



**AUGUST 26, 2021**

# Market Renewal Program RSS Implementation

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# Purpose

- Refresher on the Replacement of the IESO's Settlement System (RSS)
- Update on the current project status
- Overview of changes
- Outline next steps and implementation timelines

# What is the RSS Project?

- The RSS project is a largely behind-the-scenes project that will bolster the IESO's ability to provide settlement services. The project will:
  - Address some current technical limitations
  - Implement new capabilities to address settlement statement disagreements transparently and efficiently
  - Enable settlement updates being introduced as a part of the Market Renewal Program (MRP)

## What is the RSS Project? (Cont'd)

- The project does not include any changes to systems that are upstream or downstream of the Settlement System (e.g., changes to the content or cadence of preliminary settlement statements, final settlement statements, and monthly invoices)
- Updates to charge types and equations relating to MRP will be included as part of the MRP project; with more details in 2022

# RSS Project Progress

- Discussed the detailed design of project with stakeholders at June Engagement Meeting
- Published final design update for the Settlement Disagreements and Resettlements Process in late June
- Solution development is well underway, over 50% complete

# What's Changing under RSS?

1. Internal IESO Systems
2. Amended Charge Types
3. Settlement Disagreements and Resettlements Process
  - Associated Market Rule Amendments
  - Associated Regulatory Amendments
  - New Recalculated Settlement Statements

# Internal IESO Systems

- Replacement of the IESO's settlement system is a key upgrade of infrastructure that supports the market and market participants
- Consolidation of how participants submit information for settlement through the Online Settlement Forms (ONLSF)
  - Submission of settlement data through IESO Workspaces and email to be moved to Online IESO
  - File upload capabilities and/or submission by Application Programming Interface (API) to be added to select forms

# New Charge Types

- Break-out of dispatchable energy settlement into separate components
  - Existing CT 100 to be replaced by 4 charges, including:
    - CT 1101 (dispatchable generators)
    - CT 1103 (dispatchable loads)
    - CT 1111 (imports)
    - CT 1113 (exports)
- No change to the formulas behind settlement, solely increased specificity and granularity for participants



## New Charge Types (Cont'd)

- Break-out of non-dispatchable energy settlement into separate components
  - Existing CT 101 to be replaced by 2 charges, including:
    - CT 1114 (non-dispatchable generators)
    - CT 1115 (non-dispatchable loads)
- Three operating reserve accessibility charges to be added
- An updated Charge Type and Equation document will reflect these changes and be shared prior to Market Trials

# Settlement Disagreements and Resettlements Process

- Extending the deadline for Notice of Disagreement (NoD) from 4 days to 6 days following Preliminary Settlement Statement
- Expanding the scope of the current disagreements and dispute processes by extending, clarifying or introducing limitation periods to address specified errors
- Introducing a limitation for resettlements two years after the trade month, after which the IESO will not further restate a trade date

# Settlement Disagreements and Resettlements Process (Cont'd)

- Introducing recalculated settlement statements (RCSS) between Final Settlement Statements (FSS) and the end of the limitation for resettlements to restate a trade date's settlement charges
- Establishing an ultimate limitation period of two years for disputes, after which no market participant may submit or serve, and no action shall be taken with respect to, a notice of dispute

# Limitation Period Changes by Disagreement Channel

## Settlement Statement Errors and Omissions

- Extending the current Notice of Disagreement limitation period from 4 business days to 6 business days after the Preliminary Settlement Statement (PSS), and applying it to all new or resettled charges on every settlement statement

## Metering Disagreements

- Establishing a limitation period of up to 18 months after the trade date

## Data Submission Disagreements (\*New Channel\*)

- Contemplating a limitation period of up to 1 to 23 months after the trade month associated with a trade date for post-final data submissions, based on each specific submission's defined requirements and timelines

# Market Rule Amendments

Changes to IESO Market Rules will be required to reflect modifications to the settlement disagreements and resettlements process.

