

IESO Engagement Update – August 18, 2021

This engagement update provides a snapshot of all active IESO engagement activities. It also helps support a greater understanding of linkages between engagements, and a foundation for more comprehensive and integrated updates. For the most recent information, visit the individual engagement links or the [Active Engagements](#) webpage.



New Engagements and Forward-Looking Schedule

There are no new engagements or forward-looking schedule items this month.

Forecasting and Planning

Engagements to support provincial and regional electricity planning over the next 20 years.

Active Engagement	Current Status	Next Steps
<p>Formalizing the Integrated Bulk System Planning Process</p> <p>The IESO is seeking feedback on the design of a formal, integrated bulk system planning process.</p> <p><i>Engagement Lead: Colin Campbell</i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> Development of an IESO Competitive Transmission Procurement Process Market Renewal Program (MRP) Detailed Design Resource Adequacy Transmission Losses 	<ul style="list-style-type: none"> On Feb 22, the IESO held a webinar to present an overview of the high-level design of proposed changes to bulk system planning and seek stakeholder feedback on the process IESO posted a response to feedback from the Feb 22 webinar 	<ul style="list-style-type: none"> Second engagement on the final high-level design and process detail will take place in Q3/Q4 2021

Active Engagement	Current Status	Next Steps
<p><u>Gas Phase-Out Impact Assessment</u> The future of gas generation in Ontario has become a focus of discussion for a number of municipalities, raising questions and concerns from stakeholders about the challenges and opportunities these discussions have raised. This engagement will allow stakeholders to provide feedback on the scope of an assessment that outlines the implications of phasing out natural gas generation.</p> <p><i>Engagement Lead: Agatha Pyrka</i> <i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> IESO is currently reviewing the submitted stakeholder feedback and drafting the response document, which will be published in August 	<ul style="list-style-type: none"> The IESO will post the response to feedback document in the form of themes The assessment report will be published in the fall
<p><u>Regional Planning – Niagara</u> Regional electricity planning is underway in this region.</p> <p><i>Engagement Lead: Rouselle Gratela</i> <i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> Formalizing the Integrated Bulk System Planning Process 	<ul style="list-style-type: none"> The first meeting for this new engagement was held on August 3 The draft scoping assessment outcome report and webinar presentation was posted on the engagement webpage for comment 	<ul style="list-style-type: none"> Responses to feedback received on the draft scoping assessment outcome report will be posted along with the final Scoping Assessment Report on August 24
<p><u>Regional Planning – North & East of Sudbury</u> Regional electricity planning is underway in this region.</p> <p><i>Engagement Lead: Rouselle Gratela</i> <i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> Formalizing the Integrated Bulk System Planning Process 	<ul style="list-style-type: none"> The first meeting for this new engagement was held on July 19 The draft scoping assessment outcome report and webinar presentation was posted on the engagement webpage for comment 	<ul style="list-style-type: none"> Responses to feedback received on the draft scoping assessment outcome report was posted along with the final Scoping Assessment Report on August 12
<p><u>Regional Planning – Northwest</u> Regional electricity planning is underway in this region.</p> <p><i>Engagement Lead: Susan Harrison</i> <i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> Formalizing the Integrated Bulk System Planning Process Resource Adequacy 	<ul style="list-style-type: none"> Engagement on the development of an Integrated Regional Resource Plan (IRRP) commenced with a webinar on May 20 engagement plan and input to inform the electricity demand forecast for the region Feedback was due by June 9 	<ul style="list-style-type: none"> The IESO will respond to feedback and provide next steps in the coming weeks

