

PROPOSAL TO ENABLE TRANSFER OF DR CAPACITY OBLIGATIONS

Demand Response Working Group
Meeting #2

May 30, 2016

Objective

- To present an IESO proposal to allow Demand Response Auction Participants to transfer DR Capacity Obligations to other qualified Demand Response Auction Participants

Stakeholder Feedback

- Through the last year's DR Auction Stakeholder Engagement and the DR Working Group, the IESO has received feedback from stakeholders requesting the development of a reconfiguration auction
 - Reconfiguration auction is a auction held after the initial auction in order to adjust capacity positions
- The IESO does not believe it to be practical to run a subsequent DR Auction within the existing timelines
 - Summer forward period is only 5 months
 - Benefits may be greater for longer/multi-year forward periods

Benefits of Enabling Capacity Transfer

- The IESO does see benefit to allowing the transfer of DR Capacity Obligation between Demand Response Auction Participants
- For the participant:
 - An opportunity to mitigate risk from unforeseen circumstances (eg unplanned outage) if a qualified transferee can be found
- For the IESO:
 - Increased likelihood that the DR Capacity procured through the auction will be available for delivery into the energy market

Proposal

IESO Proposal: A DRAP may transfer all or part of their DR Capacity Obligation to another DRAP

Conditions:

- Transferee may only transfer up to the quantity of qualified capacity for that Commitment Period for that zone/type that they did not clear
 - Transferees must have gone through pre-auction qualification process
- Transfer must be completed before the first day of the Capacity Obligation's Commitment Period
 - Timelines/deadlines will be established in advance
- Like for Like (same zone, same type)

Feedback

- To submit feedback on this proposal, please email engagement@ieso.ca by June 16