



Market Rule Amendment Proposal

PART 1 – MARKET RULE INFORMATION

Identification No.:	MR-00442-R00		
Subject:	General		
Title:	Minor Amendment Omnibus 2020		
Nature of Proposal:	<input checked="" type="checkbox"/> Alteration	<input checked="" type="checkbox"/> Deletion	<input type="checkbox"/> Addition
Chapter:	Various	Appendix:	Various
Sections:	Various		
Sub-sections proposed for amending:	Various		

PART 2 – PROPOSAL HISTORY

Version	Reason for Issuing	Version Date
1.0	Draft for Technical Panel Review and Comment	January 7, 2020
Approved Amendment Publication Date:		
Approved Amendment Effective Date:		

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

The IESO proposes a number of minor amendments to the market rules. These amendments correct typographical errors, cross-references, italicized defined terms, and other general amendments which are minor in nature. The amendments relate to a number of different areas of the market rules, and for efficiency, have been submitted as a single “omnibus” package.

Background

Minor market rule amendments are defined in Chapter 11 of the market rules as: “....an amendment to the market rules to correct a typographical or grammatical error, or to effect a change of a non-material procedural nature;”

A discussion of each amendment is below. First is an outline of the corrections needed to references to defined terms, then corrections for improper references in general, then the document provides the typographical corrections that are being proposed. The document then provides the actual proposed edits in the same order, with the change indicated in red font.

Discussion

Correcting references to defined terms

Chapter 1, Section 5.3.1.5; adding italics to the term “amendment”

Chapter 1, Section 5.3.1.10; adding italics to the term “Ontario Energy Board”

Chapter 1, Section 12.1.5.1; adding italics to the term “amended”

Chapter 1, Section 14.5.2; adding italics to the term “OEB”

Chapter 2, Section 1.2.3; removing italics from the word “the” in “the IESO-administered markets”

Chapter 2, Section 3.1.2; adding italics to the term “application for authorization to participate”

Chapter 2, Section 3.1.5 and 3.1.6; replacing “application” with the defined term “application for authorization to participate”

Chapter 2; Section 5.3.11; adding italics to the terms “minimum trading limit”, “trading limit”, “maximum net exposure” and “market participant”

Chapter 2, Section 5.6.5; adding italics to the term “energy market billing period”

Chapter 2, Section 8.2.1; removing italics from “banking business”

Chapter 2, Section 8.2.3; adding italics to “levy” to complete reference to the defined term “notice of default levy”

Chapter 3, Section 2.1.6,8; adding italics to the term “arbitrator”

Chapter 3, Section 2.6.12; replacing “Board of Directors of the IESO” with the defined term *IESO Board*.

Chapter 3; Section 2.7.15; adding italics to the term “arbitrator”

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Chapter 3, Section 2.7.37; removing italics from “in camera”

Chapter 3, Section 2.8.2; replacing “*Board of Directors of the IESO*” with the defined term *IESO Board*

Chapter 3, Section 2.9.2.1; adding italics to the term “arbitrator”

Chapter 3, Section 4.3.7, 4.3.18, 4.3.19; adding italics to the term “publish”

Chapter 3, Section 4.3.8, 4.3.13, 4.3.15; adding italics to the term “publication”

Chapter 3; Section 4.8.1; adding italics to “Energy Board” to complete reference to the defined term “Ontario Energy Board”

Chapter 3; Section 4.8.1.1; adding italics to the terms “amendment” and “market rules”

Chapter 3; Section 5.3.1.3; removing italics from data in the term “settlement data”

Chapter 3; Section 5.4.3.1, 5.5.3; adding italics to the terms “confidential information” and “confidentiality classification”

Chapter 3; Section 5.5.1; adding italics to the term “confidentiality classification”

Chapter 4, Section 3.5.1.8; The following section refers to IESO catalogue of reliability-related information, which is a defined term, however only IESO and reliability-related information is italicized. “Catalogue of” should also be italicized.

Chapter 4, Section 4.1.2; removing italics from embedded in embedded facility.

Chapter 4; Section 7.6A2.1, 7.6A2.2, 7.6A.3.1; adding italics to the term “facilities”

Chapter 5; Section 2.1.2; adding italics to the terms “transmitter” and “distributor”

Chapter 5; Section 2.3.1.2; adding italics to the terms “interconnected systems”, “emergency”, “IESO-controlled grid”, and “electricity system”

Chapter 5; Section 3.2.3; replacing “Board of Directors of the IESO” with the defined term *IESO Board*

Chapter 5; Section 3.5.1.3; adding italics to the term “disconnect” and removing italics from equipment, which is not a defined term

Chapter 5, Section 3.5.1.5a, 3.5.2.1, 3.7.1.6a; adding italics to the term “demand”

Chapter 5, Section 4.5.1; adding italics to the term “dispatch interval”

Chapter 5; Section 4.5.6B; adding italics to the term “energy”

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Chapter 5; Section 4.9.2.3; adding italics to the terms “thirty-minute operating reserve”, “generation facility”, “dispatchable load”, “dispatch instructions”, “generation facility”, and “demand”

Chapter 5, Section 6.1.1; removing italics from “related” which is not a defined term

Chapter 5; Section 6.7.2; adding italics to the term “outages”

Chapter 5; Section 6.7.5; adding italics to the term “market prices”

Chapter 5; Section 11.3.3.3; adding italics to the term “Ontario power system restoration plan”

Chapter 5; Section 12.1.1.1; adding italics to the term “market participants”

Chapter 5; Section 12.2.3; adding italics to the terms “market participants”, “embedded generator” and “embedded load consumer”

Chapter 5; Section 12.3.1; removing italics from “Energy” in “Energy Management System”, as the reference to energy is not to the defined term but rather the name of the system.

Chapter 6; Section 3.1.4.5; adding italics to the terms “metering database”, “metering registry”, “metering data”, “metering installation” and “metered market participant”.

Chapter 6; Section 4.1.4; adding italics to the terms “metered market participant”, “metering service provider”, and “metering installation”

Chapter 6; Section 4.1.7.1; adding italics to the term “main/alternate metering installation”

Chapter 6; Section 4.2.2A; adding italics to the term “market manual”

Chapter 6; Section 4.3.2; adding italics to the term “metering installation”

Chapter 6; Section 6.2.3.1 through to 6.2.3.4; adding italics to the terms “metered market participant”, “metering service provider”, and “metering installation”

Chapter 6; Section 10.1.3.1 through to 10.1.3.4; adding italics to the terms “metered market participant”, “metering service provider”, and “metering installation”

Chapter 7 Appendix 7.5A, Section 1.1.1.1: removing italics from the words “imports” and “exports”, which are not defined terms

Chapter 7 Appendix 7.5A Section 4.6.2.1; adding a hyphen to “start up” to correspond with the defined term “start-up”

Chapter 7 Appendix 7.5A Section 4.6.2.3; “Energy limited resources” is italicized, however only energy is a defined term. Italics to be removed from two instances of limited resources

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Chapter 7, Appendix 7.5A, Section 4.9.1.2; removing italics from the word “loads” which is not a defined term

Chapter 7, Appendix 7.5A Section 5.11.2.6; removing italics from “and” in *dispatchable load bids and generator offers*

Chapter 9, Section 3.1.2B.2; removing italics from “in the” in *in the schedule of record*. Adding italics to the term “Publication”. A duplicative word ‘has’ will also be removed

Chapter 11; *Facility*: adding “connection facility” to the definition to be consistent with use of “generation facility” and “load facility”. In all three of these instances, the term “facility” is in the definition. Adding “connection facility” to the definition of “facility” will provide consistency.

Chapter 11; *Load facility*: adding italics to the term “facility”. Such reference will provide consistency to the definition of generation facility. The term “energy” will also be italicized

Chapter 11; *Minister*: updating the definition so that it remains relevant through any future changes in names of the Ministry

Correct references

Chapter 1; Section 2.3.1; removing reference to the Energy Competition Act, 1998

Chapter 1; Sections 4.4 and 4.5; removing sections as the transitional nature of these clauses mean they are no longer necessary.

Chapter 1; Section 12.1.5.2; underline Electricity Act, 1998

Chapter 1; Section 14.1.1; underline Electricity Act, 1998

Chapter 2; Section 1.2.0; underline Ontario Energy Board Act, 1998

Chapter 2, Section 5B2.2; “this section” should refer explicitly to Section 5B.2

Chapter 3; Section 2.2.1.7; Remove reference to commissioning participant as this defined term is no longer needed.

Chapter 3, Section 2.5.1A.5; underline Limitations Act, 2002

Chapter 3 Section 6.2B.18; Section 2.6.2B does not exist, the correct reference should be 2.6.1B

Chapter 3, Section 4.2.1; underline Electricity Act, 1998

Chapter 3; Section 6.2B.20; underline Limitations Act, 2002

Chapter 5; Sections 3.2A and 3.2B; explicitly reference the clauses that are reviewable decisions as per the defined term reviewable decision, to be consistent with Chapter 6.

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Chapter 5; Section 3.2B.9; Section 3.2B.1.4 does not exist, correct reference should be Section 3.2B.7

Chapter 5; Section 3.2B.10; reference to the deposit paid at the end of the section should be 3.2B.4.1, the existing reference does not exist

Chapter 5; Sections 3.3.1 and 3.3.2 refer to market opening by saying “Within 90 days after the date of coming into force of this Chapter”. This opening caveat will be removed.

