

PROCEDURE



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**Market Manual 5: Settlements**

**Part 5.7: Settlement**  
**Process** ~~Part 5.7:~~  
~~Financial Markets~~  
~~Settlement Statements~~

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This procedure provides steps for retrieving financial markets *settlement statements* and supporting information *published* by the IESO.

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This *market manual* may contain a summary of a particular *market rule*. Where provided, the summary has been used because of the length of the *market rule* itself. The reader should be aware, however, that where a *market rule* is applicable, the obligation that needs to be met is as stated in the “Market Rules”. To the extent of any discrepancy or inconsistency between the provisions of a particular *market rule* and the summary, the provision of the *market rule* shall govern.

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## Related Documents

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Reference (Paragraph and Section)	Description of Change
Throughout Document	<p><u>Updates to the settlement process as per proposed market rule amendment MR-00472</u></p> <p><u>Combined content related to the settlement process from Market Manual 5.5 (Physical Markets Settlement Statements) and 5.7 (Financial Market Settlement Statements) into one manual. Content related to the settlement process that is currently found in 'Market Manual 5.5: Physical Markets Settlement Statements' will be removed from that manual.</u></p> <p><del>Updated to meet accessibility requirements pursuant to the <i>Accessibility for Ontarians with Disabilities Act</i>.</del></p>

# Market Manuals

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The *market manuals* consolidate the procedures and associated forms, standards, and policies that define certain elements relating to the operation of the *IESO-administered markets*. *Market manuals* provide more detailed descriptions of the requirements for various activities than is specified in the “Market Rules”. Where there is a discrepancy between the requirements in a document within a *market manual* and the “Market Rules”, the “Market Rules” shall prevail. Standards and policies appended to, or referenced in, these procedures provide a supporting framework.

# Market Procedures

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The “Settlements Manual” is Volume 5 of the *market manuals*, where this document forms “Part 5.7: ~~Financial Markets Settlement Statements~~[Settlement Process](#)”.

A list of the other component parts of the “Settlements Manual” is provided in “Part 5.0: Settlements Overview”, in Section 2, About This Manual.

## Structure of Market Procedures

Each market procedure is composed of the following sections:

1. “**Introduction**”, which contains general information about the procedure, including an overview, a description of the purpose and scope of the procedure, and information about roles and responsibilities of the parties involved in the procedure.
2. “**Procedural Work Flow**”, which contains a graphical representation of the steps and flow of information within the procedure.
3. “**Procedural Steps**”, which contains a table that describes each step and provides other detail related to each step.
4. “**Appendices**”, which may include such items as forms, standards, policies, and agreements.

## Conventions

The *market manual* standard conventions are defined in the “Market Manual Overview” document.

– End of Section –

# 1. Introduction

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## 1.1 Purpose

In this procedure we describe the process for the IESO and applicable market participants to prepare and retrieve settlement statements relating to the physical markets and financial markets.

## 1.2 Scope

This document provides a summary of the interfaces between parties and the steps involved in issuing and retrieving preliminary settlement statements, final settlement statements, and recalculated settlement statements for both the physical markets and financial markets.

When this manual refers to physical markets, it is referring to:

- the real-time market for energy, which consists of:
  - a market for energy; and
  - a market for several classes of operating reserve;
- procurement markets, which consists of:
  - markets for contracted ancillary services, including: reactive support and voltage control, regulation service and black start capability;
  - a market for reliability must-run contracts; and
- the transmission rights (TR) market, except for settlement amounts relating to the purchase or sale of a transmission right in any round of a TR auction.

When this manual refers to financial markets, it is referring to:

- settlement amounts relating to the purchase or sale of a transmission right in any round of a TR auction

This procedure does not describe the process to follow if you disagree with your preliminary settlement statement – the procedures relating to submitting disagreements relating to settlement statements are provided in “Market Manual 5: Settlements, Part 5.10: Settlement Disagreements”

## 1.3 Overview of the Settlement Statement Process

We cover the following topics that comprise the *settlement statements* process:

- issuing and retrieving *preliminary settlement statements*;
- issuing and retrieving *final settlement statements*.
- issuing and retrieving *recalculated settlement statements*.
- interpreting the *settlement statements* and data files;
- interpreting the *transmission services charge* data files; and

### 1.3.1 Issuing the Preliminary Settlement Statement

A *preliminary settlement statement* is issued for each *trading day* in the *physical markets* and a separate *preliminary settlement statement* is issued for each *trading day* in the *financial markets*, each on the date specified in the *IESO Settlement Schedule and Payments Calendars (SSPCs)*. A sample timeline to produce and issue a *preliminary settlement statement* is shown in Figure 1-1.

*Preliminary settlement statements* are generated automatically by the *IESO's Commercial Reconciliation System (CRS)* and are available by 17:00 EST on the issue date. *Market participants* may download its *preliminary settlement statements* from the *IESO reports web site*. Refer to the “*Outbound Automated Document Application Programming Interface*” if using an application programmable interface (API) to retrieve reports from the *IESO Reports site*.

When more than one *preliminary settlement statements* are due to be issued, pursuant to the *SSPC*, on the same *business day*, a separate *preliminary settlement statement* file will be issued for each *trading day*.

The *preliminary settlement statement* has two parts:

- a *settlement statement* file: This file contains the *settlement amounts*<sup>1</sup> (credit or debit) for the applicable *market participant*. A *preliminary settlement statement* for the *physical market* will also include charges for *transmission services*, which we collect from *market participants* on behalf of the *transmission companies*. The *settlement statement* file may also contain other charges as required by *applicable law*.
- a companion data file: This file includes *physical bilateral contract data*, *zonal prices*, *schedules*, and *bids and offers*. This file also includes a number of data files relating to the

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<sup>1</sup> Our system summarizes *settlement amounts* by time period (*trading day*, *trading hour*, *trading interval*) and location as *charge types*. Items that we refer to as *settlement amounts* in this procedure will be summarized as *charge types* on the *settlement statement* itself.

transmission services settlement charges that we make available to transmission customers and transmitters, as described below. An optional data measurement file is also available.

Market participants are responsible for retrieving and downloading the preliminary settlement statement and any related files from the IESO Reports site. These include the Settlement Statement Files, Real-Time Market Data Files, Participant Transmission Tariff Data Files, Transmitter Transmission Tariff Data Files and the Transmitter Reconciliation Data Files. We have identified the steps you should follow to download the settlement statements in the “Market Participant Graphical User Interface User’s Guide”, “Quick Take 15: Retrieving Reports via the IESO Reports Site”, and tool simulations available on the IESO Marketplace Training web pages.

Each market participant that was active on a particular trading day will receive a preliminary settlement statement for that trading day<sup>2</sup>. Market participants who were not active on a particular trading day will not receive a preliminary settlement statement for that trading day.

### **1.3.2 Issuing the Final Settlement Statement**

A final settlement statement is issued for each trading day in the physical markets and a separate final settlement statement is issued for each trading day in the financial markets, each on the date specified in the SSPC. Final settlement statements are generated automatically by the IESO’s Commercial Reconciliation System (CRS) and are available by 17:00 EST on the issue date. Market participants may download its final settlement statements from the IESO Reports site. Refer to the “Outbound Automated Document Application Programming Interface” if using an application programmable interface (API) to retrieve reports from the IESO Reports site.

Final settlement statements will be in the same format as the preliminary settlement statement and will include:

- all the information in the preliminary settlement statement; and
- any adjustments resulting from the notice of disagreement process, and/or the processes outlined in section 6.9 of Chapter 9, section 10.4 of Chapter 6, section 6C of Chapter 10, and dispute outcomes, that were resolved before the final settlement statements were issued; these adjustments appear as a credit or debit on the settlement statements of each affected market participant.

When more than one final settlement statements are due to be issued, pursuant to the SSPC, on the same business day, a separate final settlement statement file will be issued for each trading day.

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<sup>2</sup> An active market participant is one who has at least one non-zero settlement amount on the trading day in question. Sometimes a settlement amount for a trading day may come from amounts that you incur indirectly, such as default levy amounts.

### **1.3.3 Issuing the Recalculated Settlement Statement(s)**

A recalculated settlement statement is issued for each applicable trading day in the physical markets and a separate recalculated settlement statement is issued for each applicable trading day in the financial markets, each on the date specified in the SSPC. Recalculated settlement statements are generated automatically by the IESO's Commercial Reconciliation System (CRS) and are available by 17:00 EST on the issue date. Market participants may download its recalculated settlement statements from the IESO Reports site. Refer to the "Outbound Automated Document Application Programming Interface" if using an application programmable interface (API) to retrieve reports from the IESO Reports site.

Recalculated settlement statements will relate to a single trading day, be in the same format as the preliminary settlement statement and will include:

- all the information in the preliminary settlement statement, the final settlement statement, and any recalculated settlement statements issued for the relevant trading day; and
- any adjustments resulting from the notice of disagreement process, and/or the processes outlined in section 6.9 of Chapter 9, section 10.4 of Chapter 6, section 6C of Chapter 10, and dispute outcomes, that were resolved after the relevant final settlement statements was issued; these adjustments appear as a credit or debit on the settlement statements of each affected market participant.

When more than one recalculated settlement statements are due to be issued, pursuant to the SSPC, on the same business day, a separate recalculated settlement statement file will be issued for each trading day.

