



Market Rule Amendment Proposal

PART 1 – MARKET RULE INFORMATION

Identification No.:	MR-00395		
Subject:	Congestion Management Settlement Credits (CMSC)		
Title:	Limiting Constrained Off CMSC Payments to Imports into Designated Chronically Congested Areas		
Nature of Proposal:	<input type="checkbox"/> Alteration	<input type="checkbox"/> Deletion	<input checked="" type="checkbox"/> Addition
Chapter:	9, 11	Appendix:	N/A
Sections:	Ch 9, sections 3.5 and 4.8		
Sub-sections proposed for amending:	Ch 9: 3.5.2, 3.5.10, 4.8.2.13, 4.8.2.14, 4.8.2.15		

PART 2 – PROPOSAL HISTORY

Version	Reason for Issuing	Version Date
1.0	Draft for Technical Panel Review	July 10, 2012
2.0	Publish for Stakeholder Review and Comment	July 19, 2012
3.0	Submitted for Technical Panel Vote	August 14, 2012
4.0	Recommended by Technical Panel; Submitted for IESO Board Approval	August 21, 2012
5.0	Approved by IESO Board	September 7, 2012
Approved Amendment Publication Date:		September 7, 2012
Approved Amendment Effective Date:		October 1, 2012

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

It is proposed that market participants who are offering to inject energy over an intertie into a designated chronically congested area, as defined in the applicable market manual, shall not be eligible for constrained off congestion management settlement credits (CMSC) where the import transaction is constrained off in the last pre-dispatch run prior to the dispatch hour. The designated chronically congested areas will be defined as those areas which are oversupplied due to transmission constraints, currently utilizing the designation as a constrained off watch zone (COWZ) which currently identifies the Northwest as an area of oversupply due to transmission constraints.

The IESO is proposing this amendment as we do not believe that CMSC payments to imports offering into a chronically congested area are consistent with the original intent of constrained off CMSC payments to generators and importers.

Background

Refer to MR-00395-Q00.

Discussion

The IESO believes that CMSC payments for constrained off imports into oversupplied areas are not consistent with the original intent of constrained off CMSC payments to generators and imports, as outlined in the amendment submission MR-00395-Q00. The oversupplied areas will be identified by a new term *designated chronically congested area*, which will currently use the designation as a COWZ for injections which currently identifies the Northwest as an area of oversupply due to transmission constraints. Under the market rules and Market Manual 2.12, the IESO has the authority to designate areas of the province as COWZ to identify those regions in the province which are oversupplied.

The term *designated chronically congested area* is proposed to be defined in Chapter 11 with details set out in the applicable market manual. The applicable market manual is Market Manual 5: Settlements, Part 5.5. The market manual will reference this market rule amendment MR-00395-Q00/R00 and include the proposed market manual wording to address the defined term as follows:

Designated Chronically Congested Area

A designated chronically congested area is an area of oversupply due to transmission constraints, for which persistent excess of internal supply results in little chance for imports to flow, causing constrained off CMSC payments. A designated chronically congested area is currently defined as an area designated as a constrained off watch zone (for injections). Refer to Market Manual 2.12 for more information on the COWZ designation process.

Effective October 1, 2012 with the implementation of market rule amendment MR-

PART 3 – EXPLANATION FOR PROPOSED AMENDMENT

00395-R00, the Northwest, including the Manitoba and Minnesota interties, is identified as a designated chronically congested area though its designation as a constrained off watch zone.

If the definition of designated chronically congested area needs to be revised or an additional area of oversupply needs to be added, the appropriate analysis will be presented to the Inter-Jurisdictional Trading Standing Committee for stakeholder review. Market manual revisions must then be posted for stakeholder comment on the Change Notification Listing page of the IESO website, following which the IESO will respond to each submission and post modified language based on the submissions.

Proposed Amendment

It is proposed to amend the market rules to:

- add new section 3.5.10 into section 3.5 of Chapter 9 such that market participants importing into designated chronically congested areas shall not be eligible for CMSC payments for import transactions which are constrained off in the last pre-dispatch schedule prior to the dispatch hour, notwithstanding any other provision in the market rules; and
- revise section 3.5.2 of Chapter 9 such that the CMSC calculation is subject to the new section 3.5.10; and
- add new section 4.8.2.15 into section 4.8 of Chapter 9 such that the IESO shall redistribute CMSC recovered under new section 3.5.10; and
- add new definition of designated chronically congested area into Chapter 11.

