

Minutes of the IESO Technical Panel Meeting

Meeting date: 11/October/2022
Meeting time: 9:00 a.m.
Meeting location: Video Conference

Chair/Sponsor: Michael Lyle
Scribe: Luisa Da Rocha, IESO

Please report any suggested comments/edits by email to engagement@ieso.ca.

Invitees	Representing	Attendance Status Attended, Regrets
Jason Chee-Aloy	Renewable Generators	Attended
Ron Collins	Energy Related Businesses & Services	Attended
Rob Coulbeck	Importers/Exporters	Attended
Emma Coyle	Market Participant Generators	Regrets
Dave Forsyth	Market Participant Consumers	Attended
Sarah Griffiths	Demand Response	Attended
Jennifer Jayapalan	Energy Storage	Attended
Indra Maharjan	Market Participant Consumers	Attended
Nick Papanicolaou	Market Participant Consumers	Regrets
Forrest Pengra	Residential Consumers	Attended
Robert Reinmuller	Transmitters	Attended
Joe Saunders	Distributors	Attended
Vlad Urukov	Market Participant Generators	Attended
David Short	IESO	Attended
Michael Lyle	Chair	Attended

Invitees	Representing	Attendance Status Attended, Regrets
Secretariat		
Agatha Pyrka	IESO	Attended
IESO Presenters		
Jason Grbavac Patricia Murray Jessica Tang		

Agenda Item 1: Introduction and Administration

Agatha Pyrka, IESO, welcomed everyone joining the meeting via MS Teams.

The meeting agenda was approved on a motion by Robert Reinmuller.

The meeting minutes from the July 12 and September 30 meetings were approved on a motion by Forrest Pengra.

Chair's Remarks:

The Chair, Michael Lyle noted that the package of Market Rule amendments recommended by the Technical Panel on September 30 to delay the implementation of the Replacement of the IESO Settlement System (RSS) were approved by the IESO Board and implementation will not take place as originally planned on November 1. A new proposed date will be discussed with stakeholders in the near future, and following this, a new set of RSS Market Rule amendments will be presented to the Technical Panel.

Looking forward, the annual IESO Board and Technical Panel meeting will take place on December 2 and members are invited to email discussion items to Ms. Pyrka as this is the Panel's opportunity to speak directly with the IESO Board with any comments or concerns. The December Technical Panel meeting will include a discussion of panel effectiveness which is done on an annual basis as part of good governance. At this meeting, the IESO will also bring forward proposed changes to the Technical Panel Terms of Reference based on interest expressed by the members earlier in the year in having greater access to the Board and Markets Committee.

Agenda Item 2: Engagement Update

Ms. Pyrka reviewed the prospective schedule noting that the November meeting has been cancelled and the December meeting currently includes three items: the second Market Renewal Program Q&A session on the Interim Alignment Batch; an education session on enabling co-located hybrid resources (final design document posted to the engagement webpage); and, the annual review of Panel effectiveness.

Ms. Pyrka also noted that the IESO has launched two new engagements – an interruptible rate pilot and a low-carbon hydrogen strategy. The link to the broader October engagement update will be sent to the Technical Panel, along with the dates for the 2023 Technical Panel meetings.

Jason Grbavac, IESO, provided an update on the engagement process and status for the 2023 Capacity Auction enhancements. He noted the importance of providing Technical Panel members with greater insight into the approach for the design discussions in advance of the Panel's review and consideration of proposed Market Rule amendments. It was recognized that while the 2022 Capacity Auction enhancements were recommended by the Technical Panel and approved by the Board, the IESO is aware of the Technical Panel's concerns with that engagement and Panel process, and the details and timing of the proposed 2022 market rule amendments.

Since that time, the IESO has pivoted to the next phase of enhancements and launched an engagement for the 2023 Capacity Auction. Mr. Grbavac highlighted the importance for the IESO to connect with stakeholders early to ensure the engagement plan describes how the work will be organized, the importance to communicate with stakeholders in a clear and concise manner, the importance to provide multiple opportunities for design discussions, and to ensure sufficient time is allotted for stakeholders to provide feedback. The 2023 Capacity Auction enhancements schedule and timing for the market rule amendments was shared at the September engagement session with updates provided to interested stakeholders in the engagement as they occur.

Mr. Grbavac provided a recap of the recent engagement activities for the 2023 Capacity Auction enhancements. In July, the IESO identified and shared with stakeholders the priority areas for consideration for the 2023 enhancements. Feedback was received on this information and the proposed engagement plan at the August engagement session where the IESO also shared a plan to introduce two types of engagement sessions – general and technical sessions. The general sessions will include broader items such as the project timeline, schedule changes, the introduction of design topics before they are discussed in greater detail, and will identify when the IESO and stakeholders consider the design discussion complete and the drafting of the market rules and manuals can begin. The technical sessions will provide the opportunity for more detailed discussions and will be held at each of the engagement days moving forward. Recordings and meeting materials are available for all meetings as well as a meeting summary.

Next steps for the 2023 Capacity Auction enhancements engagement include in-person engagement sessions on October 25. The general session will include time to respond to stakeholder feedback, an IESO update on the Capacity Auction engagement topics, and a review of the first market rule batch (while the market rules will be shared with stakeholders in three batches based on the design topics, the rules will be presented to the Technical Panel as a single set of rules). The technical session will include discussions on the demand curve review and stand-by availability charge.