Chapter 5; Section 11.2.2 and 11.2.3; Underline Electricity Act, 1998.

Chapter 11; remove definitions for; Energy Competition Act, 1998, market testing, and commissioning participant, as these are no longer needed.

Correcting typographical errors

Chapter 1; Section 4.4B.1; adding in the section number which is currently missing.

Chapter 1; Section 7.1.1.13; adding an “and” in paragraph b as the clauses are intended to be connected

Chapter 2, Section 3.1.9; Remove clause.

Chapter 3; Section 2.2.3.10; remove the “and” from the last sentence as the clauses are not connected

Chapter 3; Section 4.3.5; remove “or” from 4.3.5.1 and 4.3.5.1A.

Chapter 3; Section 4.6.4; remove “;” from end of sentence.

Chapter 3; Section 5.2.2; add “shall” to 5.2.2 and remove from sub-clauses.

Chapter 3; Section 5.2.2.2; replace “and” with “or” as the intent of this section is to outline separate conditions on confidential information rather than indicate that all three are required in conjunction.

Chapter 3; Section 5.3.1; capitalize “Chapter 5”

Chapter 3; Section 5.3.1.12; replace “the market monitoring unit of a control area operator or security coordinator” with “a market monitoring unit”, to correct redundancy with the defined term.

Chapter 3; Section 6.3.1.10; add an “or” to end of clause.

Chapter 4; Section 6.4.3.3; replace the connection facility with a connection facility.

Chapter 5; Section 5.8.1.4; Move the second component of the section to a new sub-section (5.8.1.7)

Chapter 6; Section 3.1.2.1 and 3.1.2.2; remove the “and” from clause a and b.

Chapter 7, Appendix 7.5A Section 4.6.2.1; the following typographical errors will be corrected;

- “...scheduled to provided synchronized” should be “provide”

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- “...ten-minute operating non-synchronized ten minute operating reserve...” should remove ten minute operating.

Chapter 7, Appendix 7.5A Section 4.6.2.6; “the cost of meeting that the...”. That should be removed.

Chapter 7, Appendix 7.5A Section 4.9.2.3; No-synchronized should be non-synchronized

Chapter 7, Appendix 7.5A Section 4.10.1.1; “...a generation facility at bus b are scheduled...” are should be is.

Chapter 7, Appendix 7.5A Section 5.6.2.7, 6.6.2.7; remove “the cost of meeting that the...”

Chapter 9, Section 3.1.6; should be a space between IESO and using.

Chapter 9, Section 3.5.6C; the sentence “...or violation or any applicable law...” should be “of”

PART 4 – PROPOSED AMENDMENT

Correcting references to Defined Terms

Chapter 1

- 5.3.1.5 administering the ongoing development of, and *amendments* to, the *market rules*;
- 5.3.1.10 liaising with other bodies having regulatory functions with respect to the *IESO-administered markets* and the *IESO-controlled grid*, such as the *Ontario Energy Board* and the federal Competition Bureau

12. Interpretation Bulletins

12.1.5 A bulletin *published* pursuant to section 12.1.4 shall be binding on the *IESO*, provided that:

- 12.1.5.1 none of the relevant *market rules* are thereafter *amended*;

14.5 Costs

- 14.5.2 Where the removal or reconsideration of an *exemption* granted to a *pre-existing facility or equipment* prior to *market commencement date* was prompted as a result of the activities of one or more *market participants* and the *IESO* determines that such *market participant(s)* will benefit from the removal or reconsideration of the *exemption*, unless the costs to be incurred by the *exemption applicant* to comply with the standard of obligation to which the *exemption* relates or with the amended terms and conditions of the *exemption* as the case may be, are recoverable by means of a process or procedure mandated by the *OEB*, costs shall be recovered from each such *market participant* on a pro-rata basis based upon the *IESO's* assessment of the benefit accruing to each such *market participant* from the removal or reconsideration of the *exemption*. No costs shall be recoverable in respect of the removal or reconsideration of an *exemption* granted after the *market commencement date*.

12. Interpretation Bulletins

- 12.1.5 A bulletin *published* pursuant to section 12.1.4 shall be binding on the *IESO*, provided that:

12.1.5.1 none of the relevant *market rules* are thereafter *amended*;

Chapter 2

1.2 Participation

1.2.3 A person who has been authorized by the *IESO* to participate in *the IESO-administered markets* or to cause or permit electricity to be conveyed into, through or out of the *IESO-controlled grid* may participate in the market or trading activities to which the authorization to participate relates.

3. Application for Authorization

3.1.2 The application for authorization to participate shall be accompanied by:

3.1.5 The *IESO* shall, within twenty *business days* of receipt of the *application application for authorization to participate* or of the further information or clarification requested under section 3.1.3, whichever is the later, or within such longer period of time as may be agreed between the *IESO* and the applicant, by order authorize the applicant to participate in the *IESO-administered markets* or to cause or permit electricity to be conveyed into, through or out of the *IESO-controlled grid*, on such terms and conditions as the *IESO* considers appropriate, if:

3.1.6 Subject to section 4.1.1, if the *IESO* is not satisfied that an applicant meets the requirements set out in section 1.2.2 the *IESO* shall, within twenty *business days* of receipt of the *application application for authorization to participate* or of the further information or clarification requested under section 3.1.3, whichever is the later, or within such longer period of time as may be agreed between the *IESO* and the applicant, by order deny the applicant authorization to participate in the *IESO-administered markets* or to cause or permit electricity to be conveyed into, through or out of the *IESO-controlled grid*.

5.3 Calculation of Participant Trading Limit, Default Protection Amount and Maximum Net Exposure

5.3.11 The *IESO* shall review the *minimum trading limit* where applicable, and the *trading limit*, default protection amount and *maximum net exposure* of each *market participant* as follows:

5.6 Margin Call Requirements and the No Margin Call Option

- 5.6.5 The *IESO* shall determine the *market participant's maximum net exposure* for a *market participant* that has selected the *no margin call option* based on 70 days of market activity and assuming all of the *market participant's energy* injected or withdrawn is transacted through the *real-time market*. For non-metered *market participants* the *IESO* shall determine *maximum net exposure* based on an estimate of 100% of their net *settlement amount* for the upcoming *energy market billing period*. A *market participant* that has elected the *no margin call option* shall not have a *trading limit*.

8.2 Notice of First Default Levy

- 8.2.1 Where a *market participant* has failed to either remit or cause to be remitted to the *IESO settlement clearing account* the full amount due by that *market participant* by the close of *banking business* (of the bank at which the *IESO settlement clearing account* is held) on a *market participant payment date*:
- 8.2.3 A first *notice of default levy* shall be issued to each *non-defaulting market participant* that participated in the *real-time market* to which the default in payment by the *defaulting market participant* relates during the *billing period* to which such default relates and shall identify:

Chapter 3

2. Dispute Resolution

2.1 Interpretation and General Procedural Provisions

- 2.1.6.8 sections 55 and 56, insofar as they may be applicable to the fees payable to an *arbitrator* and to the extent that such fees have been approved by the *Ontario Energy Board*.

2.6 Mediation

- 2.6.12 If an agreement to resolve the dispute is reached through mediation, it shall be reduced to writing, signed by the parties and filed with the *secretary*. The terms of the agreement shall be confidential, provided that if, in the case of a dispute referred to in section 2.2.1, the agreement consists of, embodies or reflects an element which, in the opinion of the *IESO Board of Directors of the IESO*, is an

important matter of public policy or interest having regard to the provisions of the *Electricity Act, 1998*, the *IESO* shall *publish* a statement describing such important matter of public policy or interest.

2.7 Arbitration

- 2.7.15 Any party to a dispute may apply to the *arbitrator* for, and the *arbitrator* may order, such further and other production as the *arbitrator* sees fit, provided that the *arbitrator* may not order the production by the *market surveillance panel* or the *market assessment unit* of *confidential information* which relates to a person who is not a party to the dispute. Evidence may be admitted by the *arbitrator* even if not admissible as evidence in a court of law.
- 2.7.37 Upon completion of an arbitration, the *arbitrator* shall file the record of the arbitration proceedings with the *secretary*. Where such record contains *confidential information* in respect of which a claim for confidentiality has been confirmed by the *arbitrator* pursuant to section 2.8.1, the *confidential information*, together with the stenographic record of any *in camera* hearings relating thereto, shall be sealed in an envelope clearly marked “CONFIDENTIAL” or otherwise identified as confidential and protected from disclosure prior to filing with the *secretary*.
- 2.8.2 Members of the *dispute resolution panel* shall enter into such confidentiality agreement as may be required by the *IESO Board of Directors of the IESO*.

2.9 Record-Keeping and Publication

- 2.9.2.1 the summaries referred to in sections 2.5.3C, 2.5.6 and 2.5.6C as may be applicable upon the appointment of the *arbitrator*;

4.3 Requests for Review or Amendment of Market Rules

- 4.3.7 Where the *technical panel* decides or is required to further consider an *amendment submission* pursuant to section 4.3.5 or 4.3.6, the *IESO* shall *publish* and give notice to all *market participants* and to any person who made the *amendment submission*, of the particulars of the *amendment submission* and of any comments which the *technical panel* may wish to make in respect of the *amendment submission*. The notice and *publication* may, at the request of *technical panel*, invite *market participants* and other interested persons to make written submissions to the *technical panel* concerning the *amendment submission*, within such reasonable period as shall be determined by the *technical panel*, and as specified in the *publication* and notice. This reasonable period shall not be less than 7 days.

