

IESO Stakeholder Engagement

From: Parker Gallant
Sent: February 3, 2011 5:38 PM
To: IESO Stakeholder Engagement
Subject: SE-91

To whom it may concern: My apologies for this late submission on the captioned however it has only just come to my attention. I certainly hope that you will accept it despite the lateness. If you accept it and desire a "hard copy" please advise me and I will send one by regular post.

Yours truly,
Parker Gallant

February 4, 2011

Independent Electricity System Operator,
Station A, Box 4474,
Toronto, ON.,
M5W 4E5

To whom it may concern:

Re: Integrating Renewable Resources-Design Principles (SE-91)

It has come to my attention that IESO under the captioned has endorsed the concept of central forecasting for wind power generators and in the process has proposed the billing of consumers for the costs of that forecasting.

From my personal review of the material [Final Stakeholder Engagement Plan (updated December 9, 2010)] contained on your SE-91 website I have been able to discern the principal purpose behind this initiative as being; "Forecasting Ability to predict output from variable resources is essential for maintaining system reliability and market efficiency"; and the objective to:

"Explain, discuss, and develop policies, standards and rules that permit a growing amount of renewable generators to be integrated into the Ontario market, while maintaining the reliable, safe, and efficient operation of the IESO controlled grid. "

While I personally can appreciate the necessity for IESO to insure that the goal as defined in your Plan is needed to ensure a safe and reliable supply of electricity, it must be realized that each and every ratepayer is affected by any proposal that adds costs to a system that is expected to pass on billions of dollars over the next several years and should therefore be considered in any "Plan".

The aforementioned paper also carried the following in respect to "Stakeholders";

" II. Stakeholders

Renewable Integration is of interest to many stakeholders. Local distribution companies, generators of all types (particularly wind and solar generators), energy agencies, and employees in the electricity industry, will have the most interest in this discussion paper and its policies, standards, and market rule changes."

Your discussion paper envisages the costs associated with this as the responsibility of the ratepayers yet the aforementioned description of Stakeholders fails to even mention us! Hopefully this is just an oversight of a "Plan" rushed to market?

The mentality of the public electricity sector for some reason sees ratepayers as bottomless pits that are available to pay the costs of unproven and experimental ideas that have resulted from the passing of the GEEA.

I would ask the IESO if they are able to point to any jurisdiction that currently has in place a “forecasting” system as envisaged by IESO and further to advise on the success of the forecasting when compared to the jurisdiction's (ie; in Canada that would be Environment Canada) weather forecasting abilities?

I also find it disconcerting that the submissions by CanWEA carry the following;

“ Furthermore, each meteorological tower typically adds \$300,000 to the capital cost of the project, and requires additional lease agreements. A better large-scale input network would likely improve the quality of the forecasting over an increase in the number of permanent met towers far better than increased quality/quantity of data at the site. “

From the foregoing it is obvious that CanWEA does not see it's members as having any responsibility or requirement to ensure accurate forecasting yet it was their members that determined the exact location of their industrial wind turbine placements. This would, one would assume, have entailed detailed wind pattern studies to ensure maximum output. For that reason alone they should not be balking at the potential costs of adding this responsibility to their endeavours. Indeed, they should be applauding the concept of entitled “Congestion Management Settlement Credit” as has been accepted by the gas generators. Industrial wind turbines are the cause of the problems of providing “intermittent” supplies to the grid which in turn is the reason for the IESO “Plan”.

As a ratepayer the concept of paying for undispachable power twice (wind & gas) when demand is low is a concept that I find incredulous and only adds to the incomprehensible results of the GEEA and the many contracts that the OPA has signed. This issue should have been anticipated by the planners in the OPA from the warnings put out by IESO and by them having simply examined other jurisdictions where industrial wind turbines have been in place for a couple of decades, before launching the FIT program and not anticipating the requirement to have meteorological towers for forecasting purposes.

As an outsider looking in it appears that our energy plan is simply made up as we confront each new problem that should have been anticipated well before we found ourselves in this position.

I certainly hope you take the issues I have raised in a respectful manner and consider them in IESO's ongoing dilemma to resolve the problems inherent in integrating the intermittent supply of wind and solar power into the grid.

Respectfully yours,

Parker Gallant