As a matter of clean-up, it is proposed to:

- delete the title above section 3.5.8 of Chapter 9, since this title is relevant only to section 3.5.8 and not the existing section 3.5.9 and new section 3.5.10 which follow; and
- delete the word ‘and’ from section 4.8.2.13 of Chapter 9; and
- add the word ‘and’ into section 4.8.2.14 of Chapter 9.

PART 4 – PROPOSED AMENDMENT**Chapter 9**

3.5 Hourly Settlement Amounts for Congestion Management

- 3.5.1 The *dispatch instructions* provided by the *IESO* to *market participant ‘k’* will sometimes instruct *k* to deviate from its *market schedule* in ways that, based on *market participant ‘k’s offers and bids*, imply a change to *market participant ‘k’s*

net operating profits relative to the operating profits implied by *market participant 'k's market schedule*. When this occurs and *market participant 'k'* responds to the *IESO's dispatch instructions*, *market participant 'k'* shall, subject to Appendix 7.6 of Chapter 7, receive as compensation a *settlement credit* equal to the change in implied operating profits resulting from such response, calculated in accordance with section 3.5.2. If *market participant 'k'* does not fully or accurately respond to its *dispatch instructions* from the *IESO*, the compensation paid to *market participant 'k'* shall be altered as set forth in this section 3.5, or as otherwise specified by the *IESO*.

3.5.1A A *registered market participant* for a *registered facility* that is a *dispatchable load* is not entitled to a congestion management settlement credit determined in accordance with section 3.5.2 where that *registered facility's* DQSW is less than the corresponding MQSW at that location for the same *metering interval* as the result of that *registered facility's* own equipment or operational limitations, if:

- 3.5.1A.1 that *registered facility* does not fully or accurately respond to its *dispatch instructions*; or
- 3.5.1A.2 the ramping capability of that *registered facility*, as represented by the ramp rate set out in the *offers* or *bids*, is below the threshold for the *IESO* to modify *dispatch instructions* and thereby prevents changes to the *dispatch*;

and then the *IESO* may withhold or recover such congestion management settlement credits and shall redistribute any recovered payments in accordance with section 4.8.2 of Chapter 9.

3.5.1B A *market participant* shall not be *invoiced* congestion management settlement credits for an export transaction if that transaction attracted the congestion management settlement credits under the following conditions:

- 3.5.1B.1 the net *interchange schedule* limit is binding in the *market schedule* on an economic export transaction in pre-dispatch, and subsequently, in accordance with section 6.1.3 of Chapter 7, the *IESO* increases the quantity of that transaction in the *real-time schedule*; or
- 3.5.1B.2 the net *interchange schedule* limit is binding in the *market schedule* on an uneconomic export transaction in pre-dispatch, and subsequently, in accordance with section 6.1.3 of Chapter 7, the *IESO* decreases the quantity of that transaction in the *real-time schedule*.

The amount of congestion management settlement credits referred to in this section is limited to the portion of the transaction that is modified by the *IESO*.

3.5.1C [Intentionally left blank – section deleted]

3.5.1D A *registered market participant* for a *registered facility* that is a *dispatchable load* shall not be entitled to a congestion management *settlement credit* determined in accordance with section 3.5.2 for *settlement hour* ‘h’ where:

- 3.5.1D.1 the *price-quantity pairs* contained in the *energy bid* associated with that *registered facility* for *settlement hour* ‘h’ are not identical to the *price-quantity pairs* in the *energy bid* associated with the same *registered facility* for the applicable preceding *settlement hour* or following *settlement hour*;
- 3.5.1D.2 the change in *energy bid* as referred to in section 3.5.1D.1 results in a change in the quantity scheduled in the *market schedule* for that *registered facility* as described in the applicable *market manual*;
- 3.5.1D.3 the change in *energy bid* as referred to in section 3.5.1D.1 results in the ramping of the that *registered facility* as described in the applicable *market manual*; and
- 3.5.1D.4 that *registered facility*’s DQSW is less than the corresponding MQSW at that locaton for any *metering interval* falling within *settlement hour* ‘h’.

