



OCTOBER 17, 2024

# Market Renewal Program

## Approval of Final Alignment Market Rule Amendments

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# Purpose and Summary

- Purpose of Item – Support Recommendation for Approval to the Board
- Executive Summary:
  - The Final Alignment (FA) batch comprises the entire set of Market Renewal Program (MRP) market rule amendments required to implement MRP and it has received a unanimous recommendation from the Technical Panel (TP)
  - The FA market rules will be published and come into force as a complete set of market rules governing the renewed market and they will operate in parallel with the legacy market rules in advance of and through the market transition period

## Purpose and Summary cont'd

- Significant Issues, Risks, and Opportunities
  - Unanimous support was based in part on extensive TP engagement with respect to concerns from representatives of suppliers regarding potential unintended impacts of the market power mitigation (MPM) framework
    - The IESO ultimately proposed, and TP supported, establishing a MPM working group to assist in identifying, prioritizing, and proposing recommendations to address any such unintended impacts
  - A market rule providing for establishing the working group has been added to the Final Alignment package

# Stakeholder Feedback on Final Alignment Batch

- The FA batch comprises the entire set of MRP market rule amendments required to implement MRP following more than four years of extensive discussions with the TP over more than 30 meetings as well as a robust stakeholder engagement process
- Given the complexity and volume of MRP market rule amendments, the IESO staged engagement and review over a series of seven batches – refer to *Appendix A: Market Renewal Program: Summary of Market Rule Amendment Batches*
- The IESO received 219 comments from stakeholders in response to the TP's request for written comments on the FA batch. Over 70% of the comments were questions seeking clarification and most of the comments that resulted in changes to the market rules language were editorial
- Some concerns raised regarding potential unintended outcomes of the market power mitigation framework. Those concerns are to be monitored through the new market power mitigation working group

# MPM Working Group Language

*Based on TP consultation, the following has been added to "section A" of the transitional provisions in MR Ch.0.7:*

- A.2 The *IESO* shall establish a working group the objective of which will be to assist in identifying unintended outcomes of the market power mitigation framework and recommending means to address such unintended outcomes. The working group shall serve as an advisory body to the *IESO* and the *technical panel* and shall consist of both *IESO* staff and representatives from potentially impacted parties. The working group will perform its function until a date that is one year following the *market transition completion*, or for such longer period as may be agreed to as between the *IESO*, the *technical panel*, and the working group.

# FA Documentation - Legacy and Renewed Market Rules

The market rules and manuals for the renewed market will come into effect on November 11, several months in advance of the full market transition to support Registration Go-live activities and to authorize the market transition process

- The majority of the renewed market rules - including those related to operations and settlement - will be in effect, but will remain inoperative until commencement of the market transition

The legacy rules will continue to be operative, and to govern the current market until they are superseded by the renewed market rules at the commencement of the market transition

- After legacy market rules are superseded by renewed market rules, the legacy market rules will continue to apply for events that took place prior to the market transition

# FA Documentation - Renewed Market Rules and Manuals

- Each renewed market rule chapter and manual will contain a new 'Section A' that will define its applicability
- These Section A rules will allow both the renewed market rules and the legacy market rules to be in effect concurrently
- The renewed rules and manuals will be distinguished from the legacy rules in their numbering by sharing a "0." identifier, per the following examples:

Legacy market rules/manuals	Renewed market rules/manuals
Chapter 1	Chapter 0.1
Chapter 2	Chapter 0.2
MM1.5	MM0.1.5

## Next Steps

- Pending IESO Board approval of the Final Alignment batch, effective date of the MRP market rules would be November 11, 2024 to support Registration Go-Live activities
- MPM Working Group – Q4 2024 - call for nominations, establish terms of reference, mandate
- Non-MRP market manuals – as part of the baseline management process, minor revisions to remaining “non-MRP” market manuals in advance of MRP go-live
- Monitor need for additional amendments of market rules and market manuals between Nov 11, 2024 and May 1, 2025