

Memorandum

To: Technical Panel

From: Samantha Tam

Date: March 9, 2021

Re: MR-00450, MR-00451, MR-00453, MR-00461: Market Renewal Program: Market Entry and Prudential Security

Background

Attached for Technical Panel review and consideration is Batch 1 of the market rule amendment proposals related to the Market Renewal Program (MRP). This batch codifies the market entry and prudential security changes.

The IESO is proposing to amend the market rules to:

- incorporate participation in the day-ahead market within the participant authorization requirements (MR-00450-R00);
- specify the requirements for market participants to register load resources, generation resources and for using boundary entity resources for day-ahead market and real-time market physical transactions (MR-00451-R00);
- update existing prudential security rules (MR-00453-R00-R04) to:
 - i. incorporate day-ahead physical transactions into the existing prudential support provisions;
 - ii. create new sections governing prudential support for participation in virtual transactions in the day-ahead market;
 - iii. have a consolidated actual exposure monitoring regime for market participants intending to conduct both physical transactions and virtual transactions; and
- add, delete, and amend chapter 11 defined terms to support the first batch of market rules amendments (MR-00461-R00).

The IESO provided information presentations at the October 20th and November 10th Technical Panel meetings. Since the November 10th meeting, stakeholders participating in the Market

Renewal Program engagement provided comments on draft market rule amendment proposals. Written feedback on the amendments were received from Ontario Power Generation (OPG) and the Electricity Distributors Association (EDA). A summary of the feedback with IESO responses can be found at - [Summary of Stakeholder Comments with IESO Responses](#). No specific comments or suggested edits were received with respect to the market rule amendment proposals. Since the posting of the December 4th, 2020 version of the draft market rule amendment proposals, the IESO has made incremental changes primarily to reflect edits made to version 2.0 of the respective detailed design documents in Batch 1, and also to include minor changes to correct cross referencing errors and incorrect language.

Recommendation - Priority

The IESO recommends that the Technical Panel assign a regular priority to the development of these market rule amendment proposals.

Panel Action and Next Steps

The IESO recommends that the Technical Panel vote to post the proposed market rule amendments MR-00450, MR-00451, MR-00453, and MR-00461 for stakeholder review and comment for a period of approximately two weeks, ending on April 6, 2021. At the April 20, 2021 Technical Panel meeting, pending the nature of any stakeholder comments received during the posting period, the IESO will request a conditional Technical Panel vote to recommend.

The target for conditional IESO Board approval is June 16, 2021.

Accompanying Materials

- Presentation to Technical Panel dated March 23, 2021
- Market Rule Amendment Proposals:
 - MR-00450-R00: Participant Authorization
 - MR-00451-R00: Facility Registration
 - MR-00453-R00: Prudential Security
 - MR-00461-R00: Batch 1 Definitions

Samantha Tam