



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: IESO Staff

(if applicable) *Market Participant /
Metering Service Provider No.*¹: N/A

Market Participant Class:
N/A

Telephone: 905-855-6445

Fax: _____

E-mail Address: rule.amendments@ieso.ca

PART 2 – MARKET RULE AMENDMENT SUBMISSION INFORMATION

Subject: Settlements

Title: Regulated Settlement – Deletion of Rural and Remote Settlement and Debt Retirement Charge

Nature of Request (please indicate with x)

Alteration

Deletion

Addition

Clarification

Chapter: 9, 11

Appendix: _____

Sections: Ch. 9 Sections 1, 4; Ch. 11 -
definitions

Sub-sections proposed for amending/clarifying: Ch. 9 - Sub-sections 1.1, 1.2, 4.4, 4.6

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 amendments to the market rules to ensure consistency with respect to regulated settlement. Regulated settlement is the determining, collecting and remitting of applicable settlement amounts in compliance with the relevant provisions of the Electricity Act, 1998; the Ontario Energy Board Act, 1998; and any related regulations. The proposed amendments will delete market rule references to rural and remote settlement and the debt retirement charge since these charges can be settled under Section 1.2.1 of Chapter 9, consistent with other regulated settlement charges.

Background

Section 1.2.1 of Chapter 9 was created after market opening to address regulated settlement and to require the IESO and market participants to comply with the Electricity Act, 1998; the Ontario Energy Board Act, 1998; and any related regulations with respect to settlement. The current language of Section 1.2.1 is intentionally generic and does not refer to any specific regulation or settlement amount in order to avoid the need for future market rule amendments as legislative and regulatory requirements regarding regulated settlement change.

At market opening there were two regulated settlement charge types included in Chapter 9 of the market rules:

- Section 4.4 – Rural and remote settlement, also known as rural and remote rate protection (RRRP); and
- Section 4.6 – Debt retirement charge (DRC).

Since market opening there have been a number of regulated settlement charge types added to the IESO's settlement function. Unlike RRRP and DRC, these charge types have not been added as specific sections in the market rules. Instead, settlement of these regulated settlement charge types is enabled through Section 1.2.1 of Chapter 9. This has created inconsistency in the market rules.

Proposal

To ensure consistency in the market rules with respect to regulated settlement the IESO proposes to delete Sections 4.4 and 4.6 of Chapter 9, and any associated definitions or references related to these charge types.

Impact of Proposal

There will be no impact on the settlement of RRRP and DRC. Settlement of these regulated settlement charge types can be achieved under Section 1.2.1 of Chapter 9, consistent with other regulated settlement.

There will be no impact on transparency of regulated settlement. Details for regulated settlement charge types added since market opening are documented in the applicable IESO market manuals, including [Market Manual 5: Part 5.5: Physical Markets Settlement Statements](#), the [IESO Charge Types and Equations](#) manual, and the [HST Guide for IESO Transactions](#). Similarly, the details for RRRP and DRC are included in the market manuals and refer to the applicable regulation. Deleting Sections 4.4

PART 3 – DESCRIPTION OF THE ISSUE

and 4.6 of Chapter 9 provides consistency in the market rules without impacting transparency of settlement.

PART 4 – PROPOSAL (BY SUBMITTER)

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

Amend the market rules to ensure consistency with respect to regulated settlement by deleting market rules references to rural and remote settlement and the debt retirement charge. These regulated settlement charge types can be settled under Section 1.2.1 of Chapter 9 consistent with other regulated settlement amounts.

PART 5 – FOR IESO USE ONLY

Technical Panel Decision on Rule Amendment Submission: Warrants consideration

MR Number: MR-00434

Date Submitted to *Technical Panel*: November 15, 2017

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

Date:

General Urgent Minor

November 22, 2017

Criteria for Acceptance: The identified changes provide consistency within the market rules.

Priority: Regular

Criteria for Assigning Priority: The changes provide consistency in the treatment of regulated settlement amounts in the market rules.

Not Accepted (please indicate with x):

Clarification/Interpretation Required (please indicate with x):

Technical Panel Minutes Reference: IESOTP-20171122

Technical Panel Comments: