



# Generator Priorities for Ontario's Electricity Sector

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ASSOCIATION OF  
POWER PRODUCERS  
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March, 2012





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# Key Priorities

- SBG Management
- Renewables Integration
- The IESO-administered market



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# SBG Management

- Use most dynamically flexible resources available to manage SBG and provide equitable compensation
- Eliminate or keep export tariffs, fees, and uplifts as low as possible to encourage exports when needed
- Carefully manage increasing levels of renewables -- respect contracts
- There is questionable value in expanding conservation programs during a period of surplus capacity.
- The IESO should advocate for policy changes that encourage consumption during periods of SBG



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# Renewables Integration

- It is important to ensure that variable renewable generation as a growing segment of the Ontario generation fleet is efficiently integrated into the system
- IESO's own analysis suggests that "the environmental and financial savings achieved by incorporating wind into the 5 - minute dispatch are estimated to be \$180 - 225 million and 1.6 - 2.0 Mt of avoided CO2 emissions, in 2014"
- However, resources reduced for SBG must be equitably compensated for lost revenues.



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# The IESO-administered market

- Generators support incremental evolution
  - But -- changes should be for material reasons
  - And only if impacts are carefully considered and results show significant net benefit
- More accurate price signals can provide incentives for loads to shift energy use to off-peak periods
  - Known opportunities include 1x and CAOR
- Resist the pressure to address market issues through administrative measures



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APPrO is a non-profit organization representing more than 100 companies involved in the generation of electricity in Ontario, including generators and suppliers of services, equipment and consulting services. APPrO members produce power from co-generation, hydro-electric, gas, coal, nuclear, wind energy, waste wood and other sources. APPrO's members currently produce over 95% of the electricity made in Ontario.

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