

Government Engagement

For Discussion with ELT

May 30, 2018



Purpose

- Outline the IESO's plan to engage government after the June 7, 2018 election
- IESO will need to identify and pursue opportunities to establish new, strengthened, relationships, potentially with decision and policy-makers that are unfamiliar with the IESO
- The goal of the engagement will be to position the IESO as an independent and informed energy policy advisor

Priority topics

- Based on review of party platforms and public statements before and during the election period, the IESO will need to be prepared to inform government how current priorities fit within a new policy framework or where the IESO will need consider a pivot from current policy

IESO Mandate	Positioning the IESO under possible structural and/or business model change Foundational principles of organized markets
Conservation First Framework	Changes CFF targets, timelines, expected outcomes
2017 LTTP Implementation Plan and initiatives	Opportunity to advocate to reprioritize or make changes to scope/objectives of initiatives (i.e. RDGIF, P2G, storage)
Surplus	New government priority on reducing surplus
Rates / reduced system costs	New government priority on reducing overall system costs and reduced rates (C&I, residential/small business)
Market Development and Market Renewal Program	Preparing for reduced scope or cancelation of MRP
Contract management	Prepare for new government that pursues early termination or contract renegotiation, and/or has greater appetite to pursue contract enforcement actions
Nuclear refurbishment	New system needs resulting from change in nuclear refurbishments or retirements schedule
Interjurisdictional trade	New government increases focus increased capacity from Quebec

Overview: Briefing materials

Theme: Independent and informed advisor

- Overarching theme for materials (not a distinct product)
- Examples of areas to promote the theme:
 - Tie in to Electricity Act (mandate)
 - Policy setting vs implementation (directives)
 - Grid operations and market oversight, role of the ISO
 - Market renewal governance [NTD: IESO makes final decisions, not picking winners/losers]
 - Fair Hydro Plan and accounting policy
 - Short-term, long-term planning
 - Cybersecurity
 - IESO-LDC coordination
 - OEB Modernization
- Opportunity to use the MOU use as tool to drive independence

Theme: Reliable, Resilient and Secure

- *Delivering Reliability and Resiliency in a Changing Environment [Q2 theme]*
- About the IESO, mandate, Vision, Mission, Values
- State of the grid:
 - Supply mix, surplus, planning outlook
 - Overview of system costs, cost drivers
 - Rates: C&I, Global Adjustment, ICI
 - Contract Management
- Trends and outlook for change (DERs)
- Reliability (Grid operations, interconnected systems, reliability compliance, LDC coordination, resilience)
- Planning processes and improving regional planning
- Nuclear refurbishment/retirement
- Cybersecurity

Theme: Efficient/Cost Effective Energy Acquisition

- *Moving Towards a More Competitive and Cost-Efficient System[Q2 theme]*
- Overview of IESO Administered Markets
- Value of organized markets (resource adequacy, reliability assurance, cost effective)
- Market Renewal Program (including benefits case)
- Market Development
- Market oversight
- Conservation First Framework (Conservation is the most cost-effective supply resource available)
- Competitive transmission procurement

Theme: Supporting and Adapting to Innovation

- *Empowering Consumers and Communities to take an Active Role [Q2 theme]*
- *Driving Change with Policy and Innovation [Q2 theme]*
- What does Innovation mean to the IESO? Commitment to doing things better
- Technological advancements and growth in DERs (including related LTEP initiatives)
- SME, MDM/R (including Third Party Access)
- Initiatives:
 - Conservation Fund
 - Energy Storage (ATR, Phases 1 and 2, Regulation, addressing barriers)
 - RDGIF and Power-to-gas initiatives
- GreenON
- Climate change policy [NTD?]

Theme: Sector Leadership and Purposeful Engagement

- *Inclusive and Purposeful Engagement Informing IESO Decisions and Advice [Q2 theme]*
- Engagement Principles
- Who, why, inclusive and purposeful
- Benefits of engagement, success stories
- Programs and funds overview
- Indigenous affairs
- Regional Planning

Title