- 4.3.8 The written submissions referred to in section 4.3.7 must be filed with the *technical panel* within the time specified in the notice and *publication* and may indicate whether the *market participant* or the other interested person considers that a meeting is necessary or desirable in connection with the *amendment submission* and, if so, the reasons why such meeting is necessary or desirable.
- 4.3.13 The *technical panel* shall, as soon as reasonably practicable following any meetings and consultations which may have been held pursuant to sections 4.3.11 and 4.3.12, or any other consultations that the *technical panel* decides are appropriate, convene on one or more occasions as may be necessary to consider and vote on the *amendment* resulting from an *amendment submission*. Prior to the *technical panel* voting on an *amendment*, the *IESO* shall, at the request of *technical panel*, *publish*, and give notice to all *market participants* and to any person who made the *amendment submission* or written submission to which the proposed *amendment* relates, of the proposed *amendment* that will be the subject of the *technical panel's* vote. The notice and *publication* shall, at the request of the *technical panel*, invite *market participants* and other interested persons to make written submission to the *technical panel* concerning the subject *amendment*, within such reasonable period as shall be determined by the *technical panel* and specified in the notice and *publication*. This reasonable period shall not be less than 7 days.
- 4.3.15 The *IESO* shall *publish* the recommendations contained in the report of the *technical panel* referred to in section 4.3.14 and give notice thereof to all *market participants* and to any person who made an *amendment submission* or written submission to which the recommendations relate. In this notice and *publication*, the *IESO* shall, at the request of the *technical panel*, invite *market participants* and other interested persons to make written submissions to the *IESO Board* concerning the subject *amendment*, within seven *business days* of the date of giving of notice, objecting to the *technical panel's* recommendation and setting forth the reasons for the objection. At the request of the *IESO Board*, the *technical panel* shall provide to the *IESO Board* copies of all written submissions received pursuant to section 4.3.8, 4.3.9, 4.3.10A or 4.3.13, together with particulars of any written submissions which were made before the *technical panel* during the course of any meetings that may have been held pursuant to section 4.3.11.
- 4.3.18 Where the *IESO Board* decides against the adoption of an *amendment* to the *market rules*, the *IESO* shall *publish* such decision and shall give notice of the decision to all *market participants* and to any person who made an *amendment submission* or written submission to which the decision relates. Where the *IESO Board* decides in favour of the adoption of the *amendment* to the *market rules*, either as recommended by the *technical panel* or with changes made by the *IESO Board* in its consideration of the *amendment*, the *IESO* shall *publish* such decision, together with a copy of the *amendment*, in accordance with the provisions of the *Governance and Structure By-law* and the *Electricity Act, 1998*, and shall give notice of the decision to all *market participants* the *Ontario Energy Board* and to any person who made the *amendment submission* or written submission to which the decision relates.

4.3.19 Where, in accordance with the *Governance and Structure By-law*, the *IESO Board* refers a recommendation contained in a report of the *technical panel* either back to the *technical panel* for further consideration and vote, or to any other person that the *IESO Board* deems appropriate, the *IESO Board* shall so advise the *technical panel*, with reasons, and shall **publish** such decision and give notice of the decision to all *market participants* and to any person who filed an *amendment submission* or written submission to which the decision relates. The *technical panel* shall, as soon as reasonably practicable following receipt of the decision of the *IESO Board*, convene to reconsider its recommendation. The *technical panel* may enter into such further consultations with such persons, and conduct such meetings, as it determines appropriate for purposes of its reconsideration.

4.8 Amendments Subject to Order of the Ontario Energy Board

4.8.1 Upon receipt of an order of the *Ontario Energy Board* made pursuant to the provisions of the *Electricity Act, 1998* from which no appeal, review or petition to the Lieutenant Governor in Council can or has been taken, the *IESO Board* shall either:

4.8.1.1 refer the matter, including consideration of any consequential *amendments* arising from the matter, to the *technical panel*, and the provisions of sections 4.3.7 to 4.3.20 shall, unless and to the extent that the *IESO Board* directs otherwise, apply with such modifications as the context may require to the reconsideration of the **amendment** to the **market rules** which is the subject of the order; or

5.3 Exceptions

5.3.1.3 the disclosure, use or reproduction of *confidential information*:

- a. by the *market participant* or person that provided the *confidential information* pursuant to the *market rules*;
- b. with the consent of the *market participant* or person that provided the *confidential information* pursuant to the *market rules*; or
- c. in the case of **settlement data**, *metering data* or data contained in the *metering registry*, by or with the consent of the *market participant* to whom such data relates;

5.4 Classification of Information

- 5.4.3.1 the *information confidentiality catalogue* provides, in respect of any particular item of *confidential information*, that such *confidential information* is to be automatically re-classified within a different *confidentiality classification* following the expiry of the period of time identified in the *information confidentiality catalogue*, such *confidential information* shall be deemed for all purposes to be re-classified within such other *confidentiality classification* on and after the expiry of such period of time;

5.5 Reclassification of Information

- 5.5.1 The *confidentiality classification* of any *confidential information* that is referred to in the *information confidentiality catalogue*, that is in the possession or control of the *IESO* and that has not been automatically re-classified in accordance with section 5.4.3.1 shall be reviewed by the *IESO*:

- 5.5.1.1 in the case of *confidential information* other than *confidential information* classified as highly confidential, no less than once in every three calendar years; and
- 5.5.1.2 in the case of *confidential information* classified by the *IESO* as highly confidential, no less than once in every seven calendar years,

with a view to determining, in accordance with section 5.5.2, whether the *confidential information* can be re-classified within a *confidentiality classification* that has, pursuant to section 5.4.2, associated with it provisions relating to disclosure or access that are less restrictive than those associated with the existing *confidentiality classification*.

- 5.5.3 Where the *IESO* determines, in accordance with the review conducted pursuant to section 5.5.1 that *confidential information* can be re-classified within another *confidentiality classification* that has, pursuant to section 5.4.2, associated with it provisions relating to disclosure or access that are less restrictive than the existing *confidentiality classification*, the *IESO* shall:

Chapter 4

3.5 Obligations of Connected Wholesale Customers and Distributors Connected to the IESO-Controlled Grid

- 3.5.1.8 complete and return to the *IESO* those portions of the *IESO catalogue of reliability-related information* relevant to its *facilities*; and

4. Connection Agreements

- 4.1.2 Each **embedded** *facility* that is a *market participant* shall have a signed connection agreement, in such form as may be prescribed by the *OEB*, with the applicable *distributor* with whom it is *connected*.

7.6A Alternative Arrangements for Submission of Data Measurements

- 7.6A.2.1 the proposed alternative arrangement demonstrates to the satisfaction of the *IESO* that the *market participant's facilities* and equipment are capable of providing the data measurements or equipment status changes in such a manner that such data will be displayed on the communications terminals located at the *IESO's* principal and back-up control centers within less than 8 seconds from the change in field monitored quantity or field status change; and
- 7.6A.2.2 the proposed alternative arrangement demonstrates to the satisfaction of the *IESO* that the *market participant's facilities* and equipment are capable of meeting such other *reliability*-related performance standards and other requirements as may be specified by the *IESO*, including but not limited to time consistency of data, and loss of data from electrically adjacent stations.
- 7.6A.3.1 the proposed alternative arrangement demonstrates to the satisfaction of the *IESO* that the *market participant's facilities* and equipment are capable of providing the data measurements or equipment status changes in such a manner that such data will be displayed on the communications terminals located at the *IESO's* principal and back-up control centers within less than 20 seconds from the change in field monitored quantity or field status change; and

Chapter 5

2. IESO-Controlled Grid and Operating States

2.1 Scope of IESO-Controlled Grid

2.1.2 Subject to the licence of the *IESO* or of the applicable *transmitter* or *distributor*, if the *IESO* and a *transmitter* or *distributor* are unable to reach agreement on the inclusion of *facilities* within the *IESO-controlled grid*, the matter shall be resolved using the dispute resolution procedures in the applicable *operating agreement* or, in the absence of same, the procedures set forth in Section 2 of Chapter 3.

2.3 Emergency Operating State

2.3.1 The *IESO-controlled grid* shall be considered as being in an *emergency operating state* when observance of *security limits* under a *normal operating state* will either:

2.3.1.1 require curtailment of *non-dispatchable load*; or

2.3.1.2 restrict transactions on *interconnected systems* during an *emergency* on the *IESO-controlled grid* or on a neighbouring *electricity system*.

3.2 Obligations of the IESO

3.2.3 In order to meet its obligations under this Chapter and under other provisions of the *market rules*, the *IESO* shall maintain written operating procedures and instructions and shall make same available for inspection at all times by *market participants*. The ~~*IESO Board of Directors of the IESO*~~ may *amend* the *market rules* to include any such operating procedures and instructions within the *market rules*.

