

Memorandum

To: Stakeholder Advisory Committee

From: Shawn Cronkwright, Director Renewables Procurement on behalf of
JoAnne Butler, Market and Resource Development

Date: May 5, 2016

Subject: IESO Business Update – Capacity Exports

The IESO plans to support the phased implementation of capacity exports. The IESO will present and discuss these proposals at the next stakeholder meeting for this engagement on May 12, 2016.

Over the course of February and March 2016, the IESO held a series of one-on-one meetings with generators who expressed an interest in potential export capacity sales. The objective of these meetings was to understand from generator owners which of their facilities could feasibly participate in this initiative, whether that interest was for short and/or long-term capacity sales, and if applicable, which particular jurisdiction(s) were priorities.

At the May 12 stakeholder meeting, IESO will present a summary of these discussions (removed of confidential information) and demonstrate how this feedback has informed the development of both near and longer-term work activities to facilitate capacity exports.

Capacity Exports will be an important component of the IESO's Market Renewal work to develop market mechanisms to facilitate the procurement and trade of capacity (in the first instance with the Demand Response Auction and over the long-term via an incremental capacity auction and capacity trade).

Materials for the May 12 meeting will be available one week in advance of the meeting; the IESO will be able to provide a verbal update on more detailed proposals for that meeting at the May 11 Stakeholder Advisory Committee meeting.