Active Engagement	Current Status	Next Steps
<p><u>Regional Planning – Ottawa Area Sub-Region</u> Regional electricity planning is underway in this region. <i>Engagement Lead: Amanda Flude</i> <i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> • Formalizing the Integrated Bulk System Planning Process • Gas Phase-Out Impact Assessment • Regional Planning – Peterborough to Kingston 	<ul style="list-style-type: none"> • An Integrated Regional Resource Plan (IRRP) was completed in Feb 2020 for this sub-region • The plan recommended additional studies to address the identified needs that extend beyond the 20-year IRRP outlook 	<ul style="list-style-type: none"> • Communications and outreach are targeted for Q3 2021 • Study completion is expected in late Q3/early Q4 2021
<p><u>Regional Planning – Peterborough to Kingston</u> Regional electricity planning is underway in this region. <i>Engagement Lead: Amanda Flude</i> <i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> • DER Roadmap • Formalizing the Integrated Bulk System Planning Process 	<ul style="list-style-type: none"> • An engagement webinar was held on July 28 to seek input on potential options to meet needs in the area • Feedback was due by August 18 	<ul style="list-style-type: none"> • The IESO response to feedback document will be posted in September
<p><u>Regional Planning – Renfrew</u> Regional electricity planning is underway in this region. <i>Engagement Lead: Amanda Flude</i> <i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> • Formalizing the Integrated Bulk System Planning Process 	<ul style="list-style-type: none"> • The first meeting for this new engagement was held on July 21 • The draft scoping assessment outcome report and webinar presentation was posted on the engagement webpage for comment • Feedback was due by August 11 	<ul style="list-style-type: none"> • The final scoping assessment report was posted on August 13
<p><u>Regional Planning – South Georgian Bay/Muskoka</u> Regional electricity planning is underway in this region. <i>Engagement Lead: Amanda Flude</i> <i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> • DER Roadmap • Formalizing the Integrated Bulk System Planning Process 	<ul style="list-style-type: none"> • The final Scoping Assessment Report was published on Nov 30 and recommended the development of Integrated Regional Resource Plans (IRRPs) for two sub-regions - Barrie/Innisfil and Parry Sound/ Muskoka 	<ul style="list-style-type: none"> • Engagement on the two sub-region IRRPs will commence in Q3 2021

Active Engagement	Current Status	Next Steps
<p><u>Regional Planning – Southern Huron-Perth (Greater Bruce Huron)</u> Regional electricity planning is underway in this region. <i>Engagement Lead: Rouselle Gratela</i> <i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> • DER Roadmap • Formalizing the Integrated Bulk System Planning Process 	<ul style="list-style-type: none"> • A final webinar was held on August 12 to provide an overview of the range of potential solutions to meet future electricity needs and seek input on the proposed recommendations for the Integrated Regional Resource Plan (IRRP) • Feedback is due by Sept 2 	<ul style="list-style-type: none"> • The final IRRP is working towards completion for Q3 2021
<p>Regional Planning – Toronto Addendum Regional electricity planning. <i>Engagement Lead: Susan Harrison</i> <i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> • Formalizing the Integrated Bulk System Planning Process 	<ul style="list-style-type: none"> • The IESO, along with Toronto Hydro and Hydro One, has commenced work on an Integrated Regional Resource Plan (IRRP) Addendum for the Toronto region • This work will study the timing of the recommendation to reinstate the Richview x Manby corridor – taking into consideration energy efficiency and other changing electricity needs in the region 	<ul style="list-style-type: none"> • The IESO is expecting to complete analysis in the coming months
<p><u>Regional Planning – Windsor-Essex</u> Regional electricity planning is underway in this region. <i>Engagement Lead: Rouselle Gratela</i> <i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> • DER Roadmap • Formalizing the Integrated Bulk System Planning Process • Gas Phase-Out Impact Assessment 	<ul style="list-style-type: none"> • An IRRP Addendum study is underway to address electricity infrastructure needs that emerged in the area • A second webinar was held on July 15 to provide an overview of, and seek input on options to finalize the IRRP Addendum recommendations, in conjunction with the West of London Bulk Plan draft recommendations 	<ul style="list-style-type: none"> • A response to feedback document is being prepared and will be posted in early September

Active Engagement**Current Status****Next Steps**

Transmission Losses

This engagement will review IESO and Hydro One's practices on how transmission losses are considered in planning and operation of the system, a comparison of these practices to those used in other jurisdictions, and seek stakeholder feedback on potential improvements to these practices.