3.5 Obligations of Wholesale Customers

3.5.1.3 promptly complying with the *IESO's* directions, including directions to *disconnect* equipment from the *IESO-controlled grid* for *reliability* purposes, unless the *connected wholesale customer* reasonably believes that following the *IESO's* direction poses a real and substantial risk of endangering the safety of any person, damaging *equipment*, or violating any *applicable law*. In all cases where the

connected wholesale customer does not intend to follow the *IESO's* directions for any such reasons, it shall promptly notify the *IESO* of this fact and shall nonetheless comply with the *IESO's* directions to the fullest extent possible without causing the harms described above; and

- 3.5.1.5 providing, no later than 14:00 EST on the last *trading day* of every second *trading week*, or more frequently if requested by the *IESO*, the following information:
- a. the timing and duration of any *planned outage*, closure, test or other similar operational event scheduled to commence or occur in the immediately succeeding four *trading weeks*, or during such longer period as may be requested by the *IESO*, in respect of any *facility* that it operates, where such *planned outage*, closure, test or other similar operational event is expected to result in a change in *demand* of 20 MW or more; relative to the average weekday *demand* of that *facility*; and
- 3.5.2.1 the timing and duration of any *planned outage*, closure, test or other similar operational event scheduled to commence or occur in the immediately succeeding four *trading weeks*, or during such longer period as may be requested by the *IESO*, in respect of any such *registered facility*, where such *planned outage*, closure, test or other similar operational event is expected to result in a change in *demand* of 20 MW or more relative to the average weekday *demand* of that *registered facility*; and
- a. the timing and duration of any *planned outage*, closure, test or other event scheduled to commence or occur in the immediately succeeding four *trading weeks*, or during such longer period as may be requested by the *IESO*, in respect of any *facility* which is not a *registered facility* that draws electrical *energy* from or injects electrical *energy* into its *distribution system*, where such *planned outage*, closure, test or other event is expected to result in a change in *demand* or supply by that *facility* of 20 MW or more relative to the average weekday *demand* or supply of that *facility*; and

4.5 Operating Reserve

- 4.5.1 *Operating reserve* is capacity that, for any given operating interval or *dispatch interval*, is in excess to that required to meet anticipated requirements for *energy* for that operating interval or *dispatch interval*, and is available to the *integrated power system* for *dispatch* by the *IESO* within a specified time period, such as 10 minutes or 30 minutes. *Operating reserves* may be provided by *generation facilities*, *dispatchable loads* and *boundary entities* to the extent that each meets the applicable requirements to be a *registered facility* in respect of each category

of *operating reserves*. Neighbouring *control areas* may also provide *operating reserve* through simultaneous activation of *operating reserve* and regional reserve sharing programs. *Operating reserve* is required to:

- 4.5.6B The *IESO* may participate in regional reserve sharing programs with neighbouring *control areas*. Subject to availability and deliverability of the associated *energy*, the *IESO* may count towards its *ten-minute operating reserve* requirement a contribution of up to 100 MW from neighbouring *control areas* in accordance with applicable regional reserve sharing programs and applicable *reliability standards*. The *IESO* shall activate *energy* from regional reserve sharing programs in accordance with applicable *reliability standards*.

4.9 Auditing and Testing of Ancillary Services

- 4.9.2.3 the *IESO* may test the *thirty-minute operating reserve* capability of a *generation facility* or *dispatchable load* by issuing unannounced dispatch instructions requiring the *generation facility* or *dispatchable load* to come on line and ramp up or to reduce *demand*, in either case to its thirty-minute capability;

6. Outage Coordination

6.1 Introduction

- 6.1.1 The objectives of this section 6 are to enable the *IESO* to review and assess the impact of *outage* schedules on the fulfillment by the *IESO* of its *reliability-related* responsibilities under the *Electricity Act, 1998*, its *license*, and the *market rules*, to require *market participants* to obtain the approval of the *IESO* in respect of *planned outage* schedules and to permit the *IESO* to reject, revoke *advance approval* of and recall *outages* that may have an impact on the *reliability* of the *IESO-controlled grid* or a material impact on the operation of the *IESO-administered markets*.

6.7 Compensation

- 6.7.2 *Generators, distributors or wholesale consumers* whose *outages* have *advance approval* revoked or have *outages* recalled by the *IESO* shall, subject to the exceptions defined in sections 6.7.3A and 6.7.3B, be entitled to compensation for out-of-pocket expenses associated with such revocation or recall only if:
- 6.7.5 A *generator, distributor or wholesale consumer* shall not be entitled to compensation for any costs, expenses, losses or damage associated with an *outage*

which has been rejected by the *IESO* provided that, in exceptional circumstances and where a *generator, distributor or wholesale consumer* has suffered substantial financial harm as a direct result of such rejection, the *generator, distributor or wholesale consumer* may request that an *arbitrator* be appointed pursuant to section 2 of Chapter 3 to determine whether and the amount of any compensation which the *generator, distributor or wholesale consumer* shall be entitled to recover as a result of the rejection of the *outage* by the *IESO*. In the case of *generators*, no such compensation shall be recoverable under this section 6.7.5 unless the *generator* demonstrates that the amount claimed cannot be recovered through *market prices*.

11.3 Ontario Power System Restoration Plan and Restoration Participant Attachments

11.3.3.3 descriptions of the roles of the *IESO* and various restoration participants in the *Ontario power system restoration plan*.

12. Communications

12.1 Communication Methods

12.1.1 Communication between the *IESO* and:

12.1.1.1 *market participants*;

12.2 Voice Communication

12.2.3 Each, *market participant embedded generator* and *embedded load consumer* shall provide and maintain:

12.3 Electronic Data

12.3.1 **Energy** management system (EMS) information shall be exchanged between the communication system of the *IESO* and the communication system of each *market participant* in order to support real-time functions such as:

Chapter 6

3. Metered Market Participants

3.1 General Obligations

- 3.1.4.5 gaining its own access to the *metering registry*, the *metering database* and the *metering data* recorded in each *metering installation* for which it is the *metered market participant*.

4. Metering Installation

4.1 Metering Installation Standards

- 4.1.4 The IESO shall, upon request by a *metered market participant* or a *metering service provider*, review conceptual drawings for a *metering installation* proposed to be installed by the *metered market participant* or the *metering service provider*.

- 4.1.7 Each *metered market participant* shall ensure that any *instrument transformer* forming part of a *metering installation* in respect of which it is the *metered market participant* is not used for a purpose other than the measurement of *energy* for *settlement* purposes unless:

- 4.1.7.1 the instrument transformer is part of a *main/alternate metering installation*;

- 4.2.2A The IESO shall permit a *metering installation* to be associated with more than one *facility* notwithstanding that the *meter point* is not located at the *defined meter points* for the *facilities*, provided that all transfers of *energy* at any points of supply or consumption for the *facilities* to which the *metering installation* are associated, are determined in a manner satisfactory to the IESO.

Where a *metered market participant* intends that such a *metering installation* is to be used for determining *settlement amounts* instead of one or more pre-existing downstream *metering installations*, the IESO shall not permit the use of the upstream *metering installation* for determining *settlement amounts* unless the *metered market participant* demonstrates, to the satisfaction of the IESO in accordance with the applicable *market manual*, the accuracy of the *energy* transfer

measurements of the upstream *metering installation* relative to the downstream *metering installations*.

4.3 Use of Metering Data and Metering Data Collection

4.3.2 Each *metering installation* shall:

- 4.3.2.1 have a communication link to the relevant telecommunication network, and, where required, isolation equipment approved under applicable telecommunications laws and regulations; and
- 4.3.2.2 be capable of remote communication by electronic means from the site of the *metering installation* to the communication interface of the *metering database*.

6.2 Metering Registry

6.2.3 The data recorded in the *metering registry* in respect of a registered *metering installation* shall be available to:

- 6.2.3.1 the *metered market participant* for that *metering installation* and an authorized agent of such *metered market participant*;
- 6.2.3.2 the metering service provider for that *metering installation*;
- 6.2.3.3 any *market participant* whose *settlement statement* is determined on the basis of the *metering data* recorded in that *metering installation* and an authorized agent of such *market participant*; and
- 6.2.3.4 any *transmitter* or *distributor* to whose system a *facility* in respect of the *metering installation* relates is connected.

10. Processing of Metering Data for Settlement Purposes

10.1 Metering Database

10.1.3 The *metering data* recorded in the *metering database* in respect of a registered *metering installation* shall be accessible by electronic means by:

- 10.1.3.1 the *metered market participant* for that *metering installation* and an authorized agent of such *metered market participant*;

- 10.1.3.2 the *metering service provider* for that *metering installation*;
- 10.1.3.3 any *market participant* whose *settlement statement* is determined on the basis of the *metering data* recorded in that *metering installation* and an authorized agent of such *market participant*; and
- 10.1.3.4 any *transmitter* or *distributor* to whose system a *facility* in respect of which the *metering installation* relates is connected.

Chapter 7- Appendices

1.1 Interpretation

- 1.1.1 This appendix describes the DACP calculation engine process used to determine commitments, constrained schedules, and shadow prices.
 - 1.1.1.1 Commitment refers to the availability of *generation facilities* and **imports** to provide *energy* and/or *operating reserve* and *dispatchable loads* and **exports** to provide *operating reserve*.

4.6 Glossary of Sets, Indices, Variables and Parameters for Pass 1

4.6.2.1 Bid and Offer Inputs

$SUPRG_{h,b}$ The *offered start-up cost* that a *generation facility* at bus b incurs in order to start and synchronize in hour h .

4.6.2.3 Other Inputs

$10ORConv$ The factor applied to scheduled *ten-minute operating reserve* for energy **limited resources** to convert MW into MWh. This factor shall be 1.0.

