

# Memorandum

**To:** Strategic Advisory Committee

**From:** Candice Trickey, Director Market Renewal Program Readiness

**Date:** June 26, 2024

**Re:** IESO Business Update – Market Renewal Program Implementation

The Market Renewal Program (MRP) continues to meet key milestones on schedule and is tracking to the approved budget. Highlights of progress since the March Strategic Advisory Committee update are provided below.

## **Market Rules and Manuals Engagement**

The IESO Board of Directors has provisionally approved the Market and System Operations batch of Market Rule and Market Manual amendments following the Technical Panel's (TP) unanimous vote to provisionally recommend this batch. This was an important milestone for MRP implementation, as this is the last batch of substantive market rule amendments to codify the changes for renewed market operations.

The IESO posted the Final Alignment market rules batch on June 7. This is the final batch of proposed MRP market rule amendments, which contains the full scope of changes necessary to implement MRP, including any updates to the previous, provisionally approved batches, and the transitional rules needed to facilitate cut-over to the new market. The TP will be asked in September to make a recommendation to the IESO Board to approve the required MRP market rules as a whole.

## **Market Participant Readiness**

With the planned go live date of May 1, 2025 less than a year away, it is important for the IESO and market participants to fully understand the steps needed to facilitate final implementation. To ensure a successful cutover, the IESO has been discussing the plan for transitioning market systems, rules and procedures with the MRP Implementation Working Group and at engagement meetings, providing Market Participants the details they need to plan their own go-live activities.

Two new series of market overview eLearning modules have been [issued](#), explaining market-related processes from registration to settlement under the renewed market for different resource types. Market participants can access and complete relevant modules on demand, with the IESO providing Q&A sessions with MRP experts to answer questions about the concepts covered. The modules cover pseudo-units, non-quick start, hydroelectric and storage resources; three types of load participation – non-dispatchable loads, price responsive loads, and dispatchable loads; and Intertie Trading, the Transmission Rights Market and Virtual Transactions. To date, almost 200 people representing more than 60 different entities have registered to complete eLearning modules, and almost 130 individuals have attended Q&A sessions.

To help Local Distribution Companies (LDCs) prepare for market renewal, the Ontario Energy Board (OEB) has issued a [letter](#) indicating its plans for MRP-related amendments to the Standard Supply Service Code and the Retail Settlement Code as well as accounting guidance. These updates will assist LDCs in understanding how to incorporate the MRP changes into their downstream settlement and accounting. The OEB will issue the required code amendments for comment after the market rules have been finalized, including any reviews. The MRP Connectivity Testing Phase officially closed on May 24. More than 70 participants participated in this first phase, testing their system and user access roles in preparation for Market Trials which will kick off in early July. Organizations participating represented a range of participation types (i.e., generators, loads, intertie traders) and sizes (including small, medium, and large organizations). Less than two per cent of reported issues were identified as system defects, with the majority being related to user and API account issues that could be resolved by the Market Participant themselves. Overall, no critical system issues were reported during Connectivity Testing.

Eighty-five per cent of impacted market participants have designated an MRP Contact Person to receive program updates and to provide feedback on their organization's level of readiness. Organizations that have not yet identified a contact person, can email [Market.Renewal@ieso.ca](mailto:Market.Renewal@ieso.ca).

### **IT Solution Development and Testing**

System development milestones continue to be completed on time. Highlights since the last update include completion of Market Participant Connectivity Testing and Data Preparation, Site Acceptance Testing of the updated Energy Market Interface (EMI) and Market Information Management systems, and completion of Business Process Integration Testing of IESO operational tools.

An independent pre-implementation review was conducted by the firm PwC of the day-ahead market, pre-dispatch and real-time calculation engines to determine if they functioned as per the specifications of the associated market rules. The results of the review, which were discussed at the April 9 Technical Panel [meeting](#), showed that the engines performed as required, with three exceptions, all of which have been corrected.

Three out of four batches of sample reports and schema have been posted on the MRP Technical Reference Materials webpage. This includes 51 new and updated reports. The final batch, another 23 reports, and the format specifications for settlement statements will be available by the end of June.

### **Next Steps**

In preparation for Market Trials (August-October 2024), the IESO will publish updated participation training guides for EMI, Dispatch Service, and Online Settlement Forms by the end of June. The details of what to expect during Market Trials were reviewed at the June 20, 2024, stakeholder engagement webinar. The objective of this test phase is for participants to confirm they can interface with the IESO tools they use to submit bids and offers, receive dispatch instructions and retrieve public and private reports. A readiness assessment survey was released in early June. MRP Contacts are highly encouraged to complete the survey to help IESO mitigate the risk of participants being unprepared for the launch of the renewed market.

Participants that need assistance planning their readiness efforts can contact the IESO MRP Readiness team at [market.renewal@ieso.ca](mailto:market.renewal@ieso.ca)