The IESO is only required to provide certain recalculated settlement statements, such as final recalculated settlement statements and any other recalculated settlement statements which contain an adjustment. However, market participants can opt in to receive all recalculated settlement statements by sending a request to IESOCustomerRelations@ieso.ca requesting to receive all recalculated settlement statements. The market participant's "Settlement", "Main", or "Real Time Market Manager" contact identified in the IESO's Registration system must send the request. Making such a request will result in the market participant receiving all recalculated settlement statements for both the physical and financial market. A market participant that has opted in to receive all recalculated settlement statements may opt out at any time by submitting such a request in the same manner.

#### **Financial Market**

In the financial market there are a total of three possible recalculated settlement statements:

- The first recalculated settlement statement is issued as per the date in the SSPC but is only issued when an adjustment is required;
- The final recalculated settlement statement is issued as per the date in the SSPC and is always issued irrespective of whether an adjustment is required. As mentioned above, the

header record will indicate whether the *recalculated settlement statement* contains an adjustment; and

- Ad hoc *recalculated settlement statement* which is issued at the *IESO's* discretion at any time up to and including the date on which the *final recalculated settlement statement* is issued.

The issuance of *recalculated settlement statements* commences on November 1, 2022. This means that the first *recalculated settlement statement* for the *financial markets*, if an adjustment is required, will be issued in respect of the first *TR auction* on or after November 1, 2022.

### **Physical Market**

In the *physical market* there are a total of eight possible *recalculated settlement statements*:

- The first, second, third, fourth, fifth, and sixth *recalculated settlement statement* are issued as per the date in the *SSPC* but is only issued when an adjustment is required;
- The *final recalculated settlement statement* is issued as per the date in the *SSPC* and is always issued irrespective of whether an adjustment is required. As mentioned above, the header record will indicate whether the *recalculated settlement statement* contains an adjustment; and
- Ad hoc *recalculated settlement statement* which is issued at the *IESO's* discretion at any time up to and including the date on which the *final recalculated settlement statement* is issued.

The issuance of *recalculated settlement statements* commences on November 1, 2022. This means that the first *recalculated settlement statement* for the *physical markets*, if an adjustment is required, will be issued in respect of the November 1, 2022 trading day.

### **1.3.4 Interpreting the Settlement Statements and Data Files**

*Settlement statement* files list the *settlement amounts* (credit or debit) for a *market participant's* activities in the *physical markets* or *financial market*, as the case may be, for a particular *trading day*. However, *preliminary settlement statements* may also reflect *dispute outcomes* from prior *trading days* and *final settlement statements* and *recalculated settlement statements* may also contain *missing settlement amounts* or adjustments relating to the same *trading day* to which the *settlement statement* relates, which may arise from adjustments that have resulted from a *notice of disagreement* or revisions to *metering data*.

When the *metered market participant* and the *registered market participant* registered for a particular *delivery point* are two different *market participants*,

- the *registered market participant* submits *offers* and receives *dispatches* of energy and *operating reserve*; and

- the *settlement amounts* are applied to the *metered market participant*. The *metered market participant* also receives all supporting data with respect to all *charge types* generated for the *delivery point*. The *settlement statement* files will show allocated quantities of *energy* withdrawn or injected by each of the *metered market participant's registered facilities*.

Settlement statement files are composed of four record sections:

1. **Header Record:** The header record identifies the contents of the file. It includes information such as the statement number, statement type (*physical market* or *financial market*), settlement type (*preliminary settlement statement*, *final settlement statement*, or *recalculated settlement statement*), *trading day*, total due amount for *trading day* and the *billing period* total to date. Where the *settlement statement* is a *recalculated settlement statement* the header record will indicate which *recalculated settlement statement* is being issued and contain a flag indicating whether such *settlement statement* includes any new adjustments.
2. **Summary Records:** These records provide a summary of all *settlement amounts* and manual line item records in the *settlement statement* file. One record is provided for each *trading day* and for each type of *settlement amount* reflected in the line item records (see below). Each summary record identifies and describes the type of *settlement amount*, specifies the *trading day* and the total net amount for each type of *settlement amount*, and indicates whether the summary record is an *adjustment record*.
3. **Settlement Detail Records:** These records provide the details of each individual *settlement* line items that are created by the *settlement* system for the *market participant*. *Settlement detail* records include information such as:
  - *trading day*;
  - relevant *settlement hour(s)*;
  - time interval, which is dependent upon the type of *settlement amount*;
  - *settlement amounts*;
  - the applicable zone and location IDs;
  - *settlement* type (preliminary, final or recalculated);
  - quantity of megawatt-hours (MWh) to be billed; and
  - price (in \$/MWh) at which the quantity of megawatt-hours will be billed.

The *trading day* stipulated for each *settlement amount* will not always match the *trading day* specified in the header record. New *settlement* details for prior *trading days* may be included in your *preliminary settlement statement* file and subsequently on a *final settlement statement*. A number of the fields on the *settlement* detail records may have different meanings when used with different *charge types*.

4. **Manual Line Item Records:** This final section of the *settlement statement* includes records that identify each manual line item that has been entered by the IESO for a *market participant*<sup>3</sup>.

The IESO will also issue a companion data file with the *settlement statement* file described above. The data file provides market participants with the supporting data used to calculate the *settlement amounts* for a particular *primary trading day* in the *physical market*. The data file is composed of the following general sections:

1. A header record providing information such as:

- statement number;
- statement type (i.e. *physical market*);
- *settlement type* (preliminary, final, or recalculated); and
- *trading day* for the *settlement statement*;

2. Data elements used to calculate the *settlement amounts*, including:

- *physical bilateral contract data*;
- zonal price data (these records provide the Ontario *energy prices*);
- schedules data (these records contain the market and *dispatch* schedules data); and
- *bid and offer* data; and

3. *Optional Measurement Data* - this optional file contains net withdrawal or net injection values for each 5-minute trading interval for each *delivery point* defined for *physical market* charges (see Section 1.5 below).

Detailed information about *settlement statements* and *settlement* data files is provided in the document “Format Specifications for Settlement Statement Files and Data Files”, which can be found on the IESO web-site.

Additional information about key settlement variables, the Harmonized Sales Tax (HST), and the IESO charge types and equations is contained in the reference document “IESO Charge Types and Equations”, which can be found on the IESO web-site.

### **1.3.5 Data Files for Transmission Services Charges**

*Physical market settlement statements* contain a number of charges relating to *transmission services*, which the IESO collect on behalf of *transmitters*<sup>4</sup>. The IESO also makes a number of data files available to the *transmission customer*<sup>5</sup> or the *transmitter*, as appropriate, via the IESO Reports site. These data files allow *transmission customers* and *transmitters* to validate the *transmission service charges* that appear on their *settlement statement*.

<sup>3</sup> Manual line item entries will be less common than the preceding three record types and will not appear within every *settlement statement* file.

<sup>4</sup> See the reference document “IESO Charge Types and Equations” for more information.

<sup>5</sup> The *transmission customer* is associated as the *metered market participant* Transmission (MMPT) for one or more *delivery points* defined for transmission network charges or transmission *connection charges*. See the “Market Manual 3: Metering, Part 3.8 Creating and Maintaining Delivery Point Relationships” for more information on this assignment process.

The file format specifications for the following data files/reports are provided on the *IESO* web site:

- Participant Transmission Tariff Data File;
- Transmission Tariff Peak System Demand Data Report;
- Transmitter Transmission Tariff Data File; and
- Transmitter Reconciliation Data File.

### **Transmission Customers**

The *IESO* provides two data files with information relevant to *transmission customers*.

- The “Participant Transmission Tariff Data File<sup>6</sup>” is available to *transmission customers*. This file contains the hourly measurements for each *delivery point* defined for transmission network charges or transmission *connection charges* associated with a specific *market participant*.
- The “Transmission Tariff Peak System Demand Data Report” is available to all *market participants*. This report provides the sum of the hourly measurements across all *delivery points* defined for transmission network charges for each Trading Date / Hour in the reporting month. This report provides transparency to *market participants* regarding the measurements that form the basis for the *IESO*’s determination of the peak system demand used to calculate *transmission charges*<sup>7</sup>.

### **Transmitters**

The *IESO* provides two data files with information relevant to *transmitters*:

- the “Transmitter Transmission Tariff Data File” which contains:
  - the hourly measurements for every *delivery point* defined for transmission network charges; or
  - transmission *connection charges* for which the *transmitter* is associated as the *transmitter* during the *meter* registration process; and
- the “Transmitter Reconciliation Data File” which contains debit charge details (the *transmitter* uses the information in this file to verify that the *transmission tariff* credits reflect the appropriate collection of *transmission tariff* charges from every *transmission customer* at every *transmission delivery point* as specified by the *transmitter*<sup>8</sup>).

## **1.3.6 Failure in accessing Settlement Statement(s)**

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<sup>6</sup> See the reference document “File Format Specification for Participant Transmission Tariff Data File” for details on this file.

<sup>7</sup> Measurements at specific *delivery points* defined for transmission network charges are listed in each participant’s “Participant Transmission Tariff Data File”. This information is confidential and is not provided to other *market participants*.

<sup>8</sup> The collection of *transmission tariff* charges is specified in Chapter 10 of the *market rules*.

Settlement statements are considered issued when the IESO has made it accessible to market participants on the IESO Reports site. If a market participant fails to receive a settlement statement on the date scheduled in the SSPC, it is the responsibility of the market participant to notify the IESO via IESO Customer Relations email (customer.relations@ieso.ca). The IESO will assume that a market participant has been able to retrieve the settlement statement file and companion data files from the IESO Reports site unless the market participant notifies the IESO to the contrary.