$30ORConv$ The factor applied to scheduled *thirty-minute operating reserve* for energy **limited resources** to convert MW into MWh. This factor shall be 1.0.

- 4.9.1.2 Must-run resources will be considered committed for all must-run hours. Regulating units will be considered committed for all the hours that they are regulating. *Generation facilities* with zero commitment cost (i.e., their *minimum loading points*, *start-up costs minimum generation block run-times* and *minimum generation block down times*

are zero) and hourly **loads**, imports and exports will be considered committed for all the hours.

- 5.11.2.6 In the above ramping constraints, a single ramp up and a single ramp down, $URRPRG_b$ and $DRRPRG_b$ for *generation facilities* and $URRPRL_b$ and $DRRPRL_b$ for *dispatchable loads* are used. The ramp rate is assumed constant over the full operating range of the *dispatchable load* **and** *generation facility*. However, this is not the case. *Dispatchable load bids and generator offers* will include multi-energy ramp rates. The multiple ramp rates are described in sections 4.10.2.8 and 4.10.2.9.

4.9 Bid/Offer Constraints Applying to Single Hours

- 4.9.2.3 Finally, the total 10-minute synchronized, 10-minute **non-synchronized** and 30-minute *operating reserve* from committed *dispatchable load* cannot exceed the *dispatchable load's* Pass 1 scheduled consumption:

Chapter 9

3. Determination of Hourly Settlement Amounts

3.1 Hourly Settlement Variables and Data

- 3.1.2B.2 information to identify any event in which the *IESO* de-commits a *generation facility* between the release and **publication** of the *schedule of record* and the end of its committed schedule **in the schedule of record** where the *market participant* has **has** been deemed to have accepted in accordance with section 5.8.4 of Chapter 7 a day-ahead production cost guarantee for that *facility*;

Chapter 11

facility means a *generation facility*, a *load facility*, **a connection facility**, a *transmission system*, **or** a *distribution system*, located within the *IESO control area*, or any other

equipment that is a component or part of the *electricity system*;

load facility means a *facility* that draws electrical *energy* from the *integrated power system*;

Minister means the Minister of Energy, ~~Science and Technology~~, Northern Development and Mines or such member of the Executive Council as may be assigned the administration of the *Electricity Act, 1998* under the *Executive Council Act, 1990*.

Correcting references

Chapter 1

2.3 Legislative Authority

2.3.1 The legislative authority for the *market rules* is contained in the *Electricity Act, 1998*, ~~enacted as Schedule A to the *Energy Competition Act, 1998*, which received Royal Assent on October 30, 1998. Specifically, subsection 32(1) of the *Electricity Act, 1998*, which was proclaimed into force on November 7, 1998,~~ contemplates that there will be made rules governing the *IESO-controlled grid* and establishing and governing the *IESO-administered markets* related to electricity and *ancillary services*.

~~4.4 Coming into Force and Transitional Provisions~~

~~4.4.1 Subject to subsection 32(7) of the *Electricity Act, 1998*, the sections of the *market rules* identified in Appendix 1.1 come into force on the dates specified in Appendix 1.1 and the remaining sections of the *market rules* come into force on the date on which subsection 26(1) of the *Electricity Act, 1998* is proclaimed into force.~~

~~4.4.2 Unless repealed earlier by means of an *amendment* to the *market rules*, all of this section 4.4, other than section 4.4.1, shall cease to have effect on the date on which subsection 26(1) of the *Electricity Act, 1998* is proclaimed into force.~~

~~4.4.3 Notwithstanding the coming into force of the whole of Chapter 4 on the date referred to in Appendix 1.1, it is understood that Chapter 4 is, with the exception of sections 3.2.1, 6.1.2 and 6.1.8 of that Chapter, being brought into force primarily to support the process to be conducted prior to the *market commencement date* for the registration of *registered facilities* referred to in section 2 of Chapter 7, as such process pertains to *connection agreements*, and no person shall be required to comply with any provision of Chapter 4, other than sections 3.2.1, 6.1.2 and 6.1.8 of that Chapter, that is not reasonably required for such purpose if such compliance would be inconsistent with the manner in which that person lawfully and in accordance with any applicable contractual obligations operates its *facilities* on such date.~~

~~4.4.4~~ Notwithstanding the coming into force of portions of section 4 of Chapter 5 on the date referred to in Appendix 1.1, it is understood that those portions of section 4 of Chapter 5 are being brought into force primarily to support the processes to be conducted prior to the *market commencement date* for the registration of *registered facilities* for the provision of *ancillary services* and *reliability must run resources* referred to in section 2 of Chapter 7 and for the procurement of *ancillary services* and *reliability must run resources* under contracts that will have effect on and after the *market commencement date*. Accordingly:

~~4.4.4.1~~ the *IESO* shall continue to procure *ancillary services* and *reliability must run resources* in the manner in which *ancillary services* and *reliability must run resources* are procured on the date of coming into force of portions of section 4 of Chapter 5 referred to in Appendix 1.1; and

~~4.4.4.2~~ no person providing *ancillary services* or *reliability must run resources* to the *IESO* shall be required to comply with any provision of section 4 of Chapter 5 that is inconsistent with the manner in which that person lawfully and in accordance with any applicable contractual provisions provides *ancillary services* or *reliability must run resources* to the *IESO* on the date referred to in section 4.4.4.1.

~~4.4.5~~ Notwithstanding the coming into force of section 2 of Chapter 7 on the date referred to in Appendix 1.1, it is understood that section 2 of Chapter 7 is being brought into force to support the registration of *registered facilities* referred to in that section prior to the *market commencement date*, and no person shall be required to be a *registered market participant* nor to have registered a *facility* as a *registered facility* in order to cause or permit electricity or any *physical service* to be conveyed into, through or out of the *IESO-controlled grid*.

~~4.4.6~~ Notwithstanding the coming into force of portions of Chapter 6 on the dates referred to in Appendix 1.1, it is understood that those portions of Chapter 6 are being brought into force to support the registration of metering service providers and of metering installations prior to the market commencement date, and no person shall be required to comply with any provision of Chapter 6 that is not reasonably required for the purposes described in this section 4.4.6 if such compliance would be inconsistent with the manner in which that person lawfully and in accordance with any applicable contractual obligations operates its metering installations on such dates.

~~4.4.7~~ For the purposes of those sections of Chapter 6 that, in accordance with Appendix 1.1, come into force prior to the *market commencement date*, the person that would, if Chapter 9 were in force, be:

~~4.4.7.1~~ the person with respect to whom a *settlement* credit would be assessed for the supply of electricity; or

~~4.4.7.2 — the person with respect to whom a *settlement* debit would be assessed for the withdrawal of electricity;~~

~~measured and recorded by a *metering installation* shall be deemed to be the *metered market participant* for that *metering installation* until such time as a person is designated as the *metered market participant* for that *metering installation* in accordance with the provisions of Chapter 9.~~

~~4.4.8 — Where, by virtue of the application of section 4.4.7, more than one person would be deemed to be the *metered market participant* in respect of a *metering installation*, such persons shall select from amongst themselves one person to be the *metered market participant* and shall so notify the *IESO*. In the absence of such selection and notification, the *IESO* shall nominate one of such persons to act as the *metered market participant* until such time as a person is designated as the *metered market participant* for that *metering installation* in accordance with the provisions of Chapter 9.~~

~~4.4.9 — Notwithstanding the coming into force of section 11 of Chapter 5 on the date referred to in Appendix 1.1, it is understood that section 11 of Chapter 5 is being brought into force to support the preparation and, where applicable, the filing of the *Ontario electricity emergency plan*, the *Ontario power system restoration plan*, and the *emergency preparedness plans* and *restoration participant attachments* referred to and in accordance with that section, and no person shall be required to comply with any provision of section 11 of Chapter 5 that is not reasonably required for such purpose if such compliance would be inconsistent with the manner in which that person lawfully and in accordance with any applicable contractual obligations operates its *facilities* on such date.~~

~~4.5 — Market Testing and Operational Dry Run~~

~~4.5.1 — The *IESO* shall prior to the *market commencement date* conduct, in accordance with the procedures referred to in section 4.5.2, such *market testing* and operational dry run activities as the *IESO* determines appropriate for the purposes of testing the systems and procedures of the *IESO* and of *commissioning participants* with a view to assessing:~~

~~4.5.1.1 — the interoperability of the systems and procedures of the *IESO* and those of *commissioning participants*;~~

~~4.5.1.2 — whether such systems and procedures will enable the *IESO* to operate the *IESO-administered markets* and to direct the operations of the *IESO-controlled grid* in the manner contemplated by these *market rules* on and after the *market commencement date*; and~~

~~4.5.1.3 — deficiencies revealed during the *market testing* and operational dry run activities and the extent to which they require rectification to permit the *IESO-administered markets* to commence operation.~~