Engagement Lead: **Jordan Penic**

Related Active Engagements:

- [Formalizing the Integrated Bulk System Planning Process](#)

- The IESO posted a draft transmission losses guideline document on July 22 for stakeholder review and feedback
- Feedback on the guidelines was due by August 13

- Response to stakeholder feedback will be provided in Q3 and a webinar will be held, as required
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Resource Acquisition

Engagements to ensure we have the tools and processes to acquire the resources we need to maintain a reliable and efficient system.

Active Engagement	Current Status	Next Steps
<p><u>Development of an IESO Competitive Transmission Procurement Process</u></p> <p>The IESO is seeking feedback to aid in the development of a competitive transmission procurement process.</p> <p><i>Engagement Lead: TBD</i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none">• Formalizing the Integrated Bulk System Planning Process	<ul style="list-style-type: none">• This engagement was put on hold and IESO is currently determining the next steps associated with this initiative	
<p><u>Enabling Resources Program</u></p> <p>The IESO is seeking feedback on the development of an integrated plan that will outline the sequencing, timing and scope of activities to be undertaken by the IESO to enable existing resources to provide electricity system services in the renewed Ontario wholesale market that they cannot, or cannot fully, currently provide.</p> <p><i>Engagement Lead: Colin Campbell</i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none">• DER Roadmap• Distributed Energy Resources Survey• Hybrid Integration Project• Innovation and Sector Evolution White Paper Series• Resource Adequacy	<ul style="list-style-type: none">• On April 21, the IESO held a webinar to share the highest priority projects and timing needs and seek feedback on the draft conclusions• The IESO has posted a document to the engagement webpage that summarizes feedback received following the April 21 webinar and provides the IESO's response to feedback	<ul style="list-style-type: none">• The IESO will post a draft Enabling Resources work plan in September• An engagement meeting will be held in Q4 to present and discuss the work plan

Active Engagement	Current Status	Next Steps
<p><u>Hybrid Integration Project</u></p> <p>The IESO is seeking feedback on the development of participation model(s) to enable hybrid resources in the IESO-administered markets and have the capability to support Ontario’s future system needs. The changes will be implemented after the implementation of the Market Renewal Project.</p> <p><i>Engagement Lead: Colin Campbell</i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> • DER Roadmap • Enabling Resources Program • Innovation and Sector Evolution White Paper Series 	<ul style="list-style-type: none"> • The IESO has posted a document to the engagement webpage that summarizes feedback received following the April 21 webinar and provides the IESO’s response to feedback • Feedback on the materials presented in the June 23 webinar was due by July 14 	<ul style="list-style-type: none"> • The IESO will respond to feedback received following the June webinar • A third stakeholder engagement will be held in Q3, 2021 where a participation model will be presented for feedback
<p><u>Resource Adequacy</u></p> <p>The IESO is engaging stakeholders to further develop a long-term competitive strategy to meet Ontario’s resource adequacy needs reliably and cost-effectively while recognizing the unique needs of different resources.</p> <p><i>Engagement Lead: Jordan Penic</i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> • Enabling Resources Program • Formalizing the Integrated Bulk System Planning Process 	<ul style="list-style-type: none"> • At the next webinar on August 26, engagement will begin on the Medium-Term RFP by providing an initial overview of the procurement and next steps • Discussion will also continue around the capacity auction as the IESO reviews the performance assessment framework 	<ul style="list-style-type: none"> • Feedback on the August 26 meeting materials are due by September 17 • The next engagement meeting will take place during the September 21 – 23 engagement days

Operations

Engagements to ensure that Ontario’s electricity resources are operating reliably within the IESO-administered market, while also undertaking continuous market improvements.