When a market participant notifies the IESO that no settlement statement was issued for a given trading day in accordance with the SSPC, the IESO will investigate the matter. The IESO will provide the market participant with an explanation and, if necessary, re-issue the relevant settlement statement.

The IESO's investigation may determine that the IESO issued the relevant settlement statement, it was accessible via the IESO Reports site on the date specified in the SSPC, and the market participant failed to properly retrieve it. In this situation, the relevant settlement statement will be deemed to have been issued on the date referred to in the SSPC and the IESO will not extend the period within which the market participant can submit a notice of disagreement.

Alternatively, the IESO's investigation may determine that the IESO failed to issue the relevant settlement statement on the date specified in the SSPC or that some error occurred in the IESO's systems that made retrieval of the settlement statement impossible. In this situation, the market participant will be deemed to have received the settlement statement on the date on which the settlement statement is made accessible to the market participant, and the IESO will extend the period within which the market participant can submit a notice of disagreement accordingly.

## **1.4 Settlement Delays**

### **1.4.1 Delay in Issuing Settlement Statements**

Where the IESO determines that significant inaccuracies exist in a settlement statement for a trading day, it may delay the issuing of that settlement statement from the dates specified in the SSPC. In such a situation, the IESO will publish a notice of delay that details:

- the date on which the impacted settlement statement(s) will now be issued;
- the date by which market participants may raise a notice of disagreement with regard to the delayed settlement statement, which will remain six and two business days after the date that the statement is issued for the physical market and financial market, respectively<sup>9</sup>; and
- whether the IESO intends to invoke the estimated invoice process<sup>10</sup>.

Where multiple settlement statements are delayed, the IESO will ensure that the notice of delay applies to the settlement statements for each trading day impacted by the delay.

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<sup>9</sup> See Chapter 9, Section 6.3.25.2 of the market rules.

<sup>10</sup> See "Part 5.8: Settlement Invoicing" for further details of this process.

The notice of delay will be published on the IESO web-site. The notice of delay will also be sent by email to the settlements contact of all market participants.

## **1.4.2 Failure of Communication System**

If the communication system fails such that the IESO cannot issue settlement statements using the electronic information system, the IESO will notify the market participant's settlements contact (assuming network communication is still functional)<sup>11</sup>. The IESO will assess the value and practicality of issuing settlement statements via an alternate means, considering the nature and extent of the communication problem and the forecast time to restore service. If an alternate means is required, the IESO will specify what it is, and the IESO will issue statements in the same electronic file format that is currently used. These alternate modes of transmission may include:

- compact discs via courier; or
- e-mail (if the market participant accepts the confidentiality risks and if the size of the attachment file is feasible).

As is required, the IESO will communicate the information related to Section 1.4.1 and the communication method the IESO will use.

## **1.5 Optional Measurement Data Records**

Market Participants participating in the physical markets can request that optional measurement data records<sup>12</sup> be included in your settlement data file. These records contain net withdrawal or net injection values for each 5-minute trading interval for each delivery point defined for physical market charges.

Requesting these optional records will increase storage requirements and download times of the data file.

Market Participants interested in this option should send a request indicating that it would like optional measurement data records to be included in its settlement data files by completing and submitting IMO Form 1433 to IESOCustomerRelations@ieso.ca. The market participant's "Settlement", "Main", or "Real Time Market Manager" contact identified in the IESO's Registration system must send the request

## **1.6 Roles and Responsibilities**

Responsibility for settlement statements is shared among:

- market participants, who are responsible for:
  - downloading and reviewing settlement statement files and companion data files;
  - notifying the IESO if a settlement statement file and the companion data files are not issued following the schedule identified in the SSPC.

<sup>11</sup> See Chapter 9, Section 6.1.2 of the market rules.

<sup>12</sup> Details about the optional measurement data records can be found in the document "IESO Charge Types and Equation".

- the IESO, which is responsible for:
  - issuing *settlement statement* files and companion data files for each *trading day* for both the *physical markets* and *financial markets*;
  - applying adjustments as required to the *settlement statement* files and companion data files;

## **1.7 Contact Information**

As part of the *market participant* authorization and registration process, applicants identify contacts within their organization that address specific areas of market operations. In regards to *settlement statements*, this contact will most likely be the *Settlements Statements Market Contact Type* as indicated by Registration in Online IESO (MP Contacts screens). If a *market participant* has not identified a specific contact, the IESO will try to contact the ‘main contact’ identified during the *market participant* authorization process.

The IESO will seek to contact these individuals for activities within this procedure, unless alternative arrangements have been set up between the IESO and the *market participant*. For more information on Online IESO and the *market participant* authorization process, see “Market Entry, Maintenance and Exit, Part 1.1-Participant Authorization Maintenance and Exit”.

If a *market participant* wishes to contact the IESO, the *market participant* can contact the IESO *Customer Relations* department at [customer.relations@ieso.ca](mailto:customer.relations@ieso.ca) or via telephone, mail or courier to the numbers and addresses on the IESO web site ([www.ieso.ca](http://www.ieso.ca)- or click on 'Have a question?' to go to the 'Contacting the IESO' page). If *Customer Relations* is closed, telephone messages or emails may be left in relevant voice or electronic IESO mail boxes, which will be answered as soon as possible by *Customer Relations* staff.

Appendix A lists the standard forms referred to in this procedure. These forms are generally available for downloading on the IESO web site. Please send signed forms and supporting documentation to the IESO by mail or courier, using the address on the IESO web site or on the form. All correspondence relating to this procedure shall identify the subject as: **Physical Markets Settlements Statements or Financial Markets Settlements Statements**, as the case may be.

– End of Section –

# **1. Introduction**

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## **1.1 Purpose**

This procedure describes the activities and schedule for the IESO and applicable *market participants* to prepare and retrieve *settlement statements* relating to the financial markets. This includes a description of the process to be followed during the period of time between the issuance of a *preliminary settlement statement* and a *final settlement statement*. During this time period, *market*

~~participants review their preliminary settlement statements and have the ability to register a notice of disagreement with that statement, subsequent to which the IESO decides whether an amendment to the final settlement statement is required.~~

~~The financial market consists of the transmission rights market (TR market), though, as noted in Section 1.2, not all aspects of settling this market are addressed in this procedure.~~

## 1.2 Scope

~~This procedure is intended to provide market participants with a summary of the steps and interfaces between market participants, the IESO, and other parties for issuing and responding to preliminary and final settlement statements. The procedural work flows and steps described in this document serve as a roadmap for market participants and the IESO, and reflect the requirements set out in the “Market Rules” and applicable IESO policies and standards.~~

~~Not all settlement amounts incurred as a result of participation in the TR market appear on the financial markets settlement statement. Only those settlement amounts relating to payments made as a result of purchases and sales in the TR auction<sup>13</sup> appear on the financial markets settlement statement. Other settlement amounts relating to the TR market appear on the physical markets settlement statements. For information on this settlement statement, see “Market Manual Part 5.5: Physical Markets Settlement Statements.”~~

~~The overview information in Section 1.3, below, is provided for context purposes only, highlighting the main actions that comprise the procedure as set out in Section 2.~~

## 1.3 Overview of the Financial Markets Settlement Statement Process

~~The following topics are covered in the financial markets settlement statement process:~~

- ~~• issuing and retrieving preliminary settlement statements, including steps for interpreting the settlement statements, submitting queries, submitting a notice of disagreement, and~~
- ~~• issuing and retrieving final settlement statements.~~

~~A timeline showing the key activities associated with the issuance of a final settlement statement for the financial markets is provided in Part 5.0: “Settlement Manual Overview.”~~

### 1.3.1 Issuing the Preliminary Settlement Statement Files

~~A preliminary settlement statement is issued for each trading day in the financial markets on the date scheduled in the IESO Settlement Schedule and Payments Calendars (SSPCs). The issue date is currently the 2<sup>nd</sup> business day following the trading day. Preliminary settlement statements are generated by the IESO’s Commercial Reconciliation System, and will be available by 17:00 EST on the issue date. For further details on the SSPCs, see “Market Manual 5: Part 5.1: Settlement Schedule and Payments Calendars (SSPCs)”.~~

<sup>13</sup> For more information on the TR auction process, see Market Manual 4: “Market Operations, Part 4.4, Transmission Rights Auction”.

