

# Memorandum

**To:** Technical Panel

**From:** Jo Chung

**Date:** March 15, 2022

**Re:** Market Renewal – Energy Project Implementation: Market Power Mitigation: MR-00455-R00, MR-00461-R01

The IESO proposes to amend the market rules to codify the Market Renewal Program’s (MRP) market power mitigation framework. The proposed changes are based on the [MRP Implementation Stakeholder Engagement](#).

Following the robust stakeholder engagement efforts, at the January 18<sup>th</sup> Technical Panel meeting, the Panel voted to post the proposed market rule amendments for Market Power Mitigation (MR-00455-R00 and MR-00461-R01) for stakeholder review and comment. At the meeting, members also requested that the February 15<sup>th</sup> Panel meeting be dedicated to walking the Panel through scenarios related to market power mitigation, and thus the vote to provisionally recommend the market power mitigation amendment proposals would be deferred to a later date. On February 4<sup>th</sup>, the IESO also received correspondence from APPrO requesting a reopening of the stakeholder feedback period following the February Panel meeting to allow stakeholder comments to be informed by the additional scenarios and discussion. At the February 15<sup>th</sup> Panel meeting, the Panel voted to post the proposed market rule amendments for a second stakeholder review and commentary period.

Four sets of written comments were received for the first commentary period from Ontario Power Generation (OPG), Evlugen, Forrest Pengra, and the Association of Power Producers of Ontario (APPrO). Two sets of written comments were received for the second commentary period from OPG and APPrO.

A summary of the feedback with IESO responses is attached.

The IESO has made changes to the proposed market rule amendments in response to the written feedback received. Changes made to the market rule amendment proposals for MR-00455-R00 and MR-00461-R01 have been highlighted in yellow. For a full listing and explanation of the edits made, please refer to the Reader’s Guide (attached). In response to a

request by a Technical Panel member at the January meeting, a 'tracked changes' version which shows all additions, edits and deletions is also available for MR-00455-R00.

### **Panel Action and Next Steps**

The IESO recommends that the Technical Panel vote to provisionally recommend the proposed market rule amendments MR-00455-R00 and MR-00461-R01 to the IESO Board for provisional approval at its June 1, 2022 meeting. As per the Technical Panel Terms of Reference, Panel members will be asked to provide reasons for the stated positions.

As a reminder, a formal recommendation on the complete package of MRP amendments will only be sought from the Technical Panel once stakeholders and Panel members have had an opportunity to engage the entire suite of proposed MRP amendments.

### **Accompanying Materials**

- Presentation
- Market Rule Amendment Proposals:
  - MR-00455-R00: Market Power Mitigation
  - MR-00455-R00: Market Power Mitigation – Tracked changes version
  - MR-00461-R01: Market Power Mitigation – Second Batch Definitions
- Written Submissions – 3 sets from OPG
- Written Submission – Forrest Pengra
- Written Submission – Evolugen
- Written Submission – APPrO
- Summary of Feedback with IESO Responses
- Reader's Guide