

Minutes of the 9th Meeting of the Forecasts and Assessments Sub-Committee

April 7, 2004 1:15 pm to 4:30 pm
Clarkson System Control Centre, Room 216

Attendees:

Peter Gruttke	Ontario Power Generation
Greg Hine	Independent Electricity Market Operator
Craig Lemon	Union Gas
Dan Rochester	Independent Electricity Market Operator (chair)
Richard Rogacki	Ministry of Energy
Margaret Duzy	Trans Canada
David Brown	OEB
Dave Abbott (by phone)	Bruce Power

Agenda Item #1: Review of minutes: Meeting #8 D. Rochester

For Action 7-1, due to submissions received from OPG, the treatment of Pickering-A Units 1, 2, 3 in Outlooks will be similar to new units in the CAA Queue. This treatment begins with the 2004Q1 Outlook. The capacity of Pickering-A units will be added to the installed capacity base once the units have come on-line.

Agenda Item #2: Outstanding action items

None.

Agenda Item #3: Transforming Ontario's Power Generation Company

Peter Gruttke summarized highlights of the recommendations from the "Manley Report". (This is the name given to the report, *Transforming Ontario's Power Generation Company*, released by the OPG Review Committee that was announced by the Ontario Minister of Energy on December 16, 2003.) The full report can be found on the web at www.opgreview.org. Some observations and comments were provided related to parts of the report that were of particular interest and noted that a Government announcement is expected on April 15 that may provide further direction on the future of OPG.

Agenda Item #4: Review Definitions of the Outlook Supply Scenarios

The possibility that the Planned Resource Scenario could forecast resource levels that are lower than what actual unfolds is possible if new generation can begin construction and come into service within the 18-month timeframe. It was suggested that consideration should be given to collecting the estimated construction duration from connection applicants. This would provide an appreciation of the extent to which new generation may appear unexpectedly within the 18-month window. Consideration should also be given to the publication of the connection applicants estimated construction duration.

Regarding the length of time it may take to have wind powered generation contributing, it was observed that the lead time may be significantly impacted by the extent of the changes to the transmission network that may be required.

Consideration of possible responses and outcomes of the Government RFP process, including new generation, energy conservation and/or energy efficiency targets could be included in a scenario. New resources could be included in a scenario once a contract is awarded for the resource to be developed. A scenario could be based on conditions expected if the government meets their targets.

Consideration should be given to the extent to which Ontario demand should be adjusted because of price changes, including the most recently proposed 100 MW pilot program. (This proposal is called the Transitional Demand Response Program (TDRP) and is described on the IMO web-site at the following URL:

<http://www.theimo.com/imoweb/consult/econDRPP.asp>.)

IMO will keep the sub-committee informed of scenario development if alternate resource scenarios look more appropriate than the present scenarios.

Agenda Item #5: 2004 10-Year Outlook

Information deemed useful in the report included the impact of shutting down coal plants. Discussion of future possible resource scenarios described above also applies to the 10-Year Outlook. Regarding significant milestones that indicate sufficient commitment to proceed, there were no other milestones considered as significant as the start of construction.

Agenda Item #6: 2004:Q1 18-Month Outlook

Some of the discussion regarding supply scenarios provided above applies to the 2004Q1 18-Month Outlook.

Agenda Item #7: Confirm Meeting 10

The next meeting is planned for June 24, 2004. Dan Rochester is waiting to receive suggestions for agenda items. The IMO's next 18-month Outlook is targeted for issue on June 23, 2004.