~~When more than one preliminary settlement statement is due on one business day, separate statement files be issued for each trading day.~~

~~The preliminary settlement statement consists of a settlement statement file that contains the settlement amounts<sup>14</sup> for a market participant. Market participants are responsible for retrieving and downloading the settlement statement file from the IESO Reports site. We have identified the steps you should follow to download the settlement statements in the "Market Participant Graphical User Interface User's Guide", "Quick Take 15", Retrieving Reports via the IESO Reports Site, and tool simulations available on the IESO Marketplace Training web pages.~~

~~Each market participant that was active on a particular trading day will receive a preliminary settlement statement for that trading day. (An active market participant is one who has at least one non-zero settlement amount on the trading day in question<sup>15</sup>.) Market participants who were not active on a particular trading day will not receive a preliminary settlement statement for that day.~~

~~Preliminary settlement statements are considered issued when the IESO has made them accessible to market participants via the IESO Reports site. If a market participant fails to receive a preliminary settlement statement on the date scheduled in the SSPC, the market participant is responsible for notifying the IESO via IESO Customer Relations. The IESO will assume that a market participant has been able to retrieve the preliminary settlement statements file and companion data files unless the market participant notifies the IESO to the contrary.~~

~~Where the IESO is notified by an active market participant that no preliminary settlement statement has been issued to it in respect of a given trading day (in accordance with the SSPC) the IESO will investigate the matter. The IESO will provide the market participant with an explanation and, if necessary will re-issue the preliminary settlement statement.~~

~~The investigation may determine that the IESO did issue a preliminary settlement statement that was accessible via the IESO Reports site on the date specified in the SSPC, and that the market participant failed to properly retrieve it. In this situation, the preliminary settlement statement will be deemed to have been issued on the date referred to in the SSPC. The period within which a notice of disagreement can be submitted by the market participant will not be extended in this situation and will be deemed to start from the date referred to in the SSPC.~~

~~However, the investigation may reveal that the IESO failed to issue a preliminary settlement statement to an active market participant, who should have received one on the relevant date referred to in the SSPC (or that some error occurred in the IESO's systems that made retrieval of the settlement statement impossible). In this situation, the market participant will be deemed to have received the preliminary settlement statement on the date on which the statement is made accessible to the market participant, rather than on the date referred to in the SSPC.~~

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<sup>14</sup> ~~Settlement amounts are summarized by time period (meter interval, hour, day) and location as charge types within the IESO's settlements system. Where references are made to settlement amounts in this procedure, they will be summarized as charge types on the settlement statement itself.~~

<sup>15</sup> ~~The settlement amounts that would result in a settlement statement being issued for a particular trading day may relate to adjustments from previous trading days or to amounts that are incurred by the market participant indirectly, such as default levy amounts.~~

### 1.3.2 — Interpreting the Financial Markets Settlement Statement File

Both the *preliminary* and *final settlement statement* files contain a listing of the *settlement amounts* (credit or debit) for a *market participant* relating to or associated with activities in the financial markets. These amounts mostly pertain to a particular *trading day*, but they may also contain missing *settlement amounts* or adjustments from prior *trading days*, which may arise from adjustments that have resulted from a *notice of disagreement* (see Section 1.3.4).

The *preliminary* and *final settlement statements* are composed of four record types.

- a.— **Header Record:** The header record identifies the contents of the file, including information such as statement number, statement type (*physical market* or *financial market*), settlement type (*preliminary* or *final*), primary trade date, total due amount for *trading day* and the *billing period* total to date.
- b.— **Summary Records:** These records provide a summary of all settlement detail and manual line item records in the file. One record is provided for each *trading day* and for each type of *settlement amount* reflected in the line item records (see below). Each summary record identifies the *charge type* and description, trading date, settlement total for the indicated *charge type* and *trading day*, and an indication of whether the summary record is an adjustment record.
- c.— **Settlement Detail Records:** These records provide the details of each individual settlement line item that is created by the system for the *market participant*. The interval at which settlement detail records are provided depends on the *charge type*. The trading date of each *charge type* will not always match the trading date of the header record, as new settlement details for prior trading dates are included on the *preliminary settlement statement* (and subsequently on a *final settlement statement*) if they have not previously appeared on a statement. Many of the fields on the settlement detail records may have different meanings when used with different *charge types*.
- d.— **Manual Line Item Records:** The final section of the *settlement statement* includes records that identify each manual line item that has been entered by the *IESO* for a *market participant*<sup>16</sup>.

Detailed information about *settlement statement* is provided in the “Format Specification for Settlement Statement Files & Data Files”. This file format specification and sample files are provided on the Technical Interfaces Web page, Commercial Reconciliation Area on the *IESO* Web site.

Additional information about key *settlement* variables and the *IESO charge types* and equations is contained in the reference document “IESO Charge Types and Equations” provided on the Technical Interfaces Web page, Commercial Reconciliation area on the *IESO* Web site.

### 1.3.3 — Submitting Queries

The *preliminary settlement statement* provides the *market participant* with an opportunity to review, query and formally disagree with the charges that have been incurred for a particular *trading day*. If the *market participant* has questions pertaining to the *preliminary settlement statement*, the *market participant* may submit queries by contacting the *IESO* Help Centre. (See section 1.6 for further

<sup>16</sup> Manual line item entries will be less common than the preceding three record types and will not appear within every statement file.

contact information.) The *IESO* will attempt to respond to *market participant* queries within two *business days*.

*Market participants* should note that queries about the contents of the *settlement statement* are only requests for information. The *IESO* does not consider such queries to represent any formal disagreement by the *market participant* with the contents of the *settlement statement*. The *IESO*, therefore, will not initiate a modification of the *settlement files* as a result of a *market participant* query.

The *IESO* will only discuss queries about *settlement statements* with contacts registered as “Settlement Statement” or “Main” contacts in the CDMS system.

### 1.3.4 Submitting a Notice of Disagreement

A *market participant* may submit a *notice of disagreement* (NOD) within two *business days* of the issue of the *preliminary settlement statement*.

*Market participants* must log on to Online IESO and complete all required sections of the *notice of disagreement* form.

To access the *notice of disagreement* form through Online IESO<sup>17</sup>, individuals need to contact the applicant representative of the organization to register and assign a NOD contact person. Once registered, individuals will automatically receive a user name and password to access Online IESO.

If a *market participant* disagrees with an item or calculation in a *preliminary settlement statement* for a single *trading day* the *market participant* may provide the *IESO* with a *notice of disagreement*. A *market participant* may not submit a *notice of disagreement* in respect of the calculation of:

- the 5 minute *energy market price* for any *dispatch interval* in a given *settlement hour*;
- the 5 minute price for any class of *operating reserve* for any *dispatch interval* in a given *settlement hour*; or
- the *hourly Ontario energy price* for a given *settlement hour*.

However, a *market participant* can submit a *notice of disagreement* with respect to the manner in which any of these prices have been applied for the purposes of the calculation of the *market participant settlement amounts*.

The *notice of disagreement*:

- may only pertain to one item (or issue). This is so that the *IESO* can investigate each item or issue.
- contains proposed solution and supporting documentation. Where applicable, the proposed correction must be provided as an attachment to the *notice of disagreement* form. When a *notice of disagreement* pertains to input data for multiple intervals on the same *trading day*, only one *notice of disagreement* need be submitted. Samples of the *notice of disagreement* form appear in Appendix B. Supporting materials, if any, should be sent as attachments to the *notice of disagreement* form through Online IESO.

<sup>17</sup> For more information, refer to Online IESO page on the IESO’s public website.

~~An e-mail confirmation will be sent to the *market participant* upon the *NOD* submission. The email will include a unique identifier for the submission. *Market participants* can check the status and the history of a *notice of disagreement*, provide additional information requested by the IESO and respond to decision notification through Online IESO *notice of disagreement* form.~~

~~During its initial investigation of the *notice of disagreement*, the IESO will determine whether affected parties exist and will inform these parties that the *notice of disagreement* was submitted.~~

~~Following its investigation, the IESO will inform the *market participant* and any affected parties of its intention to undertake one of the following actions:~~

- ~~• if the IESO concludes that no error has occurred in the *preliminary settlement statement*, it will take no further action;~~
- ~~• if the IESO concurs fully with the *market participant's* proposed adjustment or correction prior to the deadline for issuing the *final settlement statement*, it will adjust the corresponding *final settlement statement* accordingly;~~
- ~~• if the IESO does not concur fully with the *market participant's* proposed adjustment or correction but does conclude that some adjustment is required, the IESO will adjust the corresponding *final settlement statement* accordingly; or~~
- ~~• if the IESO concludes that some adjustment may be required but it requires additional time to complete its investigation, it will notify the *market participant(s)* that additional time is required, and, within 15 *business days* of the issuance of the corresponding *final settlement statement*, do one of the following:~~
  - ~~1. if the IESO concludes that no error has occurred in the *preliminary settlement statement*, it will take no further action;~~
  - ~~2. if the IESO concurs fully with the *market participant's* proposed adjustment or correction, it shall adjust the next available *preliminary settlement statement* accordingly; or~~
  - ~~3. if the IESO does not concur fully with the *market participant's* proposed adjustment or correction but does conclude that some adjustment is required, it will advise the *market participant* of the changes that the IESO proposes to make and it shall adjust the next available *preliminary settlement statement* accordingly.~~
  - ~~4. The IESO will notify the *market participant* and any affected parties involved of its intended actions and provide the *market participant* and the affected parties with an opportunity to respond to the intended actions by entering a response in the Online IESO *notice of disagreement* form.~~

~~The IESO will consider any response received from the *market participant* and affected parties prior to closing the *notice of disagreement*.~~

~~If the IESO and the *market participant* are unable, with reasonable efforts, to resolve the *notice of disagreement*, the IESO shall issue the corresponding *final settlement statement* or the next available *preliminary settlement statement* incorporating its decision, and the *market participant* can pursue the disagreement through the dispute resolution process. (Refer to the “Market Manual 2: Market Administration, Part 2.1, Dispute Resolution” for more information.)~~

~~*Market participants* must settle an *invoice* from the IESO regardless of whether the *market participant* has raised a *notice of disagreement* against a *settlement statement* addressed by that~~

~~invoice. See “Market Manual 5: Part 5.6, Physical Markets Invoicing” for more details of the invoicing process.~~