Active Engagement	Current Status	Next Steps
<p><u>Cost Recovery for Integrating System Changes</u></p> <p>This engagement will seek input from stakeholders on how to recover costs from customers for requested services performed by the IESO and the proposed phase-in strategy. The initiative will seek to bring greater alignment between the costs of the service and the customer initiating the request, as opposed to recovering these costs volumetrically from all consumers.</p> <p><i>Engagement Lead: Agatha Pyrka</i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> The first meeting for this engagement was held on July 22 The engagement plan, presentation and stakeholder feedback form for this meeting are posted on the engagement webpage Two stakeholders submitted feedback on the webinar materials 	<ul style="list-style-type: none"> The IESO is preparing the response to feedback document A second engagement session will be scheduled and all registered participants will be notified
<p><u>Distributed Energy Resources (DER) Roadmap</u></p> <p>The IESO is seeking feedback on the development of a roadmap to set out approaches and expected timing for enhancing DER participation in the IESO-administered markets for the products/services they are technically capable of providing.</p> <p><i>Engagement Lead: Colin Campbell</i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> Enabling Resources Program Hybrid Integration Project IESO York Region Non-Wires Alternatives Demonstration Project Resource Adequacy 	<ul style="list-style-type: none"> Seven stakeholders submitted feedback on the materials presented at the June 22 webinar IESO and Alectra held a webinar on July 20 to provide an overview of the second operational year of the Demonstration Project for prospective participants as well as the broader stakeholder community 	<ul style="list-style-type: none"> The IESO will respond to feedback received from the engagement meetings On August 25, the IESO and the OEB will provide further details on, and solicit feedback on specific elements of, the Joint Targeted Call of the OEB’s Innovation Sandbox and the IESO’s Grid Innovation Fund The IESO will also provide an introduction to the DER Potential Study, in advance of a presentation and discussion to take place during the September engagement days

Active Engagement	Current Status	Next Steps
<p><u>Improving Accessibility of Operating Reserve</u></p> <p>The IESO is seeking feedback on an issue related to the Operating Reserve (OR), whereby the amount of OR scheduled is not fully accessible.</p> <p><i>Engagement Lead: Jordan Penic</i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> A response to feedback document has been posted At the July 27 Technical Panel meeting, members voted in favour of posting the Improving Accessibility of Operating Reserve proposed market rule amendment for broader stakeholder comment 	<ul style="list-style-type: none"> Feedback on the proposed market rule amendment was due by August 12
<p><u>Improving Awareness of System Operating Conditions</u></p> <p>The IESO informs stakeholders of system operating conditions through advisory notices and operating states. This engagement will review what the IESO communicates to stakeholders through these channels with the goal being to improve awareness of system operating conditions.</p> <p><i>Engagement Lead: Agatha Pyrka</i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> The IESO response to stakeholder feedback document has been posted 	<ul style="list-style-type: none"> The next engagement meeting will be held in fall 2021
<p><u>Market Renewal Program (MRP) Detailed Design</u></p> <p>The Detailed Design of the Market Renewal Program will create the detailed documents for the renewed market, building upon the high-level design. The Market Renewal Program as a whole will improve the way electricity is priced and scheduled in order to meet Ontario’s energy needs reliably, transparently and efficiently.</p> <p><i>Engagement Lead: Karlyn Mibus</i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> Formalizing the Integrated Bulk System Planning Process Market Renewal Program (MRP) Implementation 	<ul style="list-style-type: none"> Final versions of the Energy detailed design have been posted, and the discussion with stakeholders will carry over into the implementation phase A final version of the Settlements Disagreements and Resettlements design update has been posted for the Replacement of the IESO’s Settlement System (RSS) The IESO posted responses to stakeholder feedback from the June RSS engagement meeting, along with examples of how global adjustment charges will be reflected on future settlement statements 	<ul style="list-style-type: none"> This engagement has concluded

