

Comments to:  
Independent Electricity System Operator  
(IESO)

- Stakeholder Engagement for Demand Response  
Working Group on May 30, 2016

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Submission by  
City of Toronto

## PROPOSAL TO ENABLE TRANSFER OF DR CAPACITY OBLIGATIONS

Benefits of Enabling Capacity Transfer (Slide 4)

**IESO** *"For the IESO: – Increased likelihood that the DR Capacity procured through the auction will be available for delivery into the energy market"*

**Comment:** The City of Toronto supports the IESO proposal to allow capacity transfers to enable market growth and ensure the availability of DR capacity

**Recommendation 1:** The City recommends that the IESO evaluate the effect of allowing capacity transfers and potential for market power issues.

**Recommendation 2:** The City recommends that IESO consult with the other ISO organizations including NYISO who have commented on the speculative market created by secondary markets.

**Source:** [http://www.nyiso.com/public/webdocs/markets\\_operations/committees/bic\\_miwg/meeting\\_materials/2016-01-05/Spring%202016%20TCC%20Auction%20Survey%20and%20Discussion.pdf](http://www.nyiso.com/public/webdocs/markets_operations/committees/bic_miwg/meeting_materials/2016-01-05/Spring%202016%20TCC%20Auction%20Survey%20and%20Discussion.pdf)

IESO Proposal: A DRAP may transfer all or part of their DR Capacity Obligation to another DRAPA (Slide5)

**IESO Proposal:** *Transfer must be completed before the first day of the Capacity Obligation's Commitment Period – Timelines/deadlines will be established in advance*

**Recommendation** the City recommends that the IESO evaluate the feasibility of allowing a mid period capacity transfer to further enable market proliferation and ensure availability of DR Capacity through the full delivery period.