Market Rules	Scope of Amendments
Chapter 3: Administration, Supervision, Enforcement	Ultimate limitation period
Chapter 6: Wholesale Metering	Metering disagreement channel
Chapter 9: Settlements and Billing	Settlement statement errors and omissions disagreement channel, data submissions disagreement channel, RCSS frequency and schedule process, two-year limit on resettlements
Chapter 10: Transmission Service and Planning	Correction of errors to transmitters list (part of the metering disagreement channel)

# Regulatory Amendments

- Changes to existing regulations are be required in order to reflect alignment with the recommended two-year ultimate limitation period, as well as other aspects of the Settlement Disagreements and Resettlements Process design
- The IESO is working with the Ministry of Energy to implement the required legislative/regulatory changes



## Settlement Statements (Cont'd)

- Select existing charge types will have additional supporting information added ('DP' records)
- New RCSS and support data files will be issued as necessary to restate a trade date's original and resettled settlement charges
- No change to invoice schedule for the physical and financial market
  - Invoice amounts will be a summary of preliminary, final and RCSS settlement amounts



# Impact on Market Participants from RSS

- Primary Audience for RSS changes would be Generators and Loads who would use the expanded channels for disagreements
  - Members of the primary audience should consider participating in testing activities in Q2 2022
- Secondary Audience for RSS changes would be the broader Market Participant base (the extended NoD window, limitation period, and the updated display of charge types)

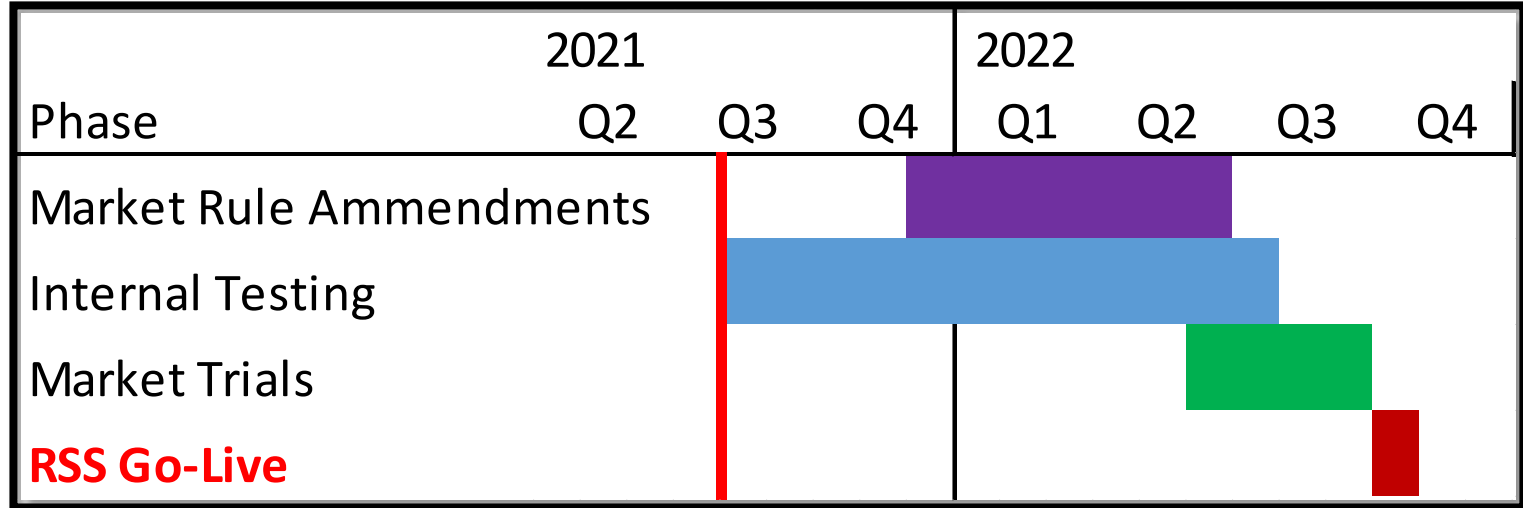
# Implementation

- **When will testing happen?**
  - Testing is slated to begin towards the end of Q2 2022
- **Who should be involved?**
  - Market participant staff who are involved in the submission and retrieval of settlement data
- **What is being tested?**
  - The Online Settlement Forms and Notice of Disagreement Systems

## Implementation (Cont'd)

- **What do Market Participants need to do?**
  - Use the finalized Detailed Design to begin to scope any changes to business processes from the revised NoD timelines, new disagreements process, etc.
  - Prepare to devote some time to the testing phase in Q2 2022
- **What documentation will be available?**
  - Customers will have access to the test cases and training guides for the limited system changes; Samples and schema files will be created and shared for the settlement statement

# Implementation Timeline



# What's Next?

- **Q4 2021:** Market rule amendments to support the new Settlement Disagreements and Resettlements Process
- **Q4 2021:** Training and testing plans brought back to stakeholders

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# Thank You

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