~~If the *market participant* does not agree with the *IESO* decision with respect to the *notice of disagreement*, the *market participant* may raise a dispute through the dispute resolution process. Disputes relating to *settlement statement* must be raised within *20 business days* of the issue date of the *final settlement statement* for the *trading day* to which the dispute pertains.~~

### ~~1.3.5 Issuing the Final Settlement Statement~~

~~A *final settlement statement* is issued on the date specified in the *SSPC*. This is currently on the sixth *business day* after the *trading day* to which the statement relates. The *final settlement statement* will be in the same format as the *preliminary settlement statement* and will be available by 17:00 EST on the issue date. *Market participants* may download the *final settlement statement* from the *IESO Reports* site.~~

~~The *final settlement statement* must include all the information in the *preliminary settlement statement*, and any adjustments resulting from the *notice of disagreement* process described above. These adjustments will appear as a credit or debit to each *market participant* resulting from settlement disagreements that have been resolved prior to the issue date of the *final settlement statements*.~~

~~*Market participants* may not submit a *notice of disagreement* for the *final settlement statement*. However, where an item or calculation in the *final settlement statement* either:~~

- ~~• consists of an adjustment to the corresponding *preliminary settlement statement* resulting from a *notice of disagreement*; and~~
- ~~• that does not reflect the agreement between the *IESO* and the *market participant* as to the adjustment;~~
- ~~or~~
- ~~• differs in amount from the same item or calculation set forth on the corresponding *preliminary settlement statement*; and~~
- ~~• is not an item or calculation identified on the *final settlement statement* as associated with an adjustment flag indicating that an adjustment has been made,~~

~~The *market participant* may attempt to resolve the disagreement with the *IESO* on an informal basis (separate from the previous formal *notice of disagreement* process). If the *market participant* and the *IESO* are unable to resolve their disagreement, the *market participant* may submit the matter to the dispute resolution process and may request, in the *notice of dispute*, that the *arbitrator* order that the *IESO* effect a *settlement statement re-calculation*.~~

~~If the *market participant* disagrees with any other aspect of the *final settlement statement*, the *market participant* may submit the matter to the dispute resolution process and may request, in the *notice of dispute*, that a *settlement statement re-calculation* is undertaken.~~

~~All notices of dispute relating to an item or calculation on a *settlement statement* must be submitted within *20 business days* of the issue date of the *final settlement statement* to which the item or calculation relates.~~

## 1.4 Settlement Delays

Where the *IESO* determines that significant inaccuracies exist in a *preliminary settlement statement* for a *trading day*, it may delay the issuing of that *statement*, and the subsequent *final settlement statement*, from the dates specified in the *SSPC*. In such a situation, the *IESO* will *publish* a notice of delay that details:

- the date on which the *preliminary settlement statement* will now be issued;
- the date by which *market participants* may raise a *notice of disagreement* with regard to the *preliminary settlement statement* (which will remain 2 *business days* after the date that the *statement* is issued);
- the date on which the *final settlement statement* will now be issued (which will remain 4 *business days* after the date that the *preliminary settlement statement* is issued); and
- whether the *IESO* intends to invoke the estimated *invoice* process (see “Market Manual 5: Part 5.8: Financial Markets Settlement Invoicing” for further details of this process).

The delay of this initial *preliminary settlement statement* may impact the issuing of the subsequent *final settlement statement* for that *trading day*, as well as, *preliminary* and *final settlement statements* for subsequent *trading days*. Where this is the case, the *IESO* will ensure that the notice issued to *market participants* provides the information noted above in relation to the *settlement statements* for each *trading day* impacted by the delay.

The *notice of delay* will be *published* on the *IESO* Web site and through the *market participant* interface. The *notice of delay* will also be sent by email to the settlements contact of all *market participants*.

## 1.5 Roles and Responsibilities

Responsibility for *settlement statements* is shared among:

1. *market participant*, who are responsible for:
  - downloading and viewing *preliminary* and *final settlement statements*;
  - notifying the *IESO* if a *preliminary* or *final settlement statements* are not issued per the schedule identified in the *SSPC*; and
  - identifying errors in the *preliminary settlement statements* and providing a *notice of disagreement*.
2. the *IESO*, which is responsible for:
  - issuing *preliminary settlement statements* for each *trading day* of the financial markets;
  - responding to queries received from the *market participant* pertaining to the *preliminary settlement statement*;
  - investigating and responding to *notices of disagreement* received from *market participants*;
  - applying adjustments as required to the *preliminary settlement statements*;
  - issuing *final settlement statements* for each *trading day* of the financial markets; and

- ~~dealing with inquiries related to adjustments as shown in final *settlement statements*.~~

## ~~1.6 Contact Information~~

~~As part of the *market participant* authorization and registration process, applicants are able to identify a range of contacts within their organization that address specific areas of market operations. For financial markets *settlement statements*, this contact will most likely be the *Settlements Statements Market Contact Type* as indicated in CDMS (MP Contacts screen). If a *market participant* has not identified a specific contact, the *IESO* will seek to contact the Main Contact in CDMS that is established during the participant authorization process. The *IESO* will seek to contact these individuals for activities within this procedure, unless alternative arrangements have been established between the *IESO* and the *market participant*. For more information on CDMS and the Participant Authorization Process see “Market Entry, Maintenance and Exit, Part 1.1 – Participant Authorization Maintenance and Exit”.~~

~~If the *market participant* wishes to contact the *IESO*, the *market participant* can contact the *IESO* Customer Relations via email at [customer.relations@ieso.ca](mailto:customer.relations@ieso.ca) or via telephone, mail or courier to the numbers and addresses given on the *IESO* Web site ([www.ieso.ca](http://www.ieso.ca)) or click on 'Have a question?' to go to the 'Contacting the *IESO*' page). If the *IESO* Customer Relations is closed, telephone messages or emails may be left in relevant voice or electronic *IESO* mail boxes, which will be answered as soon as possible by Customer Relations staff.~~

~~Standard forms that *market participants* must complete for this procedure are listed in Appendix A. These forms are generally available for downloading on the *IESO* Web site. These signed forms as well as the accompanying supporting documentation must be transmitted to the *IESO* via mail, fax, email or courier by using the appropriate address provided on the *IESO* Web site or on the form. All correspondence relating to this procedure shall identify the subject: **Financial Markets Settlement Statements**.~~

~~It is important that proof of service is retained. Service by email will be effective when email confirmation has been received by the party serving the form from the receiving party. For any questions specific to dispute resolution please contact [customer.relations@ieso.ca](mailto:customer.relations@ieso.ca).~~

~~—End of Section—~~

## 2. Procedural Work Flow

The diagrams in this section represent the flow of work and information related to the *real-time energy settlement statements* procedure between the *IESO*, the primary external participant involved in the procedure, and any other parties.

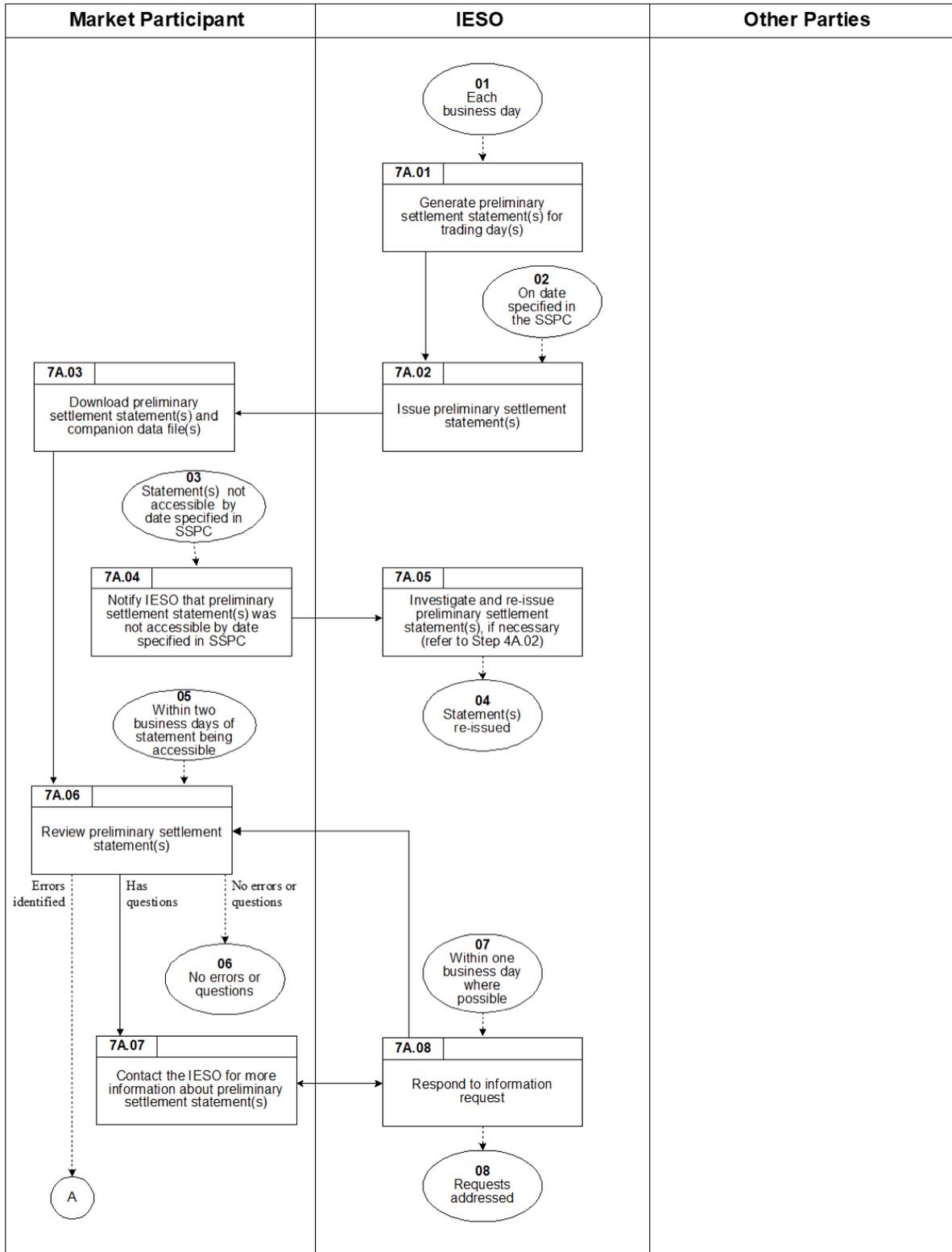
**Table 2-1: Legend for Work Flow Diagrams**