- ~~4.5.2 The IESO shall establish procedures for the conduct of the *market testing* and operational dry run activities referred to in section 4.5.1, which procedures shall include but not be limited to, the following:~~
- ~~4.5.2.1 the manner in which a person may apply to participate in *market testing* and operational dry run activities;~~
 - ~~4.5.2.2 the conditions under which a person is eligible to be selected as a *commissioning participant* in respect of each of the *market testing* and operational dry run activities;~~
 - ~~4.5.2.3 the manner in which the IESO will select persons as *commissioning participants* in the event that not all persons applying to participate in *market testing* or operational dry run activities can be accommodated in such activities;~~
 - ~~4.5.2.4 the conditions under which the IESO may suspend or expel a *commissioning participant* from participation in further *market testing* or operational dry run activities, the conditions under which the IESO may allow a suspended *commissioning participant* to resume participation in such activities and the conditions under which a *commissioning participant* may withdraw, on a temporary or permanent basis, from participation in such activities;~~
 - ~~4.5.2.5 the manner in which the IESO shall direct and conduct each of the *market testing* and operational dry run activities in accordance with procedures referred to in this section 4.5.2 and the manner and time within which each *commissioning participant* must take action or cease to act in the context of the conduct of such *market testing* and operational dry run activities;~~
 - ~~4.5.2.6 the manner in which the IESO may direct a *commissioning participant* to perform a test or participate in an operational dry run activity in accordance with the procedures referred to in this section 4.5.2 and the time within which such *commissioning participant* must comply with such direction;~~
 - ~~4.5.2.7 the conditions under and the manner in which the IESO may direct a *commissioning participant* to perform a test or participate in an operational dry run activity in a manner that deviates from the procedures referred to in this section 4.5.2 and the time within which such *commissioning participant* must comply with such direction;~~
 - ~~4.5.2.8 the manner and time within which the IESO and *commissioning participants* shall report the results of each *market testing* and operational dry run activity, both during and following completion of each such activity;~~

- ~~4.5.2.9 — the manner and time within which the *IESO* and *commissioning participants* shall in consultation with one another assess whether a *market testing* or operational dry run activity has revealed the existence of a deficiency in one or more of their respective systems or procedures;~~
- ~~4.5.2.10 — the manner and time within which the *IESO* and *commissioning participants* shall in consultation with one another assess the manner in which any deficiency referred to in section 4.5.2.9 may be addressed;~~
- ~~4.5.2.11 — the manner and time within which a *commissioning participant* shall notify the *IESO* of a change in its systems or procedures effected, for any reason whatsoever, during the course of *market testing* and operational dry run activities to the extent that such systems or procedures are involved in or may impact on such activities;~~
- ~~4.5.2.12 — the manner and time within which a *commissioning participant* may dispute a direction given to it by the *IESO* pursuant to the procedures referred to in section 4.5.2.5 to 4.5.2.7 in lieu of the process referred to in sections 2.4 to 2.9 of Chapter 3;~~
- ~~4.5.2.13 — the manner in which disputes relating to:~~
- ~~a. — the suspension or expulsion of a *commissioning participant* referred to in section 4.5.2.4;~~
 - ~~b. — the assessments referred to in section 4.5.2.9; and~~
 - ~~c. — any other provision of the procedures established pursuant to this section 4.5.2;~~
- ~~shall be investigated and resolved in lieu of the process referred to in sections 2.4 to 2.9 of Chapter 3;~~
- ~~4.5.2.14 — the manner in which the *IESO* shall monitor the activities of *commissioning participants* during the conduct of *market testing* and operational dry run activities and shall investigate conduct that does not comply with the procedures referred to in this section 4.5.2, including a direction referred to in section 4.5.2.5 to 4.5.2.7;~~
- ~~4.5.2.15 — the manner and time within which the *IESO* shall report to the *Ontario Energy Board*, the *Minister* or any staff, committee, agent or advisor of the *Ontario Energy Board* or the *Minister* the results of each *market testing* and operational dry run activity;~~
- ~~4.5.2.16 — the content of the reports referred to in section 4.5.2.15, which may include but shall not be limited to the elements referred to in section 4.5.6;~~

- ~~4.5.2.17~~ — subject to sections 4.5.6 to 4.5.8, the manner in which the *IESO* and each *commissioning participant* shall identify and protect any *confidential information* generated or exchanged during the conduct of the *market testing* and operational dry run activities;
- ~~4.5.2.18~~ — the establishment and composition of a task force to advise and assist the *IESO* and *commissioning participants* in fulfilling their respective responsibilities relating to *market testing* and operational dry run, the manner in which persons will be appointed to and removed from such task force from time to time, the functions and responsibilities of such task force and the manner in which decisions will be taken by such task force; and
- ~~4.5.2.19~~ — the manner in which costs, other than those referred to in section 4.5.10, incurred for the purposes of, during or as a result of participation in *market testing* and operational dry run activities, shall be borne by or allocated amongst the *IESO* and *commissioning participants*.
- ~~4.5.3~~ — Each *commissioning participant* shall:
- ~~4.5.3.1~~ — subject to section 4.5.5, comply with a direction issued to it pursuant to the procedures referred to in section 4.5.2.6 or 4.5.2.7 in the manner and within the time specified in the procedures referred to in section 4.5.2 or at the time of communication of the direction, as the case may be; and
- ~~4.5.3.2~~ — if suspended or expelled pursuant to the procedures referred to in section 4.5.2.4, cease participation in *market testing* or operational dry run activities immediately upon receipt of notice from the *IESO* of such suspension.
- ~~4.5.4~~ — Nothing in this section 4.5 is intended to prevent a *commissioning participant* from acting to ensure the safety of any person, prevent the damage of equipment, or prevent the violation of any *applicable law*, provided that any such actions that may impact on the conduct of *market testing* and operational dry run activities shall be coordinated with the *IESO* to the fullest extent practicable and shall, in any event, be reported or notified to the *IESO* as soon as practicable.
- ~~4.5.5~~ — A *commissioning participant* may refuse to comply with, or delay compliance with, a direction referred to in section 4.5.3.1 only where and to the extent necessitated by concerns to ensure the safety of any person, prevent the damage of equipment, or prevent the violation of any *applicable law*. Any such refusal or delay shall be reported or notified to the *IESO* as soon as practicable.
- ~~4.5.6~~ — Notwithstanding any other provision of these *market rules*, the *IESO* shall be entitled to disclose to the *Ontario Energy Board*, to the *Minister* and to any staff, committee, agent or advisor of the *Ontario Energy Board* or the *Minister*

~~confidential information, including confidential information pertaining to a commissioning participant, relating to:~~

- ~~4.5.6.1 — the conduct and progress of market testing and operational dry run activities;~~
- ~~4.5.6.2 — the deficiencies referred to in section 4.5.2.9 and the manner in which such deficiencies have been or are proposed to be remedied;~~
- ~~4.5.6.3 — whether market testing and operational dry run activities have revealed a deficiency that requires rectification to permit the IESO-administered markets to commence operation;~~
- ~~4.5.6.4 — the market readiness and competence of commissioning participants as revealed during market testing and operational dry run activities; and~~
- ~~4.5.6.5 — a description of the IESO's compliance monitoring activities referred to in section 4.5.2.14 including, but not limited to, a description of the activities and actions of, and instances of non-compliance by, commissioning participants.~~

~~Any disclosure by the IESO of confidential information pertaining to a commissioning participant to any committee, agent or advisor of the Ontario Energy Board or of the Minister pursuant to this section 4.5.6 shall be effected in accordance with the procedures referred to in section 4.5.2.17.~~

~~4.5.7 — Except as otherwise permitted by these market rules, the IESO shall not disclose to a commissioning participant confidential information, including confidential information pertaining to another commissioning participant, relating to the elements referred to in sections 4.5.6.1 to 4.5.6.3, save and except to the extent that such disclosure is:~~

- ~~4.5.7.1 — in the IESO's opinion, necessary for the efficient, timely and fair conduct of such activities and for the timely rectification of any deficiencies revealed during the course of market testing and operational dry run activities; and~~
- ~~4.5.7.2 — effected in accordance with the procedures referred to in section 4.5.2.17.~~

~~4.5.8 — Except as otherwise permitted by these market rules, where the IESO makes any disclosure pursuant to section 4.5.7, the commissioning participant to whom the disclosure is made shall use the confidential information so disclosed solely for the purposes of the commissioning participant's participation in market testing and operational dry run activities and of the rectification of deficiencies revealed during such activities and shall not use or disclose such confidential information for any purpose:~~

- ~~4.5.8.1 — while the *commissioning participant's* participation in such activities has been suspended in accordance with the procedures referred to in section 4.5.2.4;~~
- ~~4.5.8.2 — following the *commissioning participant's* expulsion from participation in such activities in accordance with the procedures referred to in section 4.5.2.4; or~~
- ~~4.5.8.3 — following completion of such activities.~~
- ~~4.5.9 — For the purposes of this section 4.5:~~
- ~~4.5.9.1 — all references in sections 5.1, 5.2 and 5.3 of Chapter 3 to a *market participant* shall be deemed to include a reference to a *commissioning participant*; and~~
- ~~4.5.9.2 — sections 5.4 to 5.8 of Chapter 3 shall not apply in respect of *confidential information* generated or exchanged during the conduct of the *market testing* and operational dry run activities until such time as all such activities, including the preparation of any reports relating thereto, have been completed.~~
- ~~4.5.10 — The *IESO* and each *commissioning participant* shall bear:~~
- ~~4.5.10.1 — its own administrative, staffing and logistical support costs relating to its participation in the *market testing* and operational dry run activities referred to in this section 4.5 as well as its own costs relating to the provision of equipment and facilities required to support its participation in such activities; and~~
- ~~4.5.10.2 — its own costs relating to the rectification by it of deficiencies revealed during such activities.~~
- ~~4.5.11 — The liability and indemnification provisions of section 13 shall apply in respect of any act or omission of *commissioning participants* and the *IESO* during the conduct of *market testing* and operational dry run activities and, for such purpose, all references in section 13 of this Chapter to a *market participant* shall be deemed to include a reference to a *commissioning participant*.~~
- ~~4.5.12 — Bids, offers and other information provided by *market participants* or the *IESO* during *market testing* and operational dry run that apply to the operation of the *IESO-administered markets* on and following the *market commencement date* shall bind the *market participants* and *IESO* in the same manner as if all the applicable *market rules* were in force when such information was provided.~~

