

# Engagement Plan

## Interruptible Rate Pilot

### Introduction

In November 2021, the Ministry of Energy (ENERGY) posted a proposal on Ontario's Regulatory Registry entitled Interruptible Rate Pilot and Administrative Review of Ontario Regulation 429/04. In August 2022, ENERGY issued a letter asking the Independent Electricity System Operator (IESO) to work with ENERGY towards designing a three-year interruptible rate pilot. The IESO is expected to report back to ENERGY on a detailed pilot design proposal by December 9, 2022. If the proposal is approved to proceed, the pilot would begin on July 1, 2023 to align with the Industrial Conservation Initiative (ICI) cycle.

The Interruptible Rate pilot will address stakeholder feedback received during the government's 2019 Industrial Consultation specific to the challenges of identifying and responding to peak demand events while participating in the Industrial Conservation Initiative (ICI). The pilot will be targeted towards large electricity consumers connected to the transmission system as well as some hydrogen producers, where participants are charged Global Adjustment (GA) at a reduced rate in exchange for agreeing to reduce consumption during system or local reliability events, as identified by IESO.

Offering an interruptible rate pilot would allow consumer interest to be gauged and the design and potential for a broader offering to be studied. Elements of the pilot including some eligibility requirements, design of competitive selection process, GA price design and activation process will be informed through consultation with stakeholders.

Three pricing design options have been provided by ENERGY for stakeholder consultation and feedback. Additionally, ENERGY has requested IESO design the pilot such that it provides a system benefit and a benefit to pilot participants, while minimizing potential cost transfers to other electricity consumers. Simplicity is also critical, to ensure that financial settlement is as straightforward as possible and to encourage participation among eligible consumers. Finally, the pilot should be designed with the potential for a permanent program in mind. A list of further parameters was included for the IESO to adhere to in designing the pilot.

This engagement plan outlines the objectives, approach, timeline and considerations for engaging with stakeholders during the Interruptible Rate Pilot engagement. This engagement

plan may be subject to review and updates as the process evolves. All comments and enquiries on this engagement can be directed to [engagement@ieso.ca](mailto:engagement@ieso.ca).

## Stakeholders and Communities

The IESO encourages all potential pilot participants to participate in this engagement through the public engagement activities described in the Approach section below. The IESO anticipates that this initiative will be of particular interest to transmission-connected load customers as well as hydrogen producers.

## Engagement Objectives

The objectives of this engagement are:

- To ensure that stakeholders understand the purpose of this initiative;
- To purposefully engage on the development of the Interruptible Rate Pilot, including presentation of the three pricing design option, incorporating stakeholder feedback and considerations where possible;
- Report back to ENERGY on a detailed pilot design proposal and proposed participant selection process by December 9, 2022; and
- Post final design documents and open application window in early 2023.

## Approach

This engagement plan will be implemented in accordance with the [IESO's approved engagement principles](#).

This is a public engagement process. All materials will be posted on the dedicated IESO engagement webpage, and, any information/input supplied by interested parties will also be posted (with consent).

The approach for this engagement includes opportunities to provide input through various channels such as webinars, information sessions, meetings, and written feedback. The project team will consider all relevant input and illustrate how feedback was considered in meeting the stated engagement objectives.

## Proposed Engagement Schedule

The anticipated timing for this engagement is presented below. Note that timing and content associated with upcoming activities are subject to change. Updates will be posted to the Interruptible Rate Pilot engagement page, when available.

Timing	Engagement Activity
September/October 2022	Focused consultation with potential pilot participants: <ul style="list-style-type: none"> <li>• IESO to conduct outreach to set up small group stakeholder discussions.</li> <li>• The purpose of these targeted discussions is to obtain stakeholder input on the design principles (including pricing design options and criteria to employ in a competitive process to select participants).</li> </ul>
December 9, 2022	Report back to ENERGY: <ul style="list-style-type: none"> <li>• IESO to report back to ENERGY on a detailed pilot design proposal and proposed participant selection process</li> </ul>
December 2022/January 2023	Stakeholder webinar: <ul style="list-style-type: none"> <li>• IESO to present draft design documents to stakeholders for feedback.</li> </ul>
January/February, 2023 (TBC)	Final design documents posted and application window open.

## Additional Background and Resources

[Reg. 429/04 - the Global Adjustment regulation](#)

[Interruptible Rate Pilot and Administrative Review of Ontario Regulation 429/04 proposal](#)

[August 29 Minister's Letter](#)

## Related Engagements

[Industrial Conservation Initiative \(ICI\) Update](#)

[Distributed Energy Resources Survey](#)

[OEB's Dynamic Pricing Pilot for Non-RPP Class B Electricity Consumers](#)