<b>Legend</b>	<b>Description</b>
Oval	An event that triggers task or that completes task. Trigger events and completion events are numbered sequentially within procedure (01 to 99)
Task Box	Shows reference number, party responsible for performing task (if “other party”), and task name or brief summary of task. Reference number (e.g., 1A.02) indicates procedure number within current Market Manual (1), sub-procedure identifier (if applicable) (A), and task number (02)
Solid horizontal line	Shows information flow between the <i>IESO</i> and external parties
Solid vertical line	Shows linkage between tasks
Broken line	Links trigger events and completion events to preceding or succeeding task

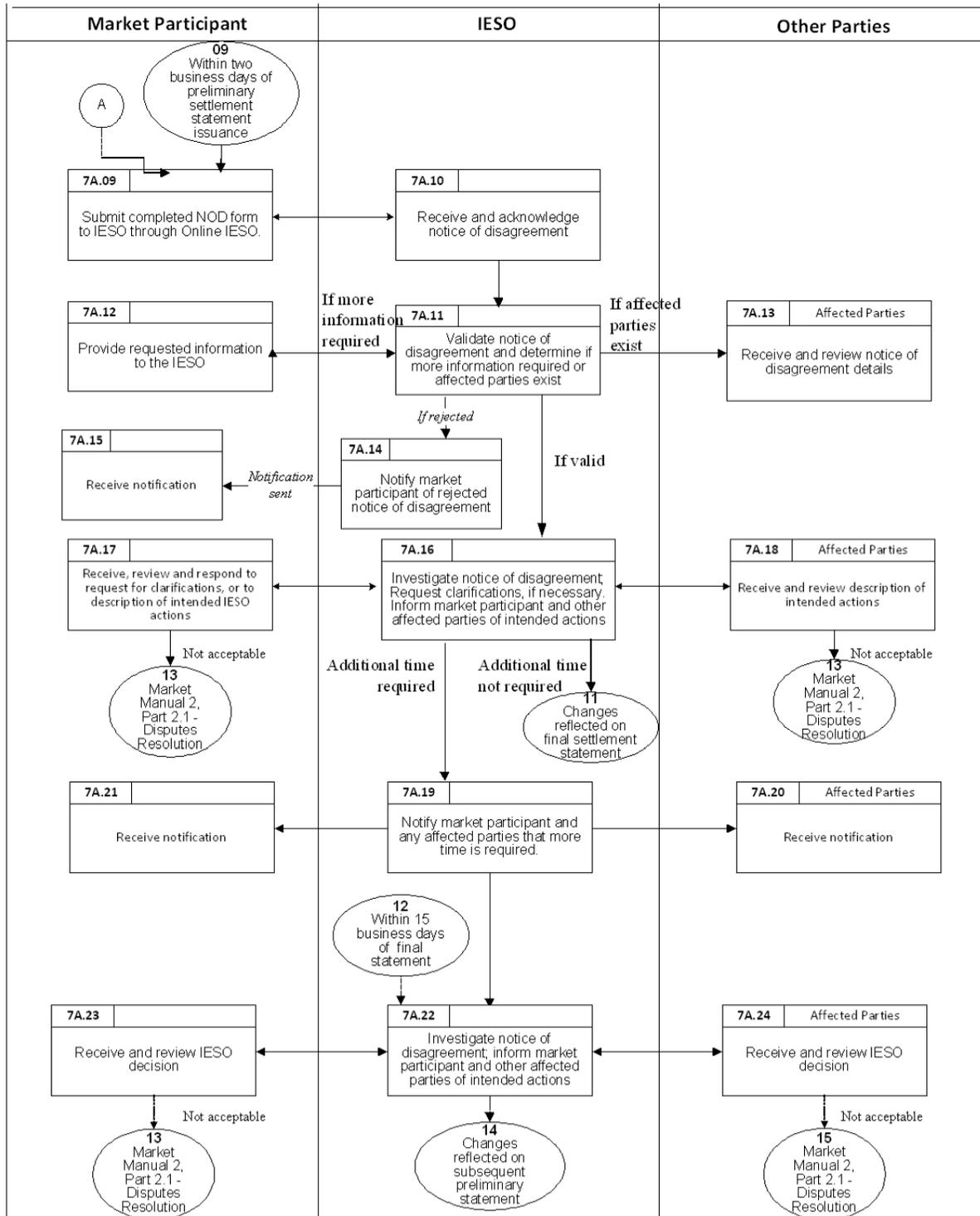
### 2.1 Retrieving Preliminary Settlement Statements

Two *business days* after each trading day, in accordance with the Financial Settlement Schedule and Payment SSPC Calendar, the *IESO* Commercial Reconciliation System will generate the *preliminary settlement statement* for that trading day. The market participant may then download the *settlement statement* and review it to determine whether possible errors exist.

The steps shown in the following diagram are described in detail in Section 3.1, Table 3-1.



**Figure 2-1: Work Flow for Retrieving Preliminary Settlement Statements**



**Figure 2 – 1: Work Flow for Retrieving Preliminary Settlement Statements (continued)**

## 2.2 Retrieving Final Settlement Statements

Each *business day* in accordance with the *SSPC*, the *IESO* Commercial Reconciliation System generates a *final settlement statement* for a trading day in the financial market. The *final settlement statement* contains all of the settlement line items provided in the *preliminary settlement statement* plus any adjustment line items to the *preliminary settlement statement*. The *final settlement statement* details all of the charges that the *market participant* is obliged to pay.

The steps shown in the following diagram are described in detail in Section 3, Table 3-2.

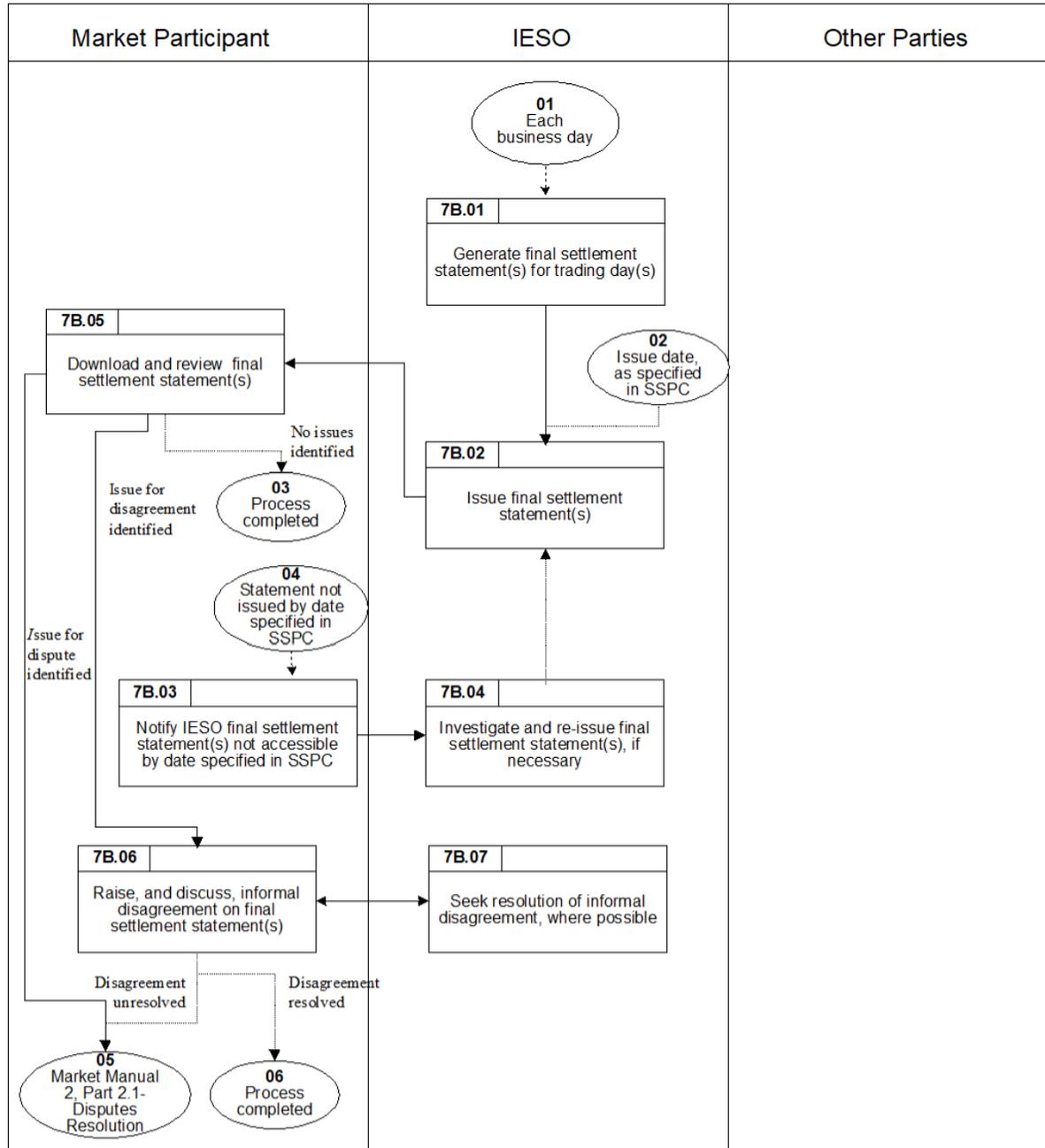


Figure 2-2: Work Flow for Retrieving Final Settlement Statements

~~**– End of Section –**~~

## ~~3. Procedural Steps~~

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~~This section contains detail on the tasks (steps) that comprise the *Settlement Statements* procedure.~~

