Key Messages

- Ontario's electricity market was designed in the late 1990s and introduced in 2002, when the electricity landscape looked very different from today. The elimination of coal, integration of distributed resources like wind and solar, and growing role of the consumer has dramatically changed the dynamics of Ontario's electricity system.

- Now, with ~~These and other~~ investments in existing generation, like nuclear and hydro, ~~mean that~~ Ontario is ~~now~~ in a stable supply situation that is expected to continue until the beginning of the next decade, making this an opportune time to ensure the province has an efficient, cost-effective and reliable energy system.

- Market Renewal is a collaborative effort between the IESO and sector participants, including consumers, to pursue enhancements to Ontario's electricity market that will address inefficiencies and lay a foundation that will prepare us for the electricity sector of tomorrow.

- The project will result in more efficient scheduling of generators to meet demand, the introduction of annual capacity auctions to procure resources more competitively and flexibly, and changes to help meet emerging operability needs, such as more frequent scheduling of energy imports and exports.

- The ~~draft~~ Market Renewal benefits case shows potential for cost savings that will be realized by both consumers and generators. Cost savings are achieved through the better utilization of existing assets, greater competition among resources, a reduced or deferred need to build new resources, and a more flexible procurement process that will better reflect system needs.