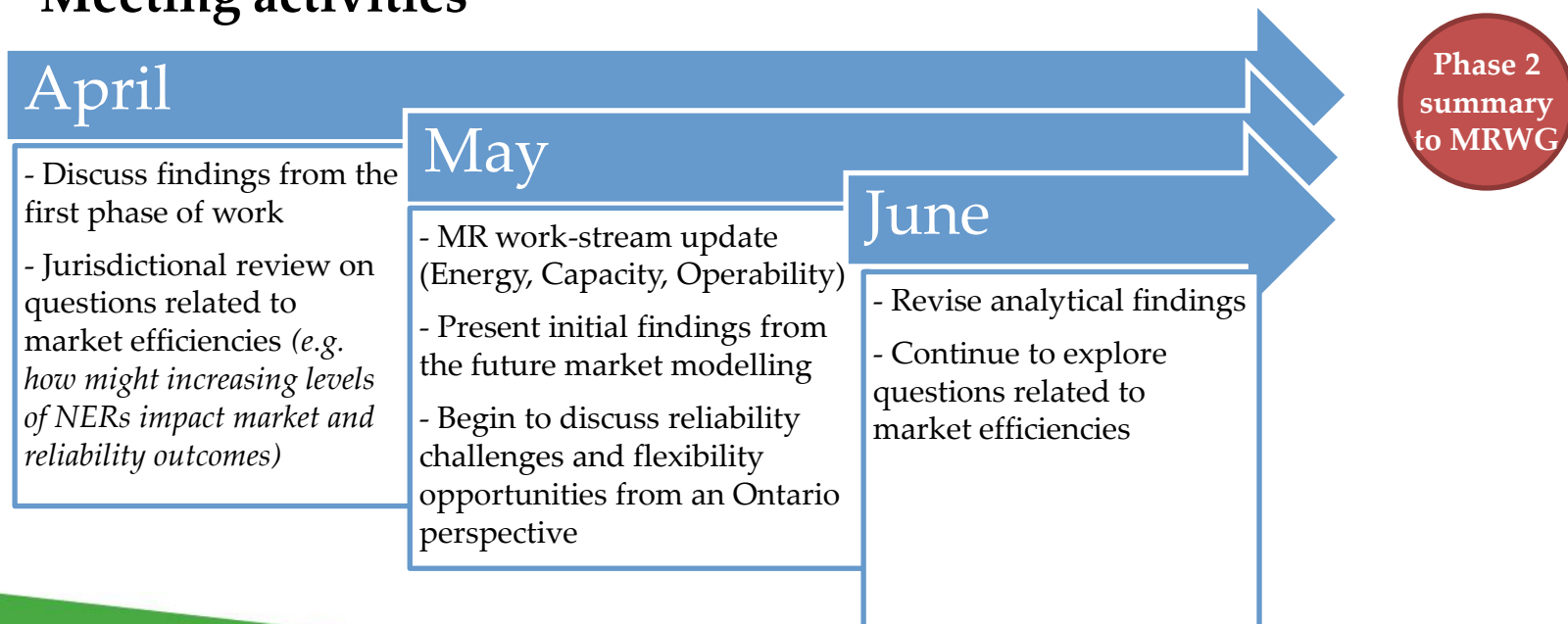
## Meeting activities



# Phase 2 – Market efficiencies

- Phase 2 will look at market impacts associated with higher levels of non-emitting resources with very low to zero marginal costs

## Meeting activities



# Phase 3 – Incentive mechanisms

- Phase 3 will look at the pros and cons as well as the potential need for additional incentive mechanisms to value environmental attributes and support net zero / low carbon emission facilities

## Meeting activities

July

- Present findings from the second phase of work
- Jurisdictional scan exploring incentive options for NERs
- Discuss drivers and need for an additional incentive mechanism in Ontario

Q3

- Continuation of discussions around incentive mechanisms and which mechanism(s) is best tailored to Market Renewal
- Provide input on the information to be included in the final Technical Report

Final Report  
to the  
MRWG

# QUESTIONS & COMMENTS