~~The steps in the following tables are illustrated in Section 2.~~

~~The tables contain seven columns, as follows:~~

### ~~Ref~~

~~The numerical reference to the task.~~

### ~~Task Name~~

~~The task name as identified in Section 2.~~

### ~~Task Detail~~

~~Detail about the task.~~

### ~~When~~

~~A list of all the events that can trigger commencement of the task.~~

### ~~Resulting Information~~

~~A list of the information flows that may or must result from the task.~~

### ~~Method~~

~~The format and method for each information flow are specified.~~

### ~~Completion Events~~

~~A list of all the circumstances in which the task should be deemed finished.~~

### 3.1 Retrieving Preliminary Settlement Statements

Each *business day*, market participants should retrieve the *preliminary settlement statement* and review them to determine whether possible errors exist.

Steps shown in the following table are illustrated in Section 2.1, Figure 2-1.

**Table 3-1: Procedural Steps for Retrieving Preliminary Settlement Statement(s)**

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
7A.01	Generate <i>preliminary settlement statement(s)</i> for <i>trading day(s)</i> .	The <i>IESO</i> generates the <i>preliminary settlement statement</i> file(s) for a given <i>trading day</i> for each market participant.	Every <i>business day</i> .	None.	None.	<i>Preliminary settlement statement(s)</i> generated.
7A.02	Issue <i>preliminary settlement statement(s)</i> .	The <i>IESO</i> issues the <i>preliminary settlement statement(s)</i> for market participant who has a non-zero <i>settlement amount</i> for that <i>trading day(s)</i> .	By 17:00 EST on the second <i>business day</i> following the <i>trading day</i> in question.	<i>Preliminary settlement statements</i> file(s) and companion data files.	Via the <i>IESO Reports</i> site <sup>18</sup> .	<i>Preliminary settlement statement(s)</i> issued.
7A.03	Download and review <i>preliminary settlement statement(s)</i> .	The market participant downloads the <i>preliminary settlement statement</i> file(s) and companion data files from the <i>IESO Reports</i> site and reviews the data.	After Step 7A.02.	None.	None.	<i>Preliminary settlement statement</i> file(s) and companion data files downloaded to the market participant's system.
7A.04	Notify <i>IESO</i> that files not accessible by date specified in <i>SSPC</i> .	The market participant notifies the <i>IESO Help Centre</i> that the files were not issued, or otherwise	<i>Preliminary settlement statement(s)</i> not issued in established timeframe.	Notification that <i>preliminary settlement statement(s)</i> not issued.	Email or telephone.	Notification that <i>preliminary settlement statement(s)</i> not issued received by the <i>IESO</i> .

<sup>18</sup> Refer to the "Outbound Automated Document Application Programming Interface" if using an application programmable interface (API) to retrieve reports from the *IESO Reports* site.

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
		accessible, within the established timeframe.				
7A.05	Investigate and re-issue preliminary settlement statement(s), if necessary.	The IESO investigates and re-issues the preliminary settlement statement file(s) and companion data files for a given trading day if the investigation determines that this is necessary.	After Step 7A.03.	Preliminary settlement statement file(s) and companion data files.	IESO Reports site <sup>19</sup> or email.	Preliminary settlement statement(s) issued and verified by the market participant.
7A.06	Review preliminary settlement statement(s).	The market participant reviews the preliminary settlement statement file(s) and companion data files to identify possible errors.	Within two business days of issuance (Step 7A.02).	None.	None.	Review of preliminary settlement statement(s) completed by the market participant and any errors or queries identified.
7A.07	Contact the IESO for more information about settlement statement(s).	The market participant submits a query to the IESO Help Centre requesting additional information pertaining to the preliminary settlement statement(s) and/or the associated data files.	After Step 7A.06 if the market participant has questions.	Query.	Via IESO Customer Relations: <a href="mailto:customer.relations@ieso.ca">customer.relations@ieso.ca</a> .	Query regarding settlement statement(s) submitted to the IESO.
7A.08	Respond to information request.	The IESO responds to the query submitted by the market participant.	After Step 7A.07 and within one business day.	Query response.	Email or telephone.	Query response given to the market participant.
7A.09	Submit completed notice of disagreement form through Online IESO.	If an error is found in the preliminary settlement statement, the market participant completes and submits the notice of disagreement through the	After Step 7A.06 if the market participant has found errors and within two business days of 7A.02.	Completed notice of disagreement.	Online IESO	Notice of disagreement <sup>2</sup> submitted to the IESO.

<sup>19</sup>Ibid.

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
		Online IESO. See Appendix B for examples of the interface. The <i>market participant</i> will receive an e-mail confirmation upon submission.				
7A.10	Receive & acknowledge <i>notice of disagreement</i> .	The <i>IESO</i> receives and acknowledges receipt of the <i>notice of disagreement</i> submitted by the <i>market participant</i> .	After Step 7A.09.	Acknowledgement of <i>notice of disagreement</i> . (NOD ID number, date and time of receipt stamp.	E-mail notification.	Receipt of <i>notice of disagreement</i> acknowledged by the <i>IESO</i> .
7A.11	Validate <i>notice of disagreement</i> and determine if more information is required or if affected parties exist.	<p>The <i>IESO</i> validates the <i>notice of disagreement</i> submitted by the <i>market participant</i> and either reject, request additional information or go to 5A.16 investigate.</p> <p>The <i>IESO</i> rejects the submission if it does not address aspects of the <i>settlement statement</i> on which a <i>notice of disagreement</i> can be raised.</p> <p>The <i>IESO</i> may request additional information or clarifications from the <i>market participant</i> during its preliminary review of the <i>notice of disagreement</i>.</p> <p>The <i>IESO</i> also determines if other <i>market participants</i> are potentially affected by the</p>	After Step 7A.10.	<p>A determination whether:</p> <ul style="list-style-type: none"> <li>• the <i>notice of disagreement</i> is valid or invalid;</li> <li>• additional information is required; and</li> <li>• affected parties exist.</li> </ul>	<p>If additional information required: Email reminder to provide additional information in the Online IESO <i>notice of disagreement</i> form.</p> <p>If affected parties: The <i>IESO</i> notifies them by email of the intended actions.</p>	<p>The <i>IESO</i> sends a notification to the <i>market participant</i> if the <i>notice of disagreement</i> is invalid or if further information is required (Step 7A.12).</p> <p>The <i>IESO</i> sends a notification to any affected parties (Step 7A.13).</p>

<b>Ref.</b>	<b>Task Name</b>	<b>Task Detail</b>	<b>When</b>	<b>Resulting Information</b>	<b>Method</b>	<b>Completion Events</b>
		<i>notice of disagreement</i> and notifies them by email.				
7A.12	Provide requested information to the <i>IESO</i> .	The <i>market participant</i> must provide any requested information of clarifications to the <i>IESO</i> within the timeframe specified in the notification. <i>Market participants</i> who fail to provide the requested information within the required timeframe may invalidate their <i>notice of disagreement</i> .	After Step 7A.11, if additional information or clarifications required.	Requested information or clarifications.	Provide requested information and attach any supporting documents to Online <i>IESO notice of disagreement</i> form.	<i>Market participant</i> submits requested information or clarifications to the <i>IESO</i> .
7A.13	Receive and review <i>notice of disagreement</i> details.	The affected <i>market participant(s)</i> review the notification.	After Step 7A.11, if affected parties exist.	Notification of <i>notice of disagreement</i> .	Email or Online <i>IESO</i> .	Affected party receives notification from <i>IESO</i> describing <i>notice of disagreement</i> and the intended actions
7A.14	Notify <i>market participant</i> of rejected <i>notice of disagreement</i> .	The <i>IESO</i> determines the submission is rejected and notifies the <i>market participant</i> .	After Step 5A.11.	Notification of rejection of <i>notice of disagreement</i> .	Email reminder to view decision notification in the Online <i>IESO notice of disagreement</i> form.	<i>Market participant</i> notified of rejected <i>notice of disagreement</i> .
7A.15	Receive notification.	The <i>market participant</i> receives rejection notification.	After Step 5A.14.	Notification of rejection of <i>notice of disagreement</i> .	Online <i>IESO</i>	<i>Market participant</i> received notification of rejected <i>notice of disagreement</i> .
7A.16	Investigate <i>notice of disagreement</i> . Request clarification, if necessary. Inform <i>market participant</i> and other affected parties of intended actions.	The <i>IESO</i> requests clarifications from the <i>market participant</i> , if required, as part of its investigation. The <i>market participant</i> must provide any requested information of clarifications to the <i>IESO</i>	After Step 7A.11.	<ul style="list-style-type: none"> <li>• <i>IESO</i> request for clarification, if required.</li> <li>• <i>IESO</i> decision on <i>notice of disagreement</i>.</li> </ul>	If additional information, or time, required: Email reminder to provide additional information or to view decision notification in the	<i>IESO</i> notification of decision for <i>notice of disagreement</i> . Adjustments, if any, on final settlement statement.

