

Stakeholder Engagement Plan SE-29

Wind Power Integration in Ontario



I. Introduction

Background

As a result of a number of initiatives to increase renewable energy generation supply in the province, particularly wind power generation, the IESO is soliciting stakeholder feedback to:

- Better understand the challenges wind power project proponents face in becoming operational in the Ontario market, and
- Assist in reducing barriers to participation in the Ontario market.

Eleven wind power projects, representing over 1200 MW of installed capacity, were awarded contracts under the Ontario Power Authority's (OPA) Renewable Energy Supply Contracts. These contracts were awarded to proponents with facilities between 20 MW and 200 MW and require that the proponents register their facilities with the IESO as either intermittent or self scheduling. As registered market participants, the proponents are subject to the Market Rules.

More details on the Renewable Energy Supply contracts can be found at:

<http://www.powerauthority.on.ca/Page.asp?PageID=1226&SiteNodeID=123>

On March 21, 2006 the Minister of Energy directed the OPA to implement a Standard Offer Program for small renewable generators. The Standard Offer Program will be officially launched in Fall 2006 and will apply to any renewable resource type that qualifies as a renewable resource including wind, small hydro-electric, solar, and some biomass. The maximum project size is 10 MVA) with a connection voltage of 44 kV or less. More details can be found on the OPA's web site at:

http://www.powerauthority.on.ca/sop/Page.asp?PageID=1224&SiteNodeID=162&BL_ExpandID=161

Issue

Four of the eleven wind power projects under the RES contracts are currently operating in Ontario. The remaining wind power projects contracted under RES are expected to be in service by the end of 2008. With increasing penetrations of wind on the system, accurate short-term wind energy forecasts are critical for managing potentially large fluctuations on the system.

Each market participant with a wind power generation facility connected to the IESO-control grid must provide an energy forecast for its facility and maintain that forecast. Some market participants have raised concerns about the obligations and challenges of wind energy forecasting, and the IESO's interpretation of the market rules relating to those forecasts. The IESO is seeking feedback on the alternatives for wind power forecasting.

II. Stakeholders

Stakeholders most interested in these changes would be generators with a special focus on wind power generation. Stakeholdering efforts will focus on these customers including non-registered generators and related associations.

III. Stakeholder Engagement Goals and Objectives

Goal

The goal of the stakeholder engagement program is to provide stakeholders with the opportunity to work with the IESO to facilitate the integration of wind power in Ontario.

The implementation of the stakeholder engagement process will be in accordance with the IESO's approved stakeholder engagement principles.

Objectives

1. To identify issues that could be barriers to the successful integration of wind power;
2. To suggest other options or alternatives; and
3. To minimize adverse effects on current and future market participant operations and processes to the maximum extent possible.
4. To work with wind farm asset owners and operators to find mutually agreeable resolutions that maximize opportunity while minimizing the impact on power system operations.

IV. Stakeholder Engagement Approach and Methods

The stakeholder engagement approach proposed involves the formation of a working group as well as stakeholder feedback from web based postings.

The working group will afford the opportunity for stakeholders to provide the IESO with timely advice on the resolution of issues that can be addressed in the short term and provide input on longer term issues and options for solutions. The working group will be open to all stakeholders. Those interested are asked to submit an e-mail to the IESO at stakeholder.engagement@ieso.ca. The intention is to obtain a strong representation of wind power generators who are affected by the current market rules.

An output from this consultation may result in a combination of procedure based solutions, some of which may require market rule changes.

Web-based postings will provide all stakeholders with an efficient lower cost method to be informed of the process and provide feedback on proposed measures via e-mail. All stakeholder views, including dissenting views, will be posted on the IESO website.

Comments on this stakeholder engagement plan should be sent to stakeholder.engagement@ieso.ca. All stakeholder input will be considered prior to finalizing measures for implementation.

All feedback from stakeholders will be considered prior to submitting to the IESO management. This stakeholder plan provides all stakeholder sectors with the opportunity to communicate their views and positions directly to the IESO Executive/Board of Directors in advance of any final approvals.

V. Decision Making Steps and Schedule of Activities

Stakeholder Engagement Schedule	
Activity	Target Date
1. Posting of Stakeholder Engagement Plan.	September 27
2. Request for: <ul style="list-style-type: none"> Nominations for membership in the Wind Issues Working Group 	September 27
3. Announcement of members of the Working Group. Request for: <ul style="list-style-type: none"> Identification of issues that may be barriers to wind power integration; and Listing of the relative priority of issues where more than one is identified. 	Mid October
4. Working Group Meeting #1: Identification and review of wind issues that are highest priority based on the priority rankings. Describe potential solutions and present proposed schedule for development of solutions. Determine a schedule for addressing remaining issues.	November 27, 2006
5. Posting of lists resulting from Meeting #1, for review and comment.	December 21, 2007
6. Working Group Meeting #2: Discussion on short term issues identified from Meeting #1.	March 8, 2007
7. Posting of meeting minutes and action items from Meeting #2	March 23, 2007
8. Working Group, meeting #3 to finalize short term issues recommendations and to discuss some of the long term issues.	Early April 2007
9. Working Group meeting #4 to finalize recommendations from previous meeting and to discuss outstanding issues	Mid May 2007
10. Market Rule Amendment process begins if required.	End of May 2007
11. Technical Panel consideration of Market Rule Amendments and recommendations to the Board of Directors.	June 2007

The activity schedule listed above are to deal with the short term issues and some of the long term issues identified by the working group. Some of the long term issues may be dealt with in another stakeholder plan and discussed by this working group or another adhoc group.

This is a public consultation and information supplied will be posted on the IESO website including identification of the participant.