

Generators Sector Priorities for 2013

As Identified at the April 3, 2013 Stakeholder Advisory Committee Meeting

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- In the view of Generators, it is important that their needs do not get lost in discussions of evolution and change. Optimizing the value of existing assets is an important priority. Transparency in decision making and a completely level-playing field for flexible products are important to generators in this regard.
- Price fidelity is still an issue and the priority is to continue to correct inefficiencies in the market - but these must be material to the market and there must be demonstrated cost benefits to the province. Generator contract terms and the impact of market rule changes on existing contracts must also be taken into consideration during decision making.
- Surplus generation is a very important priority and the generator sector would like increased transparency about IESO actions to manage reliability during times of surplus. While the IESO is commended for the steps it has taken to manage surplus baseload generation (SBG), but there is more work to be done to provide greater certainty for the future. This will be especially true with the operational consequences of integrating a larger renewable fleet in the market. Exports can also play a strong role.
- There is support for the continued focus on the stakeholder process. An important point made by Judy Kirk at the Stakeholder Summit is how transparency and fairness build trust. The IESO is encouraged to improve methods to show how input is used or not used.
- On price fidelity, there is interest in any changes the IESO may propose as a consequence of the HOEP and GA reviews.
- New market participants in the sector – renewable generators who are now being prepared for market readiness – also need to be involved in current stakeholder reviews that potentially have an impact on their businesses, such as the Global Adjustment and HOEP reviews.
- Generator GHG reporting is already taking place with the Ministry of the Environment and duplicating that effort at IESO would be an additional burden for the sector, and a waste of time and resources. Electricity generation accounts for 12 per cent of total GHG and that number is declining as coal generation is retired. Other industries and sectors will have greater impacts on emissions and reductions.