

IESO Market Development Advisory Group Terms of Reference – May 2019

1. Introduction

The IESO is in the process of renewing its electricity markets to ensure the IESO can continue to deliver a reliable system cost-effectively in the future. This work commenced with the Market Renewal Program and will need to continue to ensure the IESO can adapt effectively to the changes that are taking place in the broader electricity sector.

As part of this comprehensive market development work, it will be important to work with our market participants and stakeholders. A key element of the IESO's engagement approach will be the establishment of a Market Development Advisory Group ("MDAG"). The MDAG will be expected to contribute to the overall success of market development by providing advice, guidance and support for the development of electricity markets in Ontario.

One of the ways the MDAG will practically do this is through the discussion of an IESO Markets and Acquisition Work Plan ("Work Plan") which is a process to support the IESO's future market vision and is aligned with the IESO's planning initiatives.

For clarity, the MDAG is not a forum that designs, develops and implements market development initiatives; those activities will take place through unique engagement initiatives.

The activities of the MDAG are guided by the IESO [Engagement Principles](#). These Terms of Reference will outline the role of the MDAG and how it relates to the engagement processes.

2. Objectives and Scope

The main objective of the MDAG is to support IESO efforts to evolve the Ontario electricity market, beyond the Market Renewal Program, to cost-effectively ensure reliability in the near and longer terms. The MDAG will take a forward-looking approach to its discussions by:

- Discussing group member and IESO market experience and technical expertise from Ontario and other electricity markets
- Providing guidance and advice that support the development and evolution of the IESO markets in accordance with the future market vision

- Informing the IESO on broader sector developments that may impact the IESO’s approach to market development
- Providing input to the Work Plan

Additionally, the MDAG will provide a forum to ensure that active initiatives are developed, designed and implemented in an effective and timely manner by:

- Providing advice and guidance to the IESO on issues that may arise in market development initiatives and how those issues correlate to the IESO’s overall principles for market development
- Discussing IESO customer readiness for initiatives prior to project implementation
- Ensuring effective communication and education of market participants and stakeholders

The MDAG will also be focused on bringing learnings, experience or education from other jurisdictions to Ontario to ensure best practices are taken into account. The expertise of the MDAG will also be leveraged to provide advice and considerations to the IESO in its selection of members to the IESO Technical Panel and Dispute Resolution Panel.

These Terms of Reference will be reviewed annually by the Advisory Group to ensure that the objectives and scope for the MDAG continue to be relevant in the current and future Ontario electricity marketplace.

3. Approach

It is expected that the MDAG will have regular quarterly meetings, or as needed. The materials supporting all MDAG meetings will be made available publicly along with a summary of the meetings.

The IESO recognizes the importance of ensuring that all stakeholders have the ability to participate in forward-looking markets discussions and considerations. MDAG discussions will take place in two ways:

- Public meetings: to ensure that the broader marketplace will have regular opportunities to provide information and input
- In-camera meetings: members to provide strategic advice on current and future discussions of the MDAG

When the MDAG invites presentations from market participants/stakeholders, public notice will be provided through the [MDAG engagement webpage](#) and the [IESO bulletin](#).

4. Organization and Administration of Meetings

Meeting authority and normal order of business:

- a) An IESO representative from the Markets division will chair the meetings.

- b) An IESO representative from the Stakeholder Engagement team will act as the facilitator for the meetings, or a separate independent facilitator may be used.
- c) The IESO will endeavor to provide all meeting agendas and support material five business days in advance of the meeting. MDAG will have opportunities to participate in agenda development.
- d) MDAG members will have opportunities to make presentations in addition to regular participation in MDAG discussions. It is expected that MDAG members will endeavor to provide materials in advance when making a presentation.
- e) The IESO will take meeting notes including actionable items and their resolution. The IESO will circulate meeting summaries and materials to all MDAG members before posting the materials publicly.
- f) The IESO will coordinate attendance through on-line meeting invitations. These invitations are intended for members only and are not to be forwarded to any other parties without the consent of the Chair.

5. Composition of the MDAG

The MDAG will be chaired by a representative of the IESO. There will be a maximum of 20 members that will comprise a balanced representation of different stakeholder communities that participate in or are affected by Ontario's electricity markets. Members are expected to be committed to ensure the success of electricity market evolution in Ontario.

The composition will place a strong preference on existing or future market participants and strive to find a balance between various sectors that represent geographical and sector diversity within Ontario's electricity market. Members should be able to speak to their individual experience within electricity markets as well as how broader sector trends or developments impact electricity markets.

Advisory Group members are expected to be able to commit time and resources to support the work of the MDAG. Expectations for members include:

- Regular attendance and active participation in scheduled meetings
- Actively provide feedback, either during meetings or in writing
- Review information/materials
- Demonstrated knowledge and/or experience in IESO electricity markets and preferably with markets in other jurisdictions

Adherence of members to these expectations will be reviewed on an annual basis. The IESO may make changes to the membership based on this review, and/or to ensure a balanced representation on the Advisory Group. Decisions regarding membership will be made by the IESO through a nomination process.

The IESO reserves the right to terminate any member's membership due to low attendance, lack of participation, or a change in employment status that changes the balanced representation of the

group. Members with more than two consecutive absences without prior notice and justifiable rationale may warrant replacement of that member. Alternates will not be permitted unless approved by the IESO at least one week in advance of the meeting.

Prospective members will be selected by nomination by a call for members, made through the [IESO Bulletin](#) and the [MDAG webpage](#).

6. Communications

- a) Meeting materials, information and updates for the MDAG will be shared with stakeholders and the broader community through the MDAG webpage on the IESO website and in the IESO's weekly email Bulletin.
- b) The webpage will include the MDAG Terms of Reference, meeting agendas, formal materials and meeting notes.
- c) Information provided through the abovementioned methods should be considered public and can be shared freely.