



## Decision of the Independent Panel – Exemption Application #1362

### Part 1 – Panel Members

Panel Members hearing the application: Steve Baker, Patricia Koval, Michael Bernstein, Joe Oliver

### Part 2 – General Information

1. Exemption Application ID: 1362
2. Market Participant Name: Hydro One Inc. (“Hydro One” or, the “Applicant”)
3. Location/Site: Trafalgar TS
4. Role of Applicant in the market as it pertains to this Exemption Application: Transmitter
5. Date Exemption Application Heard: November 30, 2022
6. Did Exemption Applicant agree to Terms and Conditions of the IESO Staff Recommendation: Yes
7. Market Rule(s) or Related Market Manual(s) from which the exemption is requested: Section 2.1.1.1 of Chapter 6 of the Market Rules
8. Material Reviewed: a) IESO Staff Presentation b) Hydro One exemption application c) Hydro One additional submission d) IESO staff recommendation
9. Applicant’s Position: Hydro One has evaluated multiple solutions in addition to submitting an exemption application. All additional solutions were viewed as cost

prohibitive and most had significant technical challenges that were neither practical, nor feasible to implement.

10. IESO Staff recommendation: IESO staff recommend the request be granted in order to exempt metering installation standards for an Enbridge, meter point undergoing a temporary load transfer, that are cost prohibitive for a small load.

### Part 3 – Decision

**Decision:**

Exemption #1362 is granted to Hydro One subject to the terms and conditions set forth in Part 5 of this document.

### Part 4 – Reasons

**Reasons of the Panel:**

Compliance with the market rules and market manuals for transmitters and their customers is mandatory. However, it is possible for the IESO to grant an exemption from the market rules and market manuals on a discretionary and case-by-case basis.

In rendering the decision, the Panel considered the materials submitted by the IESO and the exemption applicant as well as the applicable market rules requirements. In consideration of the exemption application, the Panel specifically considered the following points:

- The IESO's ability to direct operations and maintain the reliability of the broader IESO-controlled grid with the exemption in place
- Whether the cost increase of market participants or the IESO is reasonable
- The adequacy of the exemption plan submitted by the exemption applicant
- The capability of Hydro One to operate the Trafalgar TS consistent with the terms of the proposed exemption
  
- The rationale contained in Hydro One's application and the IESO staff recommendation related to the preceding points satisfied the Panel for granting the exemption.

## Part 5 – Terms and Conditions

<p><b>Effective Date of Exemption</b> (or event causing exemption to become effective)</p>	<p>Will be effective on the date the exemption is approved by the Exemption Review Panel (November 30, 2022).</p>
<p><b>Date of Expiration of Exemption</b> - If greater than 5 years, the Panel must be satisfied that the circumstances justify a later date - Circumstances which will cause the exemption to immediately expire</p>	<p>Two years following approval of the exemption application (November 30, 2024).</p>
<p><b>Market Rule(s) or related Market Manual(s) from which the Exemption is granted</b></p>	<p>Chapter 6, Section 2.1.1.1</p>
<p><b>Restrictions on the manner of operation and/or additional obligations to be met during the term of the Exemption, if any</b></p>	<ol style="list-style-type: none"> <li>1. Hydro One shall act as the metered market participant for the new non-dispatchable load resource and shall register with the IESO a new virtual meter associated with the new resource for both energy and transmission markets. As a metered market participant, Hydro One shall ensure compliance with all applicable Market Rules, primarily Chapter 6 of Market Rules.</li> <li>2. Hydro One, as the metered market participant, shall engage a registered metering service provider to register and maintain the new virtual meter for the entire period of the exemption.</li> <li>3. Hydro One shall estimate the virtual meter data quantities based on Enbridge’s load historical meter data consumption of over a period of minimum of 2 years. The virtual meter data estimate shall be sealed by a Professional Engineer of Ontario and reviewed and approved by the IESO as part of the virtual meter registration process.</li> </ol>
<p><b>Monitoring Information Required</b> Information required to be provided by the Exemption Applicant for monitoring by the IESO</p>	<p>IESO will open a metering conformance monitoring task with an effective time period of 2 years starting on the date the exemption is approved by the Exemption Review Panel.</p>
<p><b>Payment of Costs</b> - Processing Costs (when introduced) - Incremental Exemption Costs - Settlement amounts to be withheld or repaid</p>	<p>N/A</p>

<p><b>Reconsideration/Removal</b></p> <ul style="list-style-type: none"> <li>- Date on which the Exemption will be reconsidered (if applicable)</li> <li>Circumstances under which the Exemption will be reconsidered (if applicable) other than unforeseen future change in circumstances</li> </ul>	<p>The exemption may be removed before its expiration date if the Enbridge load is transferred back to its primary supply.</p>
<p><b>Transferability</b></p> <ul style="list-style-type: none"> <li>- List the terms and conditions that need to be met to allow for a transfer of this exemption to be approved by IESO staff</li> <li>- Transferability in respect of a corporation, refers to a change of control of the corporation within the meaning of the Business Corporations Act (Ontario)</li> </ul>	<p>This exemption is not transferable.</p>
<p><b>Other:</b></p>	<p>Not applicable</p>