



**FEBRUARY 22, 2022**

# Replacement of Settlement System –

## Market Rule Amendments & Market Participant Readiness Planning

**Phil Bosco**

# Webinar Participation

- Ways to interact in today's webinar:
  - **Raise your hand** (click the "Raise hand" button in the top right corner) to let the host know you'd like to verbally ask a question or make a comment. The host will let you know when to unmute
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# Agenda

- Summary of the RSS Market Rule Amendments
- RSS Readiness Planning
- Next Steps



# Market Rule Amendments

# Summary

As part of the Replacement of Settlement System (RSS) project, the IESO is modifying its settlements disagreements and resettlements processes with the following objectives:

- Mitigate financial risk to the market
- Provide more clarity and transparency for market participants
- Make timelines more practical for submitting settlement data, disagreement notices and for resolving settlement disagreements
- Improve efficiency of settlements processing timelines

# Market Rule Amendments

Changes to several chapters in the market rules will be required to reflect modifications to the settlement disagreements and resettlements process:

- Define the ultimate limitation period
- Establish the two-year limit on resettlements
- Aligning the metering disagreement channel to the limitation period
- Define the recalculated settlement statements (RCSS) frequency and schedule process

# Amendments to Chapter 3

## Chapter 3

- 2.2 – Added electricity storage participant to section 2.2.1.3, minor changes to section references, new references to dispute sections
- 2.5, 2.6, 2.7 – Aligning the dispute resolution process to reflect the new resettlement process, minor changes to section references

# Amendments to Chapter 6

## Chapter 6

- 10.4 – Additional obligations for the market participant and the IESO with respect to identification and communication of errors with meter data.

## Chapter 6.3

- 1.4, 1.5 – Adjusting testing periods to ensure that a test would fall within the new limitation period



# Amendments to Chapter 7

## Chapter 7

- 7.6 – Adjusting references to section 6 of Chapter 9 to reflect changes within that section
- 8.4 – Adjusting references to section 6 of Chapter 9 to reflect changes within that section; removing a reference to the dispute resolution process

# Amendments with Chapter 8

- **Chapter 8**
- 4.19 – Adjusting references to section 6 of Chapter 9 to reflect changes within that section

# Amendments to Chapter 9

## Chapter 9

The most significant changes in this proposal are made in section 6 of Chapter 9. Changes at a high level include:

- Adjusting the publication schedule of the Settlement Schedule and Payments Calendar in section 6.2
- Inserting a new process for the recalculated settlement statement in section 6.7 and updating existing processes outlined in sections 6.3-6.6, 6.8

## Amendments to Chapter 9, cont'd

- Adjusting section numbers to ensure a proper and chronological flow with the new processes (sections 6.12-6:20)
- Updating the language on notice of disagreements to include the extended window for submission
- Adding a new section 6.9 on the IESO obligations with regard to validation of settlement statements

## Amendments to Chapter 9, cont'd

Other changes to chapter 9 include:

- updating references to sections in section 3.5, 3.8C, 4.8
- 2.1A – adding market rules to the existing clause
- 2.11 – adding the new defined term dispute outcome
- 3.4 – changing the settlement equation to align with three types of operating reserve prices

# Amendments to Chapter 10

## Chapter 10

- 6C – Added the new 23 month limitation period to existing provisions

# Amendments to Chapter 11

## Chapter 11

Updated and/or added the following defined terms:

- Dispute outcome
- Final recalculated settlement statement
- Final settlement statement
- Settlement statement
- Settlement statement re-calculation

# Timeline: RSS Market Rule Amendments

<b>Timing</b>	<b>Activity</b>
March 18	Stakeholder Comments on the Market Rule Amendments are Due
March 22	Technical Panel Meeting – Vote to Post
April 8	IESO Response to Stakeholder Feedback Posted
April 19	Technical Panel Meeting – Vote to Recommend





# RSS Readiness Planning

# Refresher: 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
  - Provide a new ability to address settlement statement disagreements transparently and efficiently
  - Enable settlement updates being introduced as a part of the Market Renewal Program (MRP)

## Refresher: 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 late 2022
- Detailed Design of the project has been discussed with stakeholders, and posted: [RSS Detailed Design](#)

# What's Changing under RSS for Participants?

- New Recalculated Settlement Statement
- Limitation period changes, including extended Notice of Disagreement window
- Minor changes to charge types (some amendments, and change from manual to automated records)
- Previously discussions are documented on the [Engagement webpage](#)

# Impact on Market Participants from RSS

- Primary Audience for RSS changes would be LDCs and Generators (as those participants would use the refined scope for disagreements)
  - Members of the primary audience should consider participating in testing activities in Q3 2022
- Secondary Audience for RSS changes would be the broader Market Participant base (as they receive the extended NoD window, would be subject to the new limitation period, and will see the updated charge types)

# Approach

- The IESO and Market Participants share a responsibility to be prepared for the advent of RSS; The IESO will work with participants on training and education activities, and participants will allocate the time and effort needed to participate, for training and update business processes
- Successful completion of readiness activities will mean that participants are ready to use the new recalculated settlement statement, and can recognize the changes in the settlement process (to the invoice or the addition of the limitation period)

# Tool Changes and Testing

- The IESO is leveraging current Online IESO platforms for the refined settlement disagreement process
- Training Guides and Test Cases will be available for participants in July, and testing within the sandbox environment will occur in August
- Volunteers will be needed for testing

# Settlement Files for Testing

- Settlement Schedule and Payments Calendar (SSPC) will be available in June. These documents will outline the timing for the RCSS
- Sample and Schema files will be available in June
- The PSS, FSS, and RCSS plus the PS-INV will all be available as part of Sandbox testing



# Timeline: RSS Participant Readiness

Timing	Testing Material
June 2022	Updated SSPC, Schema, and Sample Files
July 2022	Test Cases for Online IESO Workflow; RSS Training Guide
August 2022	Structured sandbox testing for Online IESO Settlement Data; Submission and Notice of Disagreements Channel; Sandbox testing for Reports
Sept 2022	MP Business Process testing in sandbox for Online IESO Testing
Nov 1 2022	RSS In-service

## Next Steps

- Participants can review and comment on the plan; Responses can be emailed to [engagement@ieso.ca](mailto:engagement@ieso.ca) by March 18<sup>th</sup>
- Stakeholders can subscribe to the IESO MRP Newsletter at [www.ieso.ca/subscribe](http://www.ieso.ca/subscribe)
- Next key steps are in May/June 2022

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# Thank You

[ieso.ca](http://ieso.ca)

1.888.448.7777

[customer.relations@ieso.ca](mailto:customer.relations@ieso.ca)

[engagement@ieso.ca](mailto:engagement@ieso.ca)



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