

# Feedback Form

## Resource Adequacy webinar – January 26, 2021

### Feedback Provided by:

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Following the January 26, 2021 engagement webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the following items discussed during the webinar. Background information related to these feedback requests can be found in the presentation, which can be accessed from the [engagement web page](#).

**Please submit feedback to [engagement@ieso.ca](mailto:engagement@ieso.ca) by February 17, 2021.** If you wish to provide confidential feedback, please submit as a separate document, marked "Confidential". Otherwise, to promote transparency, feedback that is not marked "Confidential" will be posted on the engagement webpage.

## Feedback Requested

Topic	Feedback
Does the proposed process to set acquisition targets and select competitive mechanisms align with stakeholder needs?	
Is there any additional information that the IESO should consider including in the Annual Acquisition Report (AAR) to help participants make investment decisions?	
What are the timing considerations from a stakeholder perspective with respect to the AAR?	
Are there any concerns with the proposed Capacity Auction enhancements?	

## General Comments/Feedback

APPPrO Power appreciates the opportunity to provide comments on the IESO's Resource Adequacy Engagement. The results of this important engagement will provide resource procurement direction and actions in Ontario for many years to come.

In general, APPPrO supports the vision laid out by the IESO at its January 26, 2021 Resource Adequacy Engagement meeting.

APPPrO's comments are designed to support more detailed comment provided by a number of its members. And, we reiterate many comments made previously both by APPPrO, its individual members and other organizations over the course of the engagement.

- In previous submissions, APPPrO emphasized the importance of an improved governance structure and commitment to transparency to ensure the resource adequacy framework is successful. So far, the IESO's responses fall short of expectations. Without transparent, effective and timely communication of system needs to all market participants, competitive processes regardless of design will not deliver potential value to the ratepayer.
- The IESO's competitive processes should be (where practical) technology agnostic and focus on ensuring a design that facilitates the timely and effective communication of system needs to competitive proponents. To the extent they are supported by policy concerns, decisions regarding preference for specific technology types over others should be left to government policy makers and not factor into competitive processes administered by the IESO.

- Decisions regarding which assets should be subjected to competitive processes should also be left to the government so that the IESO can focus on delivering value to the ratepayer through its efficient administration of competitive procurements.
- Communication regarding sole source negotiations needs to occur much earlier. The IESO should establish a process for dealing with these at the same time it publishes its process for Unsolicited Proposals which we understand now forms part of the overall procurement framework for Ontario resources. Both processes should make clear the criteria against which projects will be assessed, and the costs/benefits to the system and ratepayer, taking into account effects on parallel competitive processes.
- The timing of the Resource Adequacy Framework needs to be accelerated. The Framework should be finalized by the end of 2021. In accordance with the APO, system needs have been identified as emerging before 2028. Without a Resource Adequacy Framework in place by the end of 2021 market participants will not have the necessary information required to make critical asset investments.
- Given the impending capacity crunch, transitional arrangements for assets coming off-contract will need to be a priority in this time frame as well, and should be gotten underway immediately. The IESO needs to engage asset owners soon as they have to make other commitments (i.e. GD&M services) and understanding the transition mechanism/revenue side is of utmost importance to support investment in current and future resources.
- APPrO supports the development of the proposed Annual Acquisition Report. As noted above, the AAR should be technology agnostic, leaving policy determinations regarding resource type to the government. It was not clearly indicated when the first AAR would be published. While the IESO is seeking more inputs from stakeholders on the timing with respect to the AAR, the IESO should provide a solid and reasonable timeline to publish the first AAR.