

Market Rule Amendment Proposal

| PART I - WIARKET KULE INFORMATIO | Market Rule Infoi | RMATIO | N |
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| Identification No.: MR-00435 | | | | | | |
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| Subject: | Station Service | | | | | |
| Title: | Station Service Obligations | | | | | |
| Nature of Proposal: Alteration | | | Deletion | | Addition | |
| Chapter: | 9 | | | Appendix: | N/A | |
| Sections: | 2.1A | | | | | |
| Sub-sections proposed for amending: | | 2.1A.1 & | 2.1A.3 | | | |

PART 2 – PROPOSAL HISTORY

| Version | Reason for Issuing | Version Date | | |
|--------------------------------------|------------------------------------|------------------|--|--|
| 1.0 | Draft for Technical Panel Review | January 16, 2018 | | |
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| Approved Amendment Publication Date: | | | | |
| Approved Ame | Approved Amendment Effective Date: | | | |

PART 3 – EXPLANATION FOR PROPOSED AMENDMENT

Provide a brief description of the following:

- The reason for the proposed amendment and the impact on the *IESO-administered markets* if the amendment is not made.
- Alternative solutions considered.
- The proposed amendment, how the amendment addresses the above reason and impact of the proposed amendment on the *IESO-administered markets*.

Summary

The IESO proposes to remove the obligation for registered market participants to identify and provide station service estimates and place the obligation on the market participant responsible for registering the relevant facility, consistent with the intent of placing this obligation on the owner of the facility. This change will ensure that the market participant responsible for registering the relevant facility, which is the owner of the facility, is obligated to comply with the station service provisions in section 2.1A of Chapter 9.

Background

Refer to MR-00435-Q00

Discussion

Chapter 9

The IESO proposes to amend sections 2.1A.1 and 2.1A.3 of Chapter 9 to remove the obligation for registered market participants to identify and provide station service estimates to the IESO. The IESO proposes to correctly place the obligation on the market participant responsible for registering the relevant facility, which is the owner of the facility, consistent with Market Manual 1.2: Facility Registration¹, rather than the registered market participant. This amendment will correct an error and clarify the intent of section 2.1A of Chapter 9.

- Section 2.1A.1 references the registered market participant as the responsible party to fulfill the obligations detailed in the subsections below. The IESO proposes to replace "registered market participant" with "market participant" responsible for registering a facility in section 2.1A.1.
 - o 2.1A.1.1 will now outline the obligation for a market participant to identify the fraction of energy consumed from the IESO-controlled grid (ICG) that is not station service

¹ Excerpt from Table 2-1 Roles and Responsibilities (MM 1.2: Facility Registration):

| Market Participant | The entity responsible for registering the <i>facility</i> . The <i>market participant</i> is the owner of |
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| | the facility and is responsible for assigning the registered market participant, metered |
| | market participant and Operator relationships to their resources and equipment if |
| | applicable. |

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PART 3 – EXPLANATION FOR PROPOSED AMENDMENT

(either connection or transmission station service).

- As a matter of clean-up, the IESO proposes to italicize the term "facility" in section 2.1A.1.1 to align the term with the Chapter 11 definition.
- o 2.1A.1.2 will now ensure that the energy consumed from the ICG by the market participant, that is neither connection or transmission station service is measured by a registered wholesale meter (RWM).
- Section 2.1A.3 also incorrectly references the registered market participant. The IESO proposes to replace both references to a "registered market participant" with the correct reference to the "market participant" responsible for registering a facility in section 2.1A.3.
 - Section 2.1A.3 will now detail that when connection station service is not separately
 metered by an RWM, energy related to such station service shall be estimated by the
 market participant responsible for registering the relevant connection facility.
 - It is also proposed to delete references to the designation process whereby a market participant can designate the estimation of connection station service to a metered market participant. The obligation to estimate connection station service will reside solely on the market participant responsible for registering the relevant connection facility (the owner of the facility), who has access to all the required information as well as physical access to the facility, which is required to provide the estimate. The IESO does not administer the designation process for the estimation of connection station service and therefore has no visibility of such designation process. Deletion of the designation process will alleviate any confusion for all parties involved as to whether the market participant or the metered market participant is responsible to fulfill the obligations outlined in section 2.1A.3.

PART 4 – PROPOSED AMENDMENT

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Chapter 9

2.1A Station Service

- 2.1A.1 The <u>registered</u> market participant <u>responsible</u> for <u>registering</u> a <u>facility</u> consuming transmission station service or connection station service shall:
 - 2.1A.1.1 identify to the *IESO* the fraction of the *energy* withdrawn at that *facility* supplied from the *IESO-controlled grid* which is not such *station service*; and

- ensure that the consumption of the energy referred to in section 2.1A.1.1 is measured by an *RWM* that complies with the requirements of Chapter 6.
- 2.1A.2 For settlement purposes, transmission station service shall be treated as a transmission loss.
- 2.1A.3 Where *connection station service* is not separately metered by an *RWM*, the energy consumption associated with connection station service shall be estimated by the metered market participant designated by the registered market participant responsible for registering the relevant connection facility or, in the absence of such a metered market participant, by such registered market participant, in accordance with the equations and procedures described in the applicable market manuals, which estimate shall be stamped by a registered professional engineer and shall be subject to audit by the IESO.

PART 5 – IESO BOARD DECISION RATIONALE

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