



Assessment of Impact of Market Rule Amendment on Consumers Re: Price, Reliability, Quality of Electricity Service

This form is used to document the *IESO's* assessment of the impact of a proposed *market rule amendment* on the interests of consumers with respect to prices and the *reliability* and quality of electricity service.

Terms and acronyms used in this Form that are italicized have the meanings ascribed thereto in Chapter 11 of the *Market Rules*.

Part 1 – Market Rule Information

Identification No.: MR-00467-R00

Title: Improving Accessibility of Operating Reserve

Date of Assessment: February 22, 2023

Part 2 – Assessment

The following is the *IESO's* assessment of the impact of the proposed *market rule amendment* on the interests of consumers with respect to price and the *reliability* and quality of electricity service.

Impact of Price:

The proposed amendment may result in a shift in the cost of acquiring operating reserve. Some resources may reduce the amount of operating reserve offered into the IESO-administered markets. This may result in the IESO needing to acquire more expensive operating reserve, increasing its market price. However, insofar as the operating reserve being offered is more frequently available to be fully utilized when needed any rise in the price of OR should be viewed as a more proper outcome as previous prices may have been inefficiently suppressed by scheduling OR that was inaccessible. The automated clawback should also help ensure that resources are only being paid for the operating reserve they are capable of delivering, which would also result in cost savings.

Impact on Reliability of Electricity Service:

The proposed amendment should help to encourage market participants to only offer the amount of operating reserve they are capable of providing. This should lead to both more

reliable operating reserve as well as ensure that market participants are only being paid the amount of operating reserve they are capable of providing.

Impact on Quality of Electricity Service:

None