Active Engagement	Current Status	Next Steps
<p><u>Market Renewal Program (MRP) Implementation</u></p> <p>The Implementation phase of the Market Renewal Program will begin by codifying the design into the Market Rules and Market Manuals, and then proceed onto creating tools, testing, training and readiness for bringing the renewed market to life.</p> <p><i>Engagement Lead: Karlyn Mibus</i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> • Market Renewal Program (MRP) Detailed Design 	<ul style="list-style-type: none"> • No feedback was received on the June 24 engagement meeting • The Technical Advisory Group meeting was held on August 13 	<ul style="list-style-type: none"> • Stakeholder engagement on the Market Power Mitigation batch of draft market rules and market manuals began on August 12 and will continue until October 15. The IESO will outline the documents and the stakeholder review schedule on August 26 • The RSS project is moving into the implementation phase of work. The IESO will provide an overview of the implementation plan on August 26 • One-on-one consultations to determine reference levels and reference quantities are continuing; progress is being made and participants are making submissions for review
<p><u>Options to Address Uninsured Liability Risk</u></p> <p>The IESO is seeking feedback from stakeholders on options to address its uninsured liability risk. The IESO was unable to replace its errors and omissions insurance coverage and is proposing two options to address its uninsured risk.</p> <p><i>Engagement Lead: Agatha Pyrka</i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> • N/A 	<ul style="list-style-type: none"> • The IESO Board of Directors adopted the market rule amendment proposal and the amendment took effect on May 3, 2021 • At the request of Technical Panel members, the future availability of errors and omissions insurance will be reviewed periodically and this has now been included as a standing action item as part of the Technical Panel meeting minutes 	<ul style="list-style-type: none"> • An engagement summary report will be posted shortly to conclude this engagement

Active Engagement

Current Status

Next Steps

Updates to IESO Monitoring Requirements: Phasor Data

The IESO is seeking feedback on proposed updates to Appendices 4.15/4.16 to enable generators and transmitters to install phasor technology infrastructure and provide phasor data to the IESO.

Engagement Lead: **Colin Campbell**

Related Active Engagements:

- N/A

- IESO posted a response to stakeholder feedback from the Nov 19 webinar and shared a revised timeline for the engagement

- A webinar will be scheduled for September 2021 to present updates to the draft Market Rule amendments and associated Market Manual revision
 - The draft Market Rules will be presented to the Technical Panel in Q3/4 2021
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Sector Evolution

Engagements that look to the future to see how innovation, new technologies and new collaborations can improve how we conduct our business.

Active Engagement	Current Status	Next Steps
<p><u>Distributed Energy Resources Survey</u> The IESO is conducting a stakeholder engagement on behalf of the Ministry of Energy, Northern Development and Mines to better understand the role Distributed Energy Resources (DER) play in the Industrial Conservation Initiative (ICI) and the DER capacity available in Ontario. <i>Engagement Lead: Colin Campbell</i> <i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> Innovation and Sector Evolution White Papers 	<ul style="list-style-type: none"> A voluntary survey was held until Sept 28 with Industrial Conservation Initiative (ICI) participants, as well as energy services companies serving these customers Confidential follow-up discussions were also held with stakeholders in one-on-one and small group settings in early Oct The survey findings were provided to the Ministry in Q4 2020 	<ul style="list-style-type: none"> Further engagement steps to be determined
<p><u>Energy Efficiency Opportunities for Grid-Connected First Nation Communities</u> The IESO is seeking feedback from communities to help inform the design of future energy efficiency programs for First Nation communities in Ontario. <i>Engagement Lead: Colin Campbell</i> <i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> The IESO presented the final program offering to communities at a webinar on July 20, and explained how to apply and participate when the program is launched in Q3 2021 	<ul style="list-style-type: none"> An engagement summary report will be posted shortly to conclude this engagement
<p><u>Industrial Energy Efficiency Program</u> The 2021-2024 Conservation Demand Management (CDM) Framework will include a new customer focused program in 2022 for large transmission and distribution connected industrial consumers. The program is anticipated to enable large industrial consumers to specify funding needed to meet capital hurdles, or other business case requirements for large complex projects. <i>Engagement Lead: Agatha Pyrka</i> <i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> Seven stakeholder submissions were received in response to the July 14 webinar The IESO is currently reviewing stakeholder feedback and drafting the IESO response document 	<ul style="list-style-type: none"> The IESO response document will be posted in late August The next engagement session will occur in October

