

Minutes of the November 25, 2005 Meeting of the Forecasts and Assessments Standing-Committee

November 25th, 2005 1:30 pm to 4:15 pm
Clarkson System Control Centre, Room 216

Attendees:

Craig Lemon Union Gas
Richard Rogacki Ministry of Energy
Greg Hine IESO
Peter Gruttke OPG
Tom Wasik Enersource
Ben Li IESO
Paul McMullen Hydro One
Bun Li Yang E4 Inc.

Item #1: Review of minutes: Meeting Oct 5 and July 20

Action Item: Minutes are to be amended and re-issued.

Item #2: Membership Changes

Paul McMullen of Hydro One is now recognized as the Hydro One member, replacing Mike Boland/Brad Colden.

Tom Wasik of Enersource is now recognized as the MEU - Enersource Hydro Mississauga member, replacing George Rosati.

It was reported that due to time constraints, Margaret Duzy and Nora Vasquez of TransCanada Energy will no longer be able to actively participate on the FASC.

Greg Hine is now recognized as the IESO FASC member and Chair.

Item #3: Stakeholder Advisory Committee Update [Guy Springay]

- ✓ The Forecasts & Assessments Sub-Committee (FASC) reported to the MOSC.
- ✓ Any future stakeholder group would not report to the MOSC.
- ✓ Guy reported that the introduction of Bill 100 and the OEB decision of July 28, 2005 required the IMO/IESO to change the stakeholder process.
- ✓ Consultants report (Watts & Singer) recommended changes and the IESO is implementing the recommendations.
- ✓ Consequently any formal stakeholder issues that involve changes to market rules, market manuals or changes to IESO output products would now be provided as input to the formal stakeholder process including the Stakeholder Advisory Committee.
- ✓ Examples of stakeholder issues and the way these are managed by the IESO can be found at:
- ✓ <http://www.ieso.ca/imoweb/consult/activeComplete.asp>

- ✓ There may be other stakeholder issues that suggest changes in the Forecasts and Assessments area that may not require formal stakeholder approval, and that may be managed with the assistance of the stakeholder group, similar to the FASC composition
- ✓ A stakeholder group similar to the FASC composition may wish to discuss and develop issues prior to the initiation of a stakeholder engagement plan
- ✓ New stakeholder structure is available on the IESO web site.
 - Currently active stakeholder committees are also on the IESO web-site, at: http://www.ieso.ca/imoweb/consult/consult_forums.asp
- ✓ Question of continuing any stakeholder group similar to the FASC was put to the membership. Members in attendance agreed that there was value in a stakeholder group similar to FASC continuing.
- ✓ It was agreed that the Forecast and Assessments Sub-Committee would continue in a similar format, but will continue under the name Forecast and Assessments Standing Committee. The acronym FASC will continue.
- ✓ Guy reported that anyone could participate in the stakeholder committees, but added that the size of the groups are generally most effectively managed when about 10 people in the room, and that larger groups require larger facilities than the CSCC rooms can handle
- ✓ Future FASC membership can be addressed in the terms of reference of the stakeholder group
- ✓ Questions concerning the stakeholder process should be directed to Guy Spingay
- ✓ Potential exists that issues can now be moved forward quickly to the stakeholder advisory committee than previously.
- ✓ **Action Item:** The FASC will need to revisit terms of reference and membership

Item #4: Discussion of Reserve Above Requirement [All]

- ✓ Methodology used by the IESO to determine reserve requirement was initially established when Ontario was primarily a winter peaking system. Some members questioned whether the present methodology was still appropriate and adequate.
 - inputs for hydro generators focus on the capability to sustain output for one hour per day, five days per week
 - The present L&C methodology considers transmission constraints in the northwest and northeast transmission zones . It was suggested that during summer periods, there could be more transmission constraints.
 - Fuel availability was never identified by some generators as a constraint. It is understood that some gas-fired generators could conceivably sell gas and not generate electricity.
 - The Reserve Above Requirement values presented in the Outlooks include 0 MW of imports. Some FASC members expressed that the IESO should reflect a reasonable level of intertie support in the process and that the approach should be no different than internal generation.
- ✓ A comparison of the hourly demand for the all time summer and winter peaks for Ontario revealed a higher summer peak, which was higher than the winter peak demand for several more hours of the day. Generally the summer peak demands are more sustained than the winter peak.
- ✓ Time ran out quickly for this item. it was agreed to continue the discussion at the next meeting.

Item #5 Next Meeting:

Since there was not sufficient time to complete the agenda, another meeting was scheduled for December 9, 2005.

Previous arrangements have identified a meeting to take place on January 18, 2006.

One FASC member suggested an additional agenda item for a future FASC meeting. The member requested that IESO present the current assessment methodology including:

the tools,
 data input,
 transmission limits,
 estimates of range of tie line support and
 any other relevant inputs and assumptions.

The FASC member also suggested agenda items could include:
inclusion of renewables,
Implications of random placement of new generation i.e. creating locked in generation due to transmission security constraints.