12. Interpretation Bulletins

12.1.5 A bulletin *published* pursuant to section 12.1.4 shall be binding on the *IESO*, provided that:

12.1.5.1 none of the relevant *market rules* are thereafter *amended*;

12.1.5.2 there is thereafter no amendment to any relevant provisions of the *Electricity Act, 1998*; and

14. Exemptions

14.1 Scope of Exemptions

14.1.1 As provided in the *Electricity Act, 1998* an *exemption applicant* may apply to the *IESO* for an *exemption* from the application of any obligation or standard which is or may be imposed upon the *exemption applicant* or in respect of the *exemption applicant's facilities* or equipment pursuant to these *market rules, market manuals* or to any standard, policy or procedure established by the *IESO* pursuant to these *market rules*.

Chapter 2

1.2.0 A person who has been issued a *licence* by the *OEB* pursuant to Part V of the *Ontario Energy Board Act, 1998*, is subject to all *market rules* relating to the activities authorized by such *licence* and all other applicable *market rules*.

5B.2 Market Participant Obligations

5B.2.2 No *market participant* that is required to provide *demand response prudential support* shall participate in the *real-time markets* or cause or permit electricity to be conveyed into, through or out of the *IESO-controlled grid* unless that *market participant* satisfies the requirements of this section **5B.2**.

Chapter 3

2.2 Application

2.2.1.7 any dispute between the *IESO*, on the one hand, and any *market participant*, *commissioning participant*, *connection applicant* or *metering service provider*, on the other hand, pursuant to the terms of any agreement or contract referred to in these *market rules* or in any policy, guideline or other document referred to in section 7.7 of Chapter 1 or any *market manual*, unless in respect of a given dispute the agreement or contract or the *licence* of a party to the dispute either provides for an alternative dispute resolution mechanism or provides that the dispute resolution regime provided in this section 2 shall not be applicable;

2.5 Notice of Dispute, Negotiation and Response

2.5.1A.5 in all other cases, within the applicable limitation period set out in the *Limitations Act, 2002*.

6.2B Alleged Breaches of Section 10A of Chapter 1

6.2B.18 The arbitration process set out in section 2.7 shall not apply to disputes as described in section 6.2B.16. An order issued under section 6.2B.15 may be appealed as provided for in section 36 of the *Electricity Act, 1998* upon the filing of a notice under section ~~2.6.2B~~, 2.6.1B, 2.6.13 or 2.6.16 terminating the mediation process.

4.2 Amendment Process Generally

4.2.1 Under section 32 of the *Electricity Act, 1998*, the *IESO Board* has the authority and responsibility to *amend* these *market rules*. The *technical panel* is authorized, through the *Governance and Structure By-law*, to support the *IESO Board* in the development and consideration of *amendments* to the *market rules*. The *urgent rule amendment committee* is authorized, through the *Governance and Structure By-law*, to support the *IESO Board* in the development, consideration and making of *urgent rule amendments*.

6.2B Alleged Breaches of Section 10A of Chapter 1

6.2B.20 For the purposes of section 6.2B.19, the term “discovered” has the meaning prescribed in section 5(1) of the *Limitations Act, 2002*.

Chapter 5

3.2A Technical Feasibility Exceptions

- 3.2A.1 The *IESO* may:
- 3.2A.1.1 [Intentionally left blank – section deleted]
 - 3.2A.1.2 approve a *TFE application*, in whole or in part, subject to and including any terms and conditions the *IESO* determines appropriate or disapprove a *TFE application*, in whole or in part **with such approval or disapproval being a reviewable decision**;
 - 3.2A.1.3 upon the request of a *market participant* amend or transfer a *TFE*, in whole or in part, subject to and including any terms and conditions the *IESO* determines appropriate; or
 - 3.2A.1.4 terminate or amend an approved *TFE*, in whole or in part, subject to any terms and conditions the *IESO* determines appropriate. **Such termination or amendment is a reviewable decision.**
- 3.2A.5 Where applicable, for each *TFE application*, the *IESO* shall establish a cost threshold or subsequent cost thresholds which it considers to be reasonable, **which is a reviewable decision**, and which will form part of the executed agreement set out in section 3.2A.3.3 and will monitor expenditures against the processing costs of a *TFE application* and where that threshold is reached:
- 3.2A.5.1 the *IESO* shall advise the *TFE applicant* of the work and costs incurred to date;
 - 3.2A.5.2 the *IESO* shall provide an estimate to the *TFE applicant* of the further work and costs necessary to complete the processing of the *TFE application*; and
 - 3.2A.5.3 the *TFE applicant* may choose to continue with the processing of the *TFE application* or discontinue the processing of the *TFE application*. In the event that the *TFE applicant* chooses to discontinue the processing by withdrawing the *TFE application*, the *IESO* shall issue an *invoice* to the *TFE applicant* for the reasonable costs incurred by the *IESO* to that point.
- 3.2A.10 The *IESO* may submit **invoices** to the *TFE applicant* for costs and expenses incurred by the *IESO* in processing the *TFE application* and maintaining the approved *TFE* until such time as the *TFE* is no longer in effect, less in each case,

the amount of any deposit paid pursuant to section 3.2A.2 not previously applied against the IESO's costs and expenses. **The submission of invoices to the TFE applicant is a reviewable decision.**

3.2B Bulk Electric System Exceptions

- 3.2B.5.3 the *BES exception applicant* may choose to continue with the processing of the *BES exception request* or discontinue the processing of the *BES exception request*. In the event that the *BES exception applicant* chooses to discontinue the processing by withdrawing the *BES exception request*, the *IESO* shall issue an *invoice* to the *BES exception applicant* for the reasonable costs incurred by the *IESO* to that point. **The issuance of such an invoice is a reviewable decision.**
- 3.2B.7 After receiving a recommendation from the *IESO* on a *BES exception request*, the *IESO Board* or a panel of the *IESO Board* as determined by the Chair of the *IESO Board* may:
- 3.2B.7.2 approve or disapprove a *BES exception request*, in whole or in part, subject to and including any terms and conditions the *IESO* determines appropriate or disapprove a *BES exception request*, in whole or in part, **with such approval or disapproval being a reviewable decision;**
- 3.2B.7.3 upon the request of a *market participant* or a *connection applicant* amend or transfer a *BES exception*, in whole or in part, subject to and including any terms and conditions the *IESO* determines appropriate; or
- 3.2B.7.4 terminate or amend an approved *BES exception*, in whole or in part, subject to any terms and conditions the *IESO* determines appropriate. **Such termination or amendment is a reviewable decision.**
- 3.2B.9 All *BES exceptions* are subject to periodic review, in accordance with the applicable *market manual*, to verify continuing justification for the *BES exception* and may be referred to the *IESO Board* or a panel of the *IESO Board* as determined by the Chair of the *IESO Board* in accordance with section 3.2B.7~~1.4~~.
- 3.2B.10 The *IESO* shall submit an *invoice* to a *BES exception applicant* upon completion of the processing of that applicant's *BES exception request* in an amount equal to all of the *IESO's* costs and expenses relating to the processing of the *BES exception applicant's BES exception request* less the amount of any deposit paid pursuant to section 3.2B.3.4.1. **The submission of an invoice to a BES exception applicant is a reviewable decision.**

3.3 Reliability-Related Information

- 3.3.1 ~~Within 90 days after the date of coming into force of this Chapter,~~ The *IESO* shall *publish* a list of the categories of *reliability*-related information that it shall make available to *market participants*, the time periods within which such information will be provided, and the manner in which such information will be provided. Such information shall include, but not be limited to, information designed to:
- 3.3.2 ~~Within 90 days after the date of coming into force of this Chapter,~~ The *IESO* shall publish a catalogue of the *reliability*-related information that the *IESO* shall require be provided to it by *market participants*, including the information referred to in section 14.1.3, the time periods within which such information will be provided and the manner in which such information will be provided. At the same time, the *IESO* shall *publish* initial monitoring indices that the *IESO* shall use in evaluating the information so provided.

11.2 Emergency Preparedness Plans and Ontario Electricity Emergency Plan

- 11.2.2 The *IESO* shall file with the *Minister* the *Ontario electricity emergency plan* and such other emergency plans as the *Minister* may require pursuant to subsection 39(1) of the *Electricity Act, 1998*.
- 11.2.3 In order to assist the *IESO* in fulfilling its responsibilities under section 39 of the *Electricity Act, 1998*, each *market participant* shall prepare and submit to the *IESO* an *emergency preparedness plan* and such other *emergency preparedness*-related information as the *IESO* considers necessary. Each *market participant* shall ensure that its *emergency preparedness plan* complies with section 11.2.4 and is submitted to the *IESO* during registration to become a *market participant*, or at such later times as the *IESO* shall specify.