Active Engagement	Current Status	Next Steps
<p><u>Innovation and Sector Evolution White Papers</u></p> <p>The IESO intends to develop and release a series of white papers to support the creation of a shared, fact-based understanding of emerging opportunities and trends.</p> <p><i>Engagement Lead: Colin Campbell</i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> • Distributed Energy Resources Survey • IESO York Region Non-Wires Alternatives Demonstration Project 	<ul style="list-style-type: none"> • The IESO published Parts I and II of <i>Exploring Expanded DER Participation in the IESO-Administered Markets</i> white papers in Oct 2019 and Nov 2020 • The IESO has posted a document to the engagement webpage that summarizes stakeholder feedback received following the November 19 webinar and provides the IESO's response to feedback 	<ul style="list-style-type: none"> • The final white paper will be posted with revisions in Q3, 2021
<p><u>IESO York Region Non-Wires Alternatives Demonstration Project</u></p> <p>The IESO, with support from Natural Resources Canada, is undertaking a demonstration in York Region to explore market-based approaches to secure energy and capacity services from Distributed Energy Resources (DERs) for local needs.</p> <p><i>Engagement Lead: Colin Campbell</i></p> <p><i>Related Active Engagements:</i></p> <ul style="list-style-type: none"> • DER Roadmap • Innovation and Sector Evolution White Papers 	<ul style="list-style-type: none"> • The IESO and Alectra held a webinar on July 20 to provide an overview of the second operational year of the Demonstration Project for prospective participants as well as the broader stakeholder community 	<ul style="list-style-type: none"> • The IESO will respond to feedback received from the July 20 meeting

Updates on the Stakeholder Advisory Committee and Technical Panel

Group	Current Status	Next Steps
<p><u>Stakeholder Advisory Committee (SAC)</u></p> <p>The Committee is a forum for its members to be informed of IESO activities and to provide timely policy advice and feedback both broadly on behalf of the electricity sector and their constituency, directly to the IESO Board and Executive with respect to the IESO’s mandate.</p> <p><i>Engagement Lead: Jordan Penic</i></p>	<ul style="list-style-type: none"> • SAC met on August 4 to discuss: <ul style="list-style-type: none"> ○ IESO’s 2022-2024 Business Plan ○ Third Party Access to Data ○ Regional and Bulk System Planning ○ Cybersecurity • Meeting minutes will be posted shortly 	<ul style="list-style-type: none"> • The next public SAC meeting is scheduled for November 3
<p><u>Technical Panel (TP)</u></p> <p>The Technical Panel’s mandate is to review amendments to the Market Rules for Ontario’s electricity market, and as requested, advise the IESO Board of Directors on specific technical issues relating to the operation of the IESO-administered market.</p> <p><i>Engagement Lead: Agatha Pyrka</i></p>	<ul style="list-style-type: none"> • At the July 27 meeting, members voted to recommend the Capacity Auction administrative type changes to the IESO Board • The vote on the changes and clarification to the Market Rule (omnibus) item has been deferred to the October meeting • Members voted in favour of posting the Improving Accessibility of Operating Reserve proposed market rule amendment for broader stakeholder comment 	<ul style="list-style-type: none"> • The next meeting is scheduled for October 5 where members will vote on whether to recommend the Improving Accessibility of Operating Reserve proposed market rule amendment to the IESO Board • The MRP Market Power Mitigation batch will also be presented to the members at the October meeting