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
		<p>within the timeframe specified in the notification. <i>Market participants</i> who fail to provide the requested information within the required timeframe may invalidate their <i>notice of disagreement</i>.</p> <p>The <i>IESO</i> uses the information provided in the <i>notice of disagreement</i>, and any other available information, to investigate the subject matter of the disagreement and informs the <i>market participant</i> of its intended actions in response to the <i>notice of disagreement</i>. The <i>IESO</i> also notifies any affected parties of its intended actions.</p> <p>The <i>IESO</i> may also request additional time to investigate the <i>Notice of Disagreement</i>.</p>		<ul style="list-style-type: none"> <li>• Adjustments, if any, for disputed <i>trade day</i>.</li> <li>• Where applicable, a determination that additional time is required to investigate the <i>notice of disagreement</i>.</li> </ul>	<p>Online <i>IESO notice of disagreement</i> form.</p> <p>If affected parties: decision notification sent to affected parties through email or Online <i>IESO</i>. Adjustments, if any, resulting from the <i>IESO</i> investigation of the <i>notice of disagreement</i>, and <i>Market Participant</i> feedback (7A.17 and 7A.18), appear on the Final Statement for the disputed trade day.</p>	<p>Where additional time is required to process the <i>notice of disagreement</i>, a notification to the <i>market participant</i> and any affected parties (7A.19).</p>
7A.17	Receive, review, and respond to, description of intended actions. Respond to intended decision.	The <i>market participant</i> receives a description of the <i>IESO's</i> intended actions, and has an opportunity to respond to the <i>IESO</i> decision.	Simultaneous with Step 7A.14.	Response.	<p>Online <i>IESO notice of disagreement</i> form.</p> <p>Respond via Online <i>IESO notice of disagreement</i> form.</p>	Intended actions provide response to <i>IESO</i> decision.
7A.18	Receive and review description of intended actions.	Affected parties receive a description of the <i>IESO's</i> intended actions and have an	Simultaneous with Step 7A.14.	Response.	Online <i>IESO</i>	Intended actions, provide response to <i>IESO</i> decision.

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
		opportunity to respond to the <i>IESO</i> decision.				
7A.19	Notify <i>market participant</i> and any affected parties that more time is required.	If additional time is required to investigate the <i>notice of disagreement</i> , then the <i>IESO</i> notifies the <i>market participant</i> and any affected parties that more time is required.	Following Step 7A.16.	Additional time notification to market participant and affected parties.	Email reminder to view request for additional time in the Online <i>IESO notice of disagreement</i> form.	<i>IESO</i> sends notification that additional time is required to <i>market participant</i> and any affected parties.
7A.20	Receive notification.		Following Step 7A.17.	None.	Online <i>IESO</i>	Receipt of notification that additional time is required.
7A.19	Receive notification.		Following Step 7A.17.	None.	Email reminder to view decision notification in the Online <i>IESO notice of disagreement</i> form.	Receipt of notification that additional time is required.
7A.22	Investigate <i>notice of disagreement</i> ; inform <i>market participant</i> and other affected parties of intended actions.	The <i>IESO</i> uses the information provided in the <i>notice of disagreement</i> , and any other available information, to investigate the subject matter of the disagreement and informs the <i>market participant</i> of its intended actions in response to the <i>notice of disagreement</i> .  The <i>IESO</i> also notifies any affected parties of its intended actions.  Adjustments, if any, resulting from the <i>IESO</i> investigation of the <i>notice of</i>	After Step 5A.17.  When the <i>IESO</i> requires additional time, it must communicate its decision within 15 <i>business days</i> of the <i>final settlement statement</i> for the disputed <i>trade day</i> .	<i>IESO</i> decision on <i>notice of disagreement</i> .  Adjustments, if any, for disputed <i>trade day</i> .	Email reminder to view decision notification in the Online <i>IESO notice of disagreement</i> form.	<i>IESO</i> notification of decision for <i>notice of disagreement</i> .  Adjustments, if any, on next available <i>preliminary settlement statement</i> .

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion	Events
		<i>disagreement, and market participant feedback (7A.21 and 7A.22), appear on the next available preliminary settlement statement.</i>					
7A.23	Receive, review, and respond to, description of intended actions. Respond to intended decision.	The <i>market participant</i> receives a description of the <i>IESO's</i> intended actions, and has an opportunity to respond to the <i>IESO</i> decision.	Simultaneous with Step 7A.20.	Response.	Response via the Online <i>IESO notice of disagreement form.</i>	Opportunity to respond to the decision provided	
7A.24	Receive and review <i>IESO</i> decision.	Affected parties receive a description of the <i>IESO's</i> intended actions and have an opportunity to respond to the <i>IESO</i> decision.	Simultaneous with Step 7A.20.	Response	Response via the Online <i>IESO notice of disagreement form.</i>	Opportunity to respond to the decision provided,	

### 3.2 Retrieving Final Settlement Statements

*Market participants* should retrieve the *final settlement statement*. The steps shown in the following table are illustrated in Section 2.2, Figure 2-2.

**Table 3-2: Procedural Steps for Retrieving Final Settlement Statements**

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion	Events
7B.01	Generate <i>final settlement statement(s)</i> for trading day(s).	The <i>IESO</i> generates a <i>final settlement statement</i> , incorporating any final adjustments.	<i>Every business day.</i>	None.	None.	<i>Final settlement statement(s) issued.</i>	

<b>Ref.</b>	<b>Task Name</b>	<b>Task Detail</b>	<b>When</b>	<b>Resulting Information</b>	<b>Method</b>	<b>Completion Events</b>
7B.02	Issue <i>final settlement statement(s)</i> .	The <i>IESO</i> issues the <i>final settlement statement(s)</i> for a given <i>trading day</i> for each <i>market participant</i> who has a non-zero <i>settlement amount</i> for that <i>trading day(s)</i> .	As specified in the <i>SSPC</i> .	<i>Final settlement statements</i> file(s) and companion data files.	Via the <i>IESO Reports</i> site <sup>20</sup> .	<i>Final settlement statement(s)</i> issued.
7B.03	Notify <i>IESO</i> <i>final settlement statement(s)</i> not accessible by date specified in <i>SSPC</i> .	The <i>market participant</i> notifies the <i>IESO</i> that the <i>final settlement statement(s)</i> was not issued or otherwise accessible in the established timeframe.	After Step 7B.02 if <i>final settlement statement(s)</i> not issued in the established timeframe.	Notification that <i>final settlement statement(s)</i> not issued.	Email or telephone.	Notification that <i>final settlement statement(s)</i> not issued submitted to the <i>IESO</i> .
7B.04	Investigate and re-issue <i>final settlement(s) statement</i> , if necessary.	The <i>IESO</i> investigates and re-issues the <i>final settlement statement(s)</i> for a given <i>trading day</i> , if the investigation determines that this is necessary.	After Step 7B.03.	<i>Final settlement statements</i> file(s) and companion data files.	Via the <i>IESO Reports</i> site <sup>21</sup> .	<i>Final settlement statement(s)</i> re-issued by the <i>IESO</i> .
7B.05	Download and review <i>final settlement statement(s)</i> .	The <i>market participant</i> downloads the <i>final settlement statement (s)</i> from the <i>IESO Reports</i> site and reviews the <i>statement(s)</i> for issues.  Where an issue is identified that:  <ul style="list-style-type: none"> <li>• consists of an adjustment to the corresponding <i>preliminary settlement statement</i> resulting from a <i>notice of disagreement</i> and that does not reflect the agreement between the <i>IESO</i> and the <i>market participant</i> as to the adjustment;</li> </ul> or	After Step 7B.05.	None.	None.	<i>Final settlement statement (s)</i> downloaded.  See “Market Manual 2: Market Administration, Part 2.1 Dispute Resolution” for details of the dispute resolution process.

<sup>20</sup> Ibid.

<sup>21</sup> Ibid.

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
		<p>•differs in amount from the same item or calculation set forth on the corresponding <i>preliminary settlement statement</i> and is not an item or calculation identified on the <i>final settlement statement</i> as being associated with an adjustment flag (indicating that an adjustment has been made);</p> <p>the <i>market participant</i> may raise an informal disagreement with the <i>IESO</i>.</p> <p>Alternatively, where an issue is identified, the <i>market participant</i> may raise a dispute, within 20 <i>business days</i> of the issue date of the <i>final settlement statement</i>.</p>				
7B.06	Raise, and discuss, informal disagreement on <i>final settlement statement(s)</i> .	<p>