3.5.2 Subject to sections 3.5.1A, 3.5.1D, 3.5.6, 3.5.6A, 3.5.6B, 3.5.6C, 3.5.6D, and 3.5.9 and 3.5.10 and subject to Appendix 7.6 of Chapter 7, the hourly congestion management *settlement credit* for market participant ‘k’ for *settlement hour* ‘h’ (“CMSC_{k,h}”) shall be determined by the following equation:

Let ‘BE’ be a matrix of n *price-quantity pairs* offered by market participant ‘k’ to supply energy during *settlement hour* ‘h’

Let ‘BR_r’ be a matrix of n *price-quantity pairs* offered by market participant ‘k’ to supply class r *operating reserve* during *settlement hour* ‘h’

Let ‘BL’ be a matrix of n *price-quantity pairs* bid by market participant ‘k’ to withdraw energy by a *dispatchable load* during *settlement hour* ‘h’

Let OP(P,Q,B) be a profit function of Price (P), Quantity (Q) and an n x 2 matrix (B) of offered *price-quantity pairs*:

$$OP(P, Q, B) = P \cdot Q - \sum_{i=1}^{s^*} P_i \cdot (Q_i - Q_{i-1}) - (Q - Q_{s^*}) \cdot P_{s^*+1}$$

Where:

s* is the highest indexed row of B such that $Q_{s^*} \leq Q \leq Q_n$ and where, $Q_0=0$

B is matrix BE, BR_r, or BL (see above)

Using the terms below, let CMSC be expressed as follows:

$$CMSC_{k,h} = OPE_{k,h} + OPR_{k,h} + OPL_{k,h}$$

Where:

OPE_{k,h} represents that component of the *congestion management settlement credit* for market participant ‘k’ during *settlement hour* ‘h’ attributable to a constraint on *energy production* subject to section 3.5.1 and is calculated as follows:

$$OPE_{k,h} = \sum_{m,t} \left[OP(EMP_h^{m,t}, MQSI_{k,h}^{m,t}, BE) - \right. \\ \left. \text{MAX} \left(OP(EMP_h^{m,t}, DQSI_{k,h}^{m,t}, BE), OP(EMP_h^{m,t}, AQEI_{k,h}^{m,t}, BE) \right) \right]$$

Where:

$\text{MAX}[X,Y]$ = Maximum of X or Y

During any *metering interval* 't' within *settlement hour* 'h' in which the mathematical sign of $DQSI_{k,h}^{m,t} - MQSI_{k,h}^{m,t}$ is not equal to the mathematical sign of $AQEI_{k,h}^{m,t} - MQSI_{k,h}^{m,t}$, the component of $OPE_{k,h}$ at location m, determined in accordance with section 3.1.4A, or *intertie metering point* 'm' for that *metering interval* 't' shall equal zero.

$OPR_{k,h}$ represents that component of the *congestion management settlement credit* for *market participant* 'k' during *settlement hour* 'h' attributable to a constraint on the provision of *operating reserve* subject to section 3.5.1 and is calculated as follows:

$$OPR_{k,h} = \sum_{m,t,r} \left[OP(PROR_{r,h}^{m,t}, SQROR_{r,k,h}^{m,t}, BR_r) - \right. \\ \left. \text{MAX} \left(OP(PROR_{r,h}^{m,t}, DQSR_{r,k,h}^{m,t}, BR_r), OP(PROR_{r,h}^{m,t}, AQOR_{r,k,h}^{m,t}, BR_r) \right) \right]$$

During any *metering interval* 't' within *settlement hour* 'h' in which the mathematical sign of $DQSR_{r,k,h}^{m,t} - SQROR_{r,k,h}^{m,t}$ is not equal to the mathematical sign of $AQOR_{r,k,h}^{m,t} - SQROR_{r,k,h}^{m,t}$, the component of $OPR_{k,h}$ at location m, determined in accordance with section 3.1.4A, or *intertie metering point* 'm' for that *metering interval* 't' shall equal zero.

$OPL_{k,h}$ represents that component of the *congestion management settlement credit* for *market participant* 'k' during *settlement hour* 'h' attributable to a constraint on the withdrawal of *energy* by a *dispatchable load* subject to section 3.5.1. $OPL_{k,h}$ utilizes the negative of each output from each component Operating Profit (OP) function so as to correct for negative revenue streams (owing to withdrawals of *energy*).