Vlad Urukov asked if the October 25 engagement sessions will be both in-person and online. Mr. Grbavac confirmed that both participation options will be available for these sessions.

Agenda Item 3: Market Renewal Program

Jessica Tang, IESO, noted that today's presentation provides an updated schedule for the Technical Panel review of the remaining batches of market rule amendments working towards the new MRP go-live date of May 2025, and will be followed by a discussion on the final alignment batch of market rules, along with the first question and answer session for the interim alignment batch. It was noted that the date for interim alignment Q&A session #1 is incorrect in the batch schedule provided to Panel members and should be October 11. Overall, the schedule identifies the month for each activity with a date estimate as the third Tuesday of the month as the Technical Panel schedule is not set at this time.

Ms. Tang highlighted that the schedule shows a new final alignment batch which includes all of the consolidated rules inclusive of all previous batches as well as conforming changes. In response to Panel feedback during the market power mitigation lessons learned, this batch provides the Panel members with the opportunity to review how all of the previous batches of market rules fit together. It was noted that the materials will not be part of the engagement days as there is no new information and the broader stakeholder community can provide comment during the vote to post as part of the regular Technical Panel process.

Looking forward, there will be four months between posting the final batch of consolidated rules and the Technical Panel final vote to recommend. The IESO asked for feedback on how to best organize the four months to ensure the members are comfortable with how everything fits together. Examples were provided of bi-weekly question and answer meetings or having a regular process of vote to post and then vote to recommend with no meetings in between. Feedback can be provided following the meeting and as the dates approach.

Ms. Tang then noted that MRP has established an Implementation Working Group in response to recommendations from the IESO Stakeholder Advisory Committee to increase dialogue on emerging issues. The group will provide advice on navigating implementation issues, participant readiness activities and timelines in the project schedule. The Working Group is comprised of stakeholders from across the sector and has already had their inaugural meeting. Any issues discussed at the Working Group impacting the governing documents will be included in the stakeholder summary document that was requested by the Technical Panel. This document will be shared for the first time with the interim alignment batch.

Ms. Tang began the Interim Alignment Batch Q&A session by noting that this is the first session as part of the new engagement approach. During the Q&A sessions, the IESO will highlight areas that need extra attention based on the detailed design feedback or through our experience during the drafting process, as well as any early insights from stakeholders. It is felt that this approach will work well with the more complicated batches of settlements and market system operations, where the discussion can focus on equations or concepts.

With regards to the interim alignment batch, no areas of concern have been identified as the changes are targeted and limited and are not new design concepts. If concerns are identified in the stakeholder engagement sessions, they will be included in the second Q&A session in December.

Panel members were reminded of last year's discussion during the registration batch where concerns were identified that price responsive loads were unable to participate as part of a virtual demand response (DR) portfolio. Ms. Tang clarified that non-dispatchable loads (NDLs) will not be required to register as price responsive loads (PRLs) in the future market and NDLs will continue to be able to participate as part of a virtual DR portfolio as they are able to participate in today's market. Non-dispatchable loads will only be restricted from participating in a virtual DR portfolio if they choose to register as PRLs and this is because the locational settlement treatment of PRLs is inconsistent with the zonal load aggregation model applicable to the virtual demand response portfolios. It was noted that the purpose of introducing PRLs in MRP was to provide the opportunity for non-dispatchable loads to take advantage of the day-ahead price while still remaining non-dispatchable in real time. These resources will have the ability to choose how they participate in the future market. PRLs will be able to provide DR by participating in the capacity auction directly as a physical HDR resource which is consistent with today's market where non-dispatchable loads can participate directly in the capacity auction as physical HDR resources. A memo was issued in October 2021 describing and closing this issue with the Technical Panel.

Mr. Urukov noted that the market trials will still be in progress when the Technical Panel reaches the final alignment batch. Ms. Tang indicated that she would confirm this information following the meeting¹ and noted that it is possible that the market rules and manuals will be going through review while market trials are occurring. Mr. Urukov noted that the market trials will be a source of new facts and good information for the final alignment batch. Ms. Tang indicated that it will be possible to incorporate new information from the trials.

Mr. Urukov asked for clarification of the terms facility and resource. Ms. Tang noted that the definitions have not changed for this batch and the changes are ensuring consistent application in other rules and manuals. Patricia Murray, IESO, shared that these are existing concepts in the market. A facility is a physical location participating on the grid, whereas a resource is how you participate in the market and how the equipment is delivering on its obligation. While this has always been the case, the terminology has evolved to explain all of the obligations for MRP through the governing documents. Mr. Urukov noted a lack of precision in the use of these terms in the documents, indicating that he will review further and may provide more specific feedback, and also noting that while a facility is a physical location, resource has taken a more abstract function with MRP and its representation in the market rules.

Other Business

Sarah Griffiths asked whether the December meeting with the IESO Board will be held in-person or online. The Chair indicated that while everyone is encouraged to participate in-person, the meeting will likely be a combination of in-person with the option to participate online.

The meeting adjourned at 9:36 a.m. The next meeting will be held on December 13.

Action Item Summary

Date	Action	Status	Comments
March 23, 2021	In relation to MR-0448-R00 market rule amendments, the IESO will periodically review the availability of error and omissions insurance for negligence.	Open	Update provided during November 2021 meeting.

¹ A follow up email was sent on October 19, 2022.