Chapter 11

~~*commissioning participant* means a person that has been selected by the *IESO* as a participant for the purposes of one or more of the *market testing* or operational dry run activities referred to in section 4.5 of Chapter 1;~~

~~*Energy Competition Act, 1998* means the *Energy Competition Act, 1998, S.O. 1998, c. 15*;~~

~~*market testing* means the testing and re-testing of the systems and procedures of *commissioning participants* and of the *IESO* pursuant to section 4.5 of Chapter 1 against the requirements of the *market rules* and of procedures established by the *IESO* prior to the testing or re-testing date with respect to the operation of the *IESO administered markets* and~~

~~of the IESO-controlled grid;~~

Correcting Typographical Orders

Chapter 1

4.4B Transitional Scheduling Generator

4.4B.1 Participation in the *IESO-administered market* of a *transitional scheduling generator* is temporary and shall expire when its registration is changed pursuant to Chapter 7, section 2.2.23.

7. Interpretation and Rules of Construction

7.1 General

7.1.1.13 a reference to a time:

- a. without the qualification “EST” is a reference to eastern time, which is the prevailing eastern standard or eastern daylight time in the Province of Ontario;
- b. followed by the qualification “EST” is a reference to eastern standard time in the Province of Ontario; **and**
- c. without the qualification “am”, “a.m.”, “pm” or “p.m.” is a reference to time based on a 24-hour clock; and

Chapter 2

~~3.1.9—[Reserved for powers of IESO upon learning of a change in circumstances.]~~

Chapter 3

2.2 Application

- 2.2.3.10 any dispute with respect to which these *market rules*, other than this section 2, provide for the non-application of the dispute resolution process provided for in this section 2; ~~and~~

4.3 Requests for Review or Amendment of Market Rules

- 4.3.5 The *technical panel* shall report to the *IESO Board* and, where applicable, give notice to the *market participant* or other interested person who made an *amendment submission* as to whether the proposed *amendment* or the request for consideration of an *amendment* or review is, in the opinion of the *technical panel*:
- 4.3.5.1 of such a nature that consideration of the *amendment submission* is warranted and the extent of the consultation that the *technical panel* intends to take with *market participants* and other interested persons in the consideration of the *amendment*; ~~or~~
- 4.3.5.1A of such a nature that it raises only a *minor amendment*, in which case the *amendment submission* shall be dealt with in accordance with the provisions of section 4.7; ~~or~~

4.6 Urgent Amendments

- 4.6.4 Where an *urgent amendment* is made by the *IESO Board* or the *urgent rule amendment committee* pursuant to section 4.6.1, the *IESO* shall forthwith *publish* and give notice, including the effective date and time, of such *urgent amendment* and shall give notice thereof to all *market participants*.~~÷~~

5.2 Confidentiality

- 5.2.2 No *market participant* or the *IESO* shall:
- 5.2.2.1 ~~shall~~ disclose *confidential information* to any person except as permitted by the *market rules*;
- 5.2.2.2 ~~shall~~ permit access to *confidential information* by any person not authorized to have such access pursuant to the *market rules*; ~~and~~ or
- 5.2.2.3 ~~shall~~ use or reproduce *confidential information* for a purpose other than the purpose for which it was disclosed or another purpose contemplated by the *market rules*.

5.3 Exceptions

5.3.1 Unless prohibited by *applicable law* or by the provisions of these *market rules* other than this section 5, nothing in sections 5.2, 5.4 or section 5.5.1A of ~~chapter~~ **Chapter 5** shall prevent:

5.3.1.12 subject to sections 5.3.7 and 5.3.8, disclosure by the *IESO* of *confidential information* to ~~the a~~ *market monitoring unit* ~~of a control area operator or security coordinator~~ relating to an investigation regarding conduct or activities which may have an adverse impact on market efficiency or effective competition; or

6.3 Events of Default

6.3.1.10 is wound up, dissolved, or otherwise has ceased to exist or is the subject of an application for winding up or dissolution, or any analogous procedure, under the laws of any jurisdiction, unless the notice of winding up or dissolution is discharged or withdrawn; or

Chapter 4

6.4 Disconnection During an Emergency or For Safety or Reliability Reasons

6.4.3.3 the *transmitter* is the operator of ~~the a~~ *connection facility*.

Chapter 5

5.8 Operation Under an Emergency Operating State

5.8.1 Once an *emergency operating state* has been declared by the *IESO*, the *IESO* may take such action as it determines appropriate including, but not limited to:

5.8.1.1 [Intentionally left blank]

5.8.1.2 [Intentionally left blank]

5.8.1.3 [Intentionally left blank]

5.8.1.4 coordinating with other *security coordinators*; ~~acquiring emergency energy in accordance with section 2.3.3A;~~

- 5.8.1.5 issuing directions to *market participants* to reduce *demand* through voltage reductions and interruptions in accordance with section 10.3; ~~and~~
- 5.8.1.6 operate to those *security limits* appropriate for an *emergency operating state* to allow for increased power transfers; ~~and~~
- 5.8.1.7 ~~acquiring *emergency energy* in accordance with section 2.3.3A.~~

Chapter 6

3. Metered Market Participants

3.1 General Obligations

3.1.2 Each metered market participant shall:

3.1.2.1 if a registered *metering service provider*:

- a. subject to section 4.4, register, provide, install, commission, maintain, repair, replace, inspect and test each *metering installation* in respect of which it is the *metered market participant* in accordance with the provisions of this Chapter and of any policy or standard established by the *IESO* pursuant to this Chapter; ~~and~~
- b. comply with all of the obligations imposed on *metering service providers* in this Chapter and in any policy or standard established by the *IESO* pursuant to this Chapter; ~~and~~

3.1.2.2 if not a registered *metering service provider*:

- a. enter into an agreement with a registered *metering service provider* for the registration, provision, installation, commissioning, maintenance, repair, replacement, inspection and testing by that registered *metering service provider* of each *metering installation* in respect of which it is the *metered market participant*; ~~and~~
- b. ensure that its *metering service provider* provides the *IESO* with the information referred to in sections 1.2 and 1.3 of Appendix 6.5

and updates such information as required to maintain that information current; ~~and~~

Chapter 7 Appendices

4.6 Glossary of Sets, Indices, Variables and Parameters for Pass 1

4.6.2.1 Bid and Offer Inputs

$10SPPR_{Lj,h,b}$

The price of being scheduled to ~~provided~~ synchronized *ten-minute operating reserve* associated with *bid j* in hour *h* at bus *b*, for *dispatchable loads* qualified to do so.

$10NPPRG_{k,h,b}$

The offered price of being scheduled to provide ~~ten-minute operating~~ non-synchronized *ten-minute operating reserve* in hour *h* at bus *b* in association with offer *k*.

4.6.2.6 Output Violation Variables

$SXREG10RViol^l_{r,h}$

The amount by which the *ten-minute operating reserve* scheduled for region *r* exceeds the maximum required in hour *h* of Pass 1 because the cost of meeting ~~that~~ the maximum requirement limit was greater than or equal to $PXREG10RViol$.

4.9 Bid/Offer Constraints Applying to Single Hours

- 4.9.2.3 Finally, the total 10-minute synchronized, 10-minute ~~non-synchronized~~ and 30-minute *operating reserve* from committed *dispatchable load* cannot exceed the *dispatchable load's* Pass 1 scheduled consumption:

4.10 Bid/Offer Inter-Hour/Multi-Hour Constraints

4.10.1.1 A Boolean variable, $IPRG^l_{h,b}$, indicates that a *generation facility* at bus b ~~are~~ **is** scheduled to start up on hour h . A value of zero indicates that a resource is not scheduled to start up, while a value of one indicates that it is scheduled to start up. Therefore, for $h > 1$:

5.6 Glossary of Sets, Indices, Variables and Parameters for Pass 2

5.6.2.7 Output Violation Variables

$SXREGIORViol^2_{r,h}$

The amount by which the *ten-minute operating reserve* scheduled for region r exceeds the maximum required in hour h of Pass 2 because the cost of meeting ~~that~~ the maximum requirement limit was greater than or equal to $PXREGIORViol$.

6.6 Glossary of Sets, Indices, Variables and Parameters for Pass 3

6.6.2.7 Output Violation Variables

$SXREGIORViol^3_{r,h}$

The amount by which the *ten-minute operating reserve* scheduled for region r exceeds the maximum required in hour h of Pass 3 because the cost of meeting ~~that~~ the maximum requirement limit was greater than or equal to $PXREGIORViol$.

Chapter 9

3. Determination of Hourly Settlement Amounts

3.1 Hourly Settlement Variables and Data

3.1.6 Physical bilateral contract quantities shall be determined for each settlement hour by the **IESO using** physical bilateral contract data submitted by selling market

participants and, where so required by the nature of the physical bilateral contract data, operating results. The IESO shall divide each hourly physical bilateral contract quantity into equal physical bilateral contract quantities if determination of settlement amounts requires quantities for each metering interval of each settlement hour. The IESO shall provide the following variables and data directly to the settlement process:

3.5 Hourly Settlement Amounts for Congestion Management

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 of~~ any applicable law, excluding constraints applied under Chapter 7 sections 6.3A.2 or 6.3A.4;

PART 5 – IESO BOARD DECISION RATIONALE

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