$OPL_{k,h}$ is calculated as follows:

$$OPL_{k,h} = \sum_{m,t} \left[-1 \times OP(EMP_h^{m,t}, MQSW_{k,h}^{m,t}, BL) - \right. \\ \left. \text{MAX} \left(-1 \times OP(EMP_h^{m,t}, DQSW_{k,h}^{m,t}, BL), -1 \times OP(EMP_h^{m,t}, AQEW_{k,h}^{m,t}, BL) \right) \right]$$

During any *metering interval* 't' within *settlement hour* 'h' in which the mathematical sign of $DQSW_{k,h}^{m,t} - MQSW_{k,h}^{m,t}$ is not equal to the mathematical sign of $AQEW_{k,h}^{m,t} - MQSW_{k,h}^{m,t}$, the component of $OPL_{k,h}$ at location m, determined in accordance with section 3.1.4A, or *intertie metering point* 'm' for that *metering interval* 't' shall equal zero.

3.5.3 [Intentionally left blank]

3.5.4 Subject to section 5.3.4 of Chapter 5, during instances where $CMSC_{k,h}$ is calculated at an *intertie metering point* at which a *market participant* is conducting an import or export transaction for a *physical service* that is subject to a *constrained off event* that is reflected in *dispatch instructions* issued by the

IESO as a result of a request initiated by an entity other than the *IESO*, the *IESO* shall not calculate any portion of $CMSC_{k,h}$ pertaining to the affected transaction for those *metering intervals* within *settlement hour* 'h' in which such conditions exist, and for greater certainty, during any *metering interval* in which:

- 3.5.4.1 $MQSI_{k,hm,t}$ is not equal to $DQSI_{k,hm,t}$ as a result of such a constrained off event;
- 3.5.4.2 $MQSW_{k,hm,t}$ is not equal to $DQSW_{k,hm,t}$ as a result of such a constrained off event; or
- 3.5.4.3 $SQROR_{r,k,hm,t}$ is not equal to $DQSR_{r,k,hm,t}$ as a result of such a constrained off event;

and irrespective of whether or not a *constrained on event* or a *constrained off event* was affecting the transaction in any preceding *metering interval*.

- 3.5.5 A $DQSI$, $DQSW$ or $DQSR$, quantity as the case may be, that departs from its corresponding *market schedule* quantity due to the circumstances described in section 3.5.4 shall be denoted as such within the supporting data provided to the affected *market participant* as part of the content of *settlement statements* described in sections 6.5.3.1 and 6.5.3.2.
- 3.5.6 The *IESO* shall adjust, in the matrices specified in section 3.5.2 and for the purposes of determining the applicable congestion management *settlement* credit payments, any *offer price* that:
 - 3.5.6.1 is associated with a *generation facility* or is associated with an injecting *boundary entity*; and
 - 3.5.6.2 is less than a specified lower limit where such limit is the lesser of 0.00 \$/MWh and the *energy market price* for the applicable *dispatch interval*;

to that lower limit.
- 3.5.6A The *IESO* may adjust, in the matrices specified in section 3.5.2 and for the purposes of determining the applicable congestion management *settlement* credit payments, any *bid price* that:
 - 3.5.6A.1 is associated with a *dispatchable load facility* or is associated with a withdrawing *boundary entity*;
 - 3.5.6A.2 is less than the prices determined by the *IESO* in accordance with the applicable *market manual*; and
 - 3.5.6A.3 is less than the *energy market price* in the applicable Ontario or *intertie zone* for the applicable *dispatch interval*;

to the lesser of the prices determined by the *IESO* in accordance with the applicable market manual and the energy market price in the applicable Ontario or intertie zone.

3.5.6B A registered market participant for a registered facility that is a dispatchable generation facility, who:

- increases the offer price associated with the generation facility minimum loading point for its minimum generation block run-time so that under Chapter 7 section 5.7.1.4 the registered market participant for the generation facility is no longer eligible for the applicable guarantee; and
- has received a manual constraint from the *IESO* for the generation facility under Chapter 7 section 6.3A.2 or 6.3A.4;

subject to section 3.5.6E, is not entitled to any inappropriate congestion management settlement credit, determined in accordance with section 3.5.2, associated with that offer price increase for settlement hour 'h', where settlement hour 'h' falls within the generation facility minimum generation block run-time. The *IESO* may recover such congestion management settlement credit in accordance with section 3.5.6E.

