



Market Rule Amendment Submission

This form is used to request an amendment to, or clarification of, the *Market Rules*. Please complete the first four parts of this form and submit the completed form by email to the following:

Email Address: Rule.Amendments@ieso.ca

Attention: Market Rules Group

Subject: Market Rule Amendment Submission

All information submitted in this process will be used by the *IESO* solely in support of its obligations under the *Electricity Act, 1998*, the *Ontario Energy Board Act, 1998*, the *Market Rules* and associated policies, standards and procedures and its licence. All submitted information will be assigned the *confidentiality classification* of “Public” upon receipt. You should be aware that the *IESO* will *publish this amendment submission* if the *Technical Panel* determines it warrants consideration and may invite public comment.

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

PART 1 – SUBMITTER’S INFORMATION

Please enter contact information in full.	
Name: <u>IESO Staff</u>	
(if applicable) <i>Market Participant / Metering Service Provider</i> No. ¹ : <u>N/A</u>	<i>Market Participant Class</i> : <u>N/A</u>
Telephone: <u>905-403-6983</u>	Fax: <u>905-855-6371</u>
E-mail Address: rule.amendments@ieso.ca	

PART 2 – MARKET RULE AMENDMENT SUBMISSION INFORMATION

Subject: <u>Disconnection Orders</u>	
Title: <u>Market Rules True-Up – Disconnection Orders</u>	
Nature of Request (please indicate with x)	
<input checked="" type="checkbox"/> Alteration	<input type="checkbox"/> Deletion
<input checked="" type="checkbox"/> Addition	<input type="checkbox"/> Clarification
Chapter: <u>3, 4 & 11</u> Appendix: <u>N/A</u> Sections: <u>Various</u>	
Sub-sections proposed for amending/clarifying: <u>Chapter 3 section 6.5A (new) & Chapter 4 sections 6.4, 6.4 & 6.5, Chapter 11 definitions</u>	

¹ This number is a maximum of 12 characters and does not include any spaces or underscore.

PART 3 – DESCRIPTION OF THE ISSUE

Provide a brief description of the issue and reason for the proposed amendment. If possible, provide a qualitative and quantitative assessment of the impacts of the issue on you and the *IESO-administered markets*. Include the Chapter and Section number of the relevant *market rules*.

Summary

The IESO proposes to amend the market rules to explicitly identify the obligation of transmitters, distributors and other market participants to comply with disconnection orders issued by the IESO to give effect to a suspension order, termination order or an IESO ordered de-registration of a market participant's facilities due to persistent breaches of the market rules.

In addition, the IESO proposes to amend references to disconnection orders within the grid connection requirements of the market rules in order to create consistency regarding the types of market participants to whom the IESO may issue a disconnection order.

Background

Market rule amendment MR-00335-R00: Revisions to the Suspension, Termination, and Disconnection Provisions for Events of Default approved by the IESO Board in June 2008, introduced a number of changes to address identified shortcomings of the market rule enforcement provisions in section 6 of Chapter 3. The amendments granted the IESO the authority to issue disconnection orders to a "host" market participant where the defaulting market participant is embedded within or behind the "host" market participant's facility. Prior to the amendment, the IESO was only permitted to issue disconnection orders to transmitters and distributors.

While MR-00335-R00 granted the IESO authority to issue disconnection orders to a transmitter, distributor or other market participant under Chapter 3 sections 6.3A.4.3, 6.4.3 and 6.5.3, the amendment did not include an obligation for participants to comply with such disconnection orders. Similar obligations exist in the market rules to ensure transmitters, wholesale customers, generators and distributors comply with IESO directions related to the IESO's responsibility of maintaining reliability (Chapter 5 sections 3.4 – 3.7) and for transmitters and distributors to comply with IESO disconnection orders related to disconnections during an emergency, for safety or reliability reasons (Chapter 4 section 6.3.2).

To address this oversight the IESO will introduce a new section to the market rules to obligate transmitters, distributors and other market participants to comply with disconnection orders issued by the IESO in relation to events of default identified in section 6 of Chapter 3.

PART 4 – PROPOSAL (BY SUBMITTER)

Provide your proposed amendment. If possible, provide suggested wording of proposed amendment.

Amend the market rules to explicitly identify the obligation of transmitters, distributors and other market participants to comply with disconnection orders issued by the IESO to give effect to a suspension order, termination order or an IESO ordered de-registration of a market participant's facilities due to persistent breaches of the market rules.

PART 4 – PROPOSAL (BY SUBMITTER)

In addition, amend references to disconnection orders within the grid connection requirements of the market rules in order to create consistency regarding the types of market participants to whom the IESO may issue a disconnection order.

PART 5 – FOR IESO USE ONLY

Technical Panel Decision on Rule Amendment Submission: Warrants Consideration

MR Number: MR-00431

Date Submitted to *Technical Panel*: June 20, 2017

Accepted by *Technical Panel* as: (please indicate with x)

Date:

General Urgent Minor

June 27, 2017

Criteria for Acceptance: The amendment submission corrects an error in the market rules, clarifies the IESO's intent and creates consistency within the market rules.

Priority: Regular

Criteria for Assigning Priority: The amendments explicitly identify the obligation of transmitters, distributors and other market participants to comply with disconnection orders issued by the IESO to give effect to a suspension order, termination order or an IESO ordered de-registration of a market participant's facilities due to persistent breaches of the market rules.

Not Accepted (please indicate with x):

Clarification/Interpretation Required (please indicate with x):

Technical Panel Minutes Reference: IESOTP June 2017

Technical Panel Comments: The Technical Panel identified the need for the IESO to clarify the impact to distribution systems and to specify the types of facilities who may be sent a disconnection order pursuant to Chapter 3. The Technical Panel also asked the IESO to specify the instances when the IESO may issue a disconnection order pursuant to Chapter 3 via a voice communication.