

# Engagement Plan

## Improving Accessibility of Operating Reserve (OR) – March 27, 2019

### Introduction

Operating Reserve (OR) is stand-by power or demand reduction that the IESO can call on with short notice to deal with an unexpected mismatch between electricity generation and consumption. The IESO schedules OR for every minute of every day to meet requirements set by the North American Electricity Reliability Corporation (NERC) and the North East Power Coordinating Council, Inc. (NPCC) to ensure power system reliability. The IESO has been experiencing an issue with OR where the amount of scheduled OR is not fully accessible. This issue could create challenges for the IESO to recover the supply-demand balance after a system event, and result in unfair cost to the market. In order to better understand and develop potential solutions to this issue, the IESO will be initiating an engagement to discuss this with stakeholders.

This engagement plan outlines the objectives, approach, timeline and considerations for engaging stakeholders in this process. This engagement plan may be subject to review and updates throughout the engagement. All comments and enquiries on this engagement can be directed to [engagement@ieso.ca](mailto:engagement@ieso.ca).

### Engagement Objectives

The objective of this engagement is to ensure that stakeholders understand the importance of OR in maintaining grid reliability and how this issue could impact the reliability of the grid. The IESO will describe the issue and gather feedback from stakeholders to understand the underlying causes. The IESO will develop solutions with stakeholders on how to address the issue.

### Stakeholders

The IESO encourages all interested parties to participate in this engagement through the public engagement sessions described in the Proposed Engagement Schedule section below. The IESO anticipates that this initiative will be of particular interest to IESO market participants (MPs) who currently participate in the OR markets administered by the IESO, stakeholders who intend to participate in the OR markets administered by the IESO, stakeholders who participate in similar

reserve markets in other jurisdictions outside of Ontario, and any other stakeholders who feel they can contribute to the discussion.

## Approach

The implementation of this engagement plan will be in accordance with the IESO's approved [engagement principles](#).

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

The approach for this engagement initiative includes opportunities to provide input through various channels such as in-person meetings, webinars, and written feedback.

## Proposed Engagement Schedule

Timing	Engagement Activity
April 10, 2019	Webinar to kick-off engagement <ul style="list-style-type: none"><li>Discuss the issue with stakeholders and solicit initial feedback on the proposed engagement approach.</li></ul>
April 11-25, 2019	Formal feedback period to gather initial feedback from stakeholders on underlying causes of the issue.
July, 2019	Webinar/meeting to address feedback from stakeholders and to propose potential solutions to address the issue.
Two-week comment period after webinar/meeting	Formal feedback period on solutions proposed by the IESO.
September, 2019	Webinar/meeting to address any outstanding stakeholder feedback or concerns and finalize the solution.

## Additional Background and Resources

For stakeholders to effectively participate and provide feedback within this engagement, it is important to understand what OR is, how the IESO schedules and activates it, and how OR providers

are scheduled and respond to OR activations. Stakeholders are invited to review the materials below with respect to the topics that will be discussed in this engagement.

### **Training Materials**

- An overview of the IESO-administered physical markets.
  - [Introduction to Ontario's Physical Markets](#)
- A guide to operating reserve in the IESO-administered markets.
  - [Guide to Operating Reserve](#)
- A Quick Take on the joint optimization of energy and operating reserve.
  - [Joint Optimization of Energy and Operating Reserve](#)