3.5.6C A registered market participant for a registered facility that is a dispatchable generation facility, who, for settlement hour 'h':

- is unable to comply with a dispatch instruction under section 7.5.3 of Chapter 7, to prevent endangering the safety of any person, equipment damage, or violation of any applicable law; and/or
- requests that the *IESO* apply a constraint to the dispatchable generation facility to prevent endangering the safety of any person, equipment damage, or violation or any applicable law, excluding constraints applied under Chapter 7 sections 6.3A.2 or 6.3A.4;

subject to section 3.5.6E, is not entitled to any inappropriate congestion management settlement credit, determined in accordance with section 3.5.2, resulting from the above actions for settlement hour 'h'. The *IESO* may recover such congestion management settlement credit in accordance with section 3.5.6E.

3.5.6D A registered market participant for a registered facility that is a dispatchable generation facility and is fuelled by a related generation facility, who, for settlement hour 'h':

- has received a constraint from the *IESO* for the dispatchable generation facility as per the applicable market manual; and
- submits or has submitted an offer price for that dispatchable generation facility for settlement hour 'h' greater than a specified limit defined in the applicable market manual;

subject to section 3.5.6E, is not entitled to any inappropriate congestion management settlement credit, determined in accordance with section 3.5.2,

associated with that *offer* price for *settlement hour* 'h'. The *IESO* may recover such congestion management *settlement* credit in accordance with section 3.5.6E.

- 3.5.6E The *IESO* may recover congestion management *settlement* credits in accordance with sections 3.5.6B, 3.5.6C and 3.5.6D. In this situation, the *IESO* shall:
- notify the *market participant* of its intent to recover that congestion management *settlement* credit; and
 - notify the *market participant* of the time, which shall not be less than five *business days* from the date of receipt of the notice, within which the *market participant* may make written representations in response to the *IESO*'s intent.

On receiving a response from the *market participant* within the specified time period, or upon expiry of the specified time period within which no response is received from the *market participant*, the *IESO* shall either:

- determine the amount of the congestion management *settlement* credit to recover and notify the *market participant* accordingly; or
- gather further information as the *IESO* determines appropriate to determine the amount of the congestion management *settlement* credit to recover and notify the *market participant* accordingly of the determination.

The *IESO* shall redistribute any payments that are recovered in accordance with section 4.8.2.

3.5.7 [Intentionally left blank – section deleted]

- 3.5.7A A *registered market participant* for a *constrained on generation facility* is not entitled to a congestion management *settlement* credits determined in accordance with section 3.5.2 for that *facility* up to *minimum loading point* if the congestion management *settlement* credit is earned as a result of constraints applied under Chapter 7, section 5.8.5 for hours in the day after the *dispatch day*. In this case, the *IESO* may withhold or recover such congestion management *settlement* credits and shall redistribute any recovered payments in accordance with section 4.8.2 of Chapter 9.

~~Linked Wheeling Through Transactions Not Eligible for CMSC Payment~~

- 3.5.8 Notwithstanding any other provision in the *market rules*, a *market participant* shall not be eligible for any congestion management *settlement* credit payments for a wheeling through transaction where the *market participant* effects the transaction by linking an *energy offer* and *energy bid* under section 3.5.8.2 of Chapter 7.
- 3.5.9 The *IESO* may limit, withhold or recover any congestion management *settlement* credits that result from the acceptance by the *IESO* of the replacement *energy* referred to in section 3.3.4C of Chapter 7 and shall redistribute any recovered payments in accordance with section 4.8.2. Any applicable congestion management *settlement* credits for replacement *energy* accepted by the *IESO* shall be limited as set out in the applicable *market manual* to an *IESO* estimate of what

would have been received by the original *facility* had it not experienced the *forced outage*.

3.5.10 A market participant shall not be entitled to any congestion management settlement credits determined in accordance with section 3.5.2 and attributable to a constrained off event associated with an energy offer from a boundary entity for an injection into a designated chronically congested area, where the constrained off event appears in the pre-dispatch schedule identified in section 6.1.3 of Chapter 7. In this case, the IESO may withhold or recover such congestion management settlement credits and shall redistribute any recovered payments in accordance with section 4.8.2.

