

INTERIM MARKET DOCUMENT CHANGE

Title: Generator-backed capacity imports

Document ID: **IMDC-93**

Version Number #: **1.0**

Part 1 – General Information

Document(s) Affected:	Market Manual 12: Capacity Auctions		
	MAN-125		
Market Rule Reference(s)	N/A		
<i>This Interim Market Document Change represents an amendment to the market document noted above. In the event of any inconsistency between the terms of this Interim Market Document Change and the terms of the affected document, the terms of this Interim Market Document Change shall prevail.</i>			
Date Prepared:	November 4, 2025	Valid From:	November 25, 2025
Date Posted:	November 5, 2025	Valid To:	December 3, 2025
Subject:	<i>Capacity market participant with a generator-backed capacity import resource utilizing a third-party energy trader</i>		
Reason For Change:	New section added to <i>market manual 12</i> to enable a <i>capacity market participant</i> with a <i>generator-backed capacity import resource</i> to facilitate the fulfillment of its <i>capacity obligation</i> by utilizing a <i>third-party energy trader</i> authorized for import transactions.		
Stakeholder History:	List stakeholder engagement history (i.e. Working Group, MRA, ITSC, Participant request) Participant Request		
Reason For IMDC	☐ Market Rule Amendment ☐ Government Directive		
	☐ Sustain Reliability ☐ IT System Change		
	☒ Other: Adjustments have been made in order to permit <i>capacity market participants</i> with <i>generator-backed capacity import resources</i> to facilitate the fulfillment of their <i>capacity obligation</i> utilizing a <i>third-party energy trader</i> .		

Part 2 – Description of Change

Description of Change

The following information will be included in a revised version of the affected document on or about, the “Valid To” date provided in Part 1.

5.3.5.1 Capacity Auction Capacity Test

Generator-Backed Capacity Import Resources

Allowable Exceptions

The IESO will, if the circumstances permit, schedule a second testing window if a *generator-backed capacity import resource* is unable to complete the *capacity auction capacity test* during the entirety of the first two months of the *obligation period* in the following circumstances.

1. The *generator-backed capacity auction import resource* is unable to complete the *capacity auction capacity test* during the testing window due to a *force majeure event*. In such cases, the *capacity market participant* must adhere to the force majeure requirements as outlined in **MR Ch.1 s.13.3**, and also must notify the IESO of the inability to complete the *capacity auction capacity test* by emailing capacity.auction@ieso.ca no later than 5 *business days* following the end of the testing window. In the email, the *capacity market participant* must provide proof that they have adhered to the force majeure requirements in the *market rules*.
- Subject to section 5.3.6, tThe *generator-backed capacity auction eligible import resource* is unable to complete the *capacity auction capacity test* during the testing window due to a bona fide and legitimate reason as outlined in MR Ch.7 s.7.5.8A. In such circumstances, the *capacity market participant* must notify the IESO of the inability to complete the *capacity auction capacity test* by emailing capacity.auction@ieso.ca no later than 5 *business days* following the end of the testing window. In the email, the *capacity market participant* must provide proof that the IESO has been notified and has approved the bona fide or legitimate reason

5.3.6 Generator-backed capacity import resources utilizing third-party energy traders

A capacity market participant with a generator-backed capacity import resource may fulfill its capacity obligation by utilizing a third-party energy trader authorized for import transactions. Notwithstanding such arrangement, the capacity obligation and the responsibility to fulfill all obligations and responsibilities in relation thereto remain at all times the responsibility of the capacity market participant.

The third-party energy trader will facilitate the fulfillment of the relevant capacity obligation by submitting energy offers in accordance with the parameters set out in section 4 of MM 4.1 as such

parameters are applicable to the *capacity market participant* and the requirements of the *capacity obligation*.

For the purpose of the *settlement process*, the *settlement amounts* set out in **MR Ch.9 s.4.13** for the applicable *capacity obligation* will be reflected on the *settlement statements* and *invoices* of the *capacity market participant* for whom the third-party *energy trader* is facilitating the fulfillment of such *capacity obligation*. All other *settlement amounts* related to the facilitation of the fulfillment of the *capacity obligation* will be reflected on the *settlement statements* and *invoices* of the third-party *energy trader*.

For the purposes of **MR Ch.7 s.7.5.8A** and *force majeure events*, the *IESO* will assess the application of such provisions having regard to both the individual and collective control and actions of the third-party *energy trader* and the *capacity market participant*.

Such arrangement between the *capacity market participant* and third-party *energy trader* must be for the entire quantity of the *capacity market participant's capacity obligation* for the duration of the arrangement.

Requirements for arrangement with third-party energy trader

A *capacity market participant* with a *generator-backed capacity import resource* may not utilize a third-party *energy trader* to facilitate its fulfillment of its *capacity obligation* unless it has complied with the requirements set out herein.

To establish such an arrangement, the *capacity market participant* must submit the following information and supporting documentation to capacity.auction@ieso.ca:

- the *capacity obligation*, as identified by its capacity obligation ID, that will be fulfilled by the third-party *energy trader*;
- the name of the third-party *energy trader*;
- An authorization from the third-party *energy trader* confirming they agree:
 - a. to facilitate the fulfillment of the *capacity obligation* of the *capacity market participant*;
 - b. that all *settlement amounts* associated with facilitating the fulfillment of the *capacity obligation* of the *capacity market participant* will be included on *settlement statements* and *invoices* in accordance with the section above; and
 - c. to the *IESO* disclosing to the *capacity market participant* any *confidential information* pertaining to the third-party *energy trader's* facilitation of the fulfillment of the *capacity obligation*;
- the effective date of the arrangement, commencement of which shall not be less than five *business days* after the date on which the *IESO* receives the request; and
- a waiver provided by the *capacity market participant* and third-party *energy trader*, in a form acceptable to the *IESO*, indemnifying the *IESO* in any disputes arising between the parties or between either party and the *IESO* pertaining to the arrangement between the *capacity market participant* and the third-party *energy trader*. For greater clarity, this waiver does not limit either party's right to dispute the assessment and calculation of *settlement amounts* with the *IESO*.

The *capacity market participant* may enter into and terminate such arrangements either during the *forward period* or during an *obligation period*.

To terminate an arrangement, the *capacity market participant* must provide notice of termination, including the effective date of such termination, which shall not be less than five *business days* after

the submission of the request, to capacity.auction@ieso.ca. Such notice shall also include confirmation that the *capacity market participant* has notified the third-party *energy trader* of the termination of the arrangement and the effective date thereof.

To change an arrangement to a different third-party *energy trader*, the *capacity market participant* must terminate the existing arrangement and initiate a new arrangement using the processes set out herein. The effective date of the termination of the existing arrangement and the start of the new arrangement must be the same date and for greater certainty, the first arrangement shall continue as it pertains to fulfilling the *capacity obligation* on such effective date and the new arrangement shall apply to fulfilling the *capacity obligation* for the following *business day*.

If the *capacity market participant* submits a buy-out request, in accordance with section 7, or transfer request, in accordance with section 8, in respect of its entire *capacity obligation*, any arrangement with a third-party *energy trader* with respect to such *capacity obligation* will be deemed to be terminated as of the date such buy-out request or transfer request, as applicable, comes into effect. In such circumstances, the *capacity market participants* must notify the third-party *energy trader* of the termination of the arrangement and the effective date thereof.