

IESO Stakeholder Engagement

From: IESO Stakeholder Engagement
Sent: September 14, 2012 2:14 PM
To: IESO Stakeholder Engagement
Subject: Conference Call and Comment Period for Market Manual Changes for Rule Amendments related to Exports and Imports
Attachments: IESO_IMDC_0177_0 1_Limiting Payments to Exports during Negative Prices_v4.pdf

This email is being sent to the Primary, Main, Settlements and Invoicing Contacts and market participants registered to Import or Export, as well as all contacts registered with the Inter-Jurisdictional Trading Standing Committee.

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The IESO Board of Directors approved two market rule amendments related to Exports and Imports on September 7, 2012. Below are details related to the implementation of these two market rule amendments.

MR-00393: Limiting Payments to Exports during Negative Prices

Provided that this rule is passed through the OEB the target implementation date is October 1st, 2012. In order to prepare for implementation the IESO would like to review the proposed settlement, IT and associated market manual changes with stakeholders.

Please find attached the proposed Interim Market Document Change which outlines the changes and will be posted for broader stakeholder review prior to coming into effect (target posting date is September 21).

At a previous Inter-Jurisdictional Trading Standing Committee meeting it was requested that the IESO consider a settlement floor price other than \$0, to cover the costs to the exporter of IESO fee, export transmission fee and uplift. In consideration of this the IESO is proposing a settlement floor price of -\$8/MWh, based on the historical values shown below.

Year	Export Fee	Hourly Uplift	Daily Uplift	Monthly Uplift	IESO Fee	Total
2010	1.00	1.70		1.01	0.82	4.53
2011	2.00	1.88	0.55	1.04	0.82	6.29
Jan-July 2012	2.00	1.19	0.35	0.76	0.82	5.12

The settlement floor price is part of the market manual and the proposal recommends that this value can be changed should the export transmission fee be increased or there are significant increases in uplift costs.

A conference call has been arranged to answer any questions or address any concerns with the proposed changes to the market manuals to implement this rule amendment. The conference call will be held Thursday September 20 from 09:00 am to 10:00 am. Please reply to stakeholder.engagement@ieso.ca to register for this call.

If you have any comments or concerns with the details in the proposed Interim Market Document Change or more specifically the settlement floor price please provide them to stakeholder engagement, preferably in advance of the conference call.

MR-00395-R00: Limiting CMSC Payments to Constrained Off Imports into Designated Chronically Congested Areas

Please be advised that an Interim Market Document Change (IMDC) required to implement an amendment to the market rules for Congestion Management Settlement Credit (CMSC) payments for imports has been posted for comment.

Comments are due by Friday, September 21, 2012 on IMDC 0178 "Limiting Congestion Management Settlement Credit (CMSC) Payments to Constrained Off Imports into Designated Chronically Congested Areas,' which provides changes to Market Manual 5, Part 5.5 'Physical Markets Settlement Statements.' The document is posted on the Change Notification Listing web page: www.ieso.ca/change.notice and comments should be emailed to pending.changes@ieso.ca.

This change follows approval by the IESO Board of Directors on September 7 of the Market Rule Amendment, Limiting CMSC Payments to Constrained Off Imports into Designated Chronically Congested Areas (MR-00395-R00). The market rule comes into effect on October 1, 2012 and the IMDC is also expected to come into effect on that day.

The amendment limits CMSC payments for market participants who are offering to inject energy over an intertie into a designated chronically congested area, initially defined as those areas designated as constrained-off watch zones (COWZ), under certain circumstances.