Chapter 9

4.8 Additional Non-Hourly Settlement Amounts

4.8.1 The IESO shall, at the end of each *energy market billing period*, recover from *market participants*, on a pro-rata basis across all allocated quantities of *energy* withdrawn at all *RWMs* and *intertie metering points* during all *metering intervals* and *settlement hours* within that *energy market billing period*, the following amounts:

- 4.8.1.1 any compensation paid in that *energy market billing period* by the IESO pursuant to section 5.3.4 of Chapter 4;
- 4.8.1.2 any compensation paid in that *energy market billing period* by the IESO pursuant to section 5.3.4 of Chapter 5;
- 4.8.1.3 any out-of-pocket expenses paid in that *energy market billing period* by the IESO pursuant to section 6.7.4 of Chapter 5;
- 4.8.1.4 any compensation paid in that *energy market billing period* by the IESO pursuant to section 8.4A.9 of Chapter 7;
- 4.8.1.5 any costs incurred in that *energy market billing period* by the IESO to acquire *emergency energy* pursuant to section 2.3.3A of Chapter 5;
- 4.8.1.6 any reimbursement paid in that *energy market billing period* by the IESO pursuant to section 2.1A.12.2(a);
- 4.8.1.7 any funds borrowed by the IESO and any associated interest costs incurred by the IESO in the preceding *energy market billing period* pursuant to section 6.14.5.2;
- 4.8.1.8 [Intentionally left blank – section deleted]

- 4.8.1.9 any compensation paid in that *energy market billing period* by the *IESO* pursuant to section 4.7B.3;
 - 4.8.1.10 any compensation paid in that *energy market billing period* by the *IESO* pursuant to section 4.7C;
 - 4.8.1.11 any compensation paid in that *energy market billing period* by the *IESO* pursuant to section 8.2.6 of Chapter 5;
 - 4.8.1.12 any compensation paid in that *energy market billing period* by the *IESO* under section 4.7D;
 - 4.8.1.13 any compensation paid in that *energy market billing period* by the *IESO* under section 4.7E; and
 - 4.8.1.14 [Intentionally left blank – section deleted]
 - 4.8.1.15 [Intentionally left blank – section deleted]
 - 4.8.1.16 any compensation paid in that *energy market billing period* by the *IESO* under section 4.7G.
- 4.8.2 The *IESO* shall, at the end of each *energy market billing period*, distribute to *market participants*, on a pro-rata basis across all allocated quantities of *energy* withdrawn at all *RWMs* and *intertie metering points* during all *metering intervals* and *settlement hours* within that *energy market billing period*, the following amounts:
- 4.8.2.1 any compensation received by the *IESO* for the provision of *emergency energy* pursuant to section 4.4A.1 of Chapter 5;
 - 4.8.2.2 any compensation received by the *IESO* as a result of a local market power investigation as set out in sections 1.7.1 and 1.7.2 of Appendix 7.6;
 - 4.8.2.3 [Intentionally left blank – section deleted]
 - 4.8.2.4 [Intentionally left blank – section deleted]
 - 4.8.2.5 any payments recovered by the *IESO* in accordance with sections 3.5.1A and 3.5.6E;
 - 4.8.2.6 any adjustments made by the *IESO* in accordance with section 3.5.7;
 - 4.8.2.7 [Intentionally left blank – section deleted]
 - 4.8.2.8 any proceeds from the day-ahead import failure charge that are not distributed as a component of *hourly uplift* under section 3.9.4;

- 4.8.2.9 any proceeds from the real-time import failure charge or the real-time export failure charge that in accordance with section 3.9.5 are not distributed as a component of *hourly uplift*;
- 4.8.2.10 any proceeds from the recovery of congestion management *settlement* credits or other *settlement amounts* in accordance with section 6.6.10A.2 of Chapter 3, excluding any payments recovered under section 4.18.1.6 of Chapter 8;
- 4.8.2.11 any recovery of day-ahead *intertie offer* guarantee payments pursuant to section 3.3A.13 of Chapter 7;
- 4.8.2.12 [Intentionally left blank – section deleted]
- 4.8.2.13 any recovery of payments made by the *IESO* under section 3.5.9; ~~and~~
- 4.8.2.14 any proceeds from the day-ahead *generator* withdrawal charge under section 3.8F; ~~and~~
- 4.8.2.15 any recovery of payments made by the *IESO* under section 3.5.10.

Chapter 11

A designated chronically congested area means an area within Ontario as set out in the applicable market manual, including connected *intertie zones*, that is determined to be oversupplied due to transmission constraints. This area is defined for the purpose of limiting constrained off congestion management *settlement* credits to energy offers for injections from a boundary entity.

PART 5 – IESO BOARD DECISION RATIONALE

This amendment enables the IESO to recover constrained off congestion management settlement credit (CMSC) payments which the IESO believes are not consistent with the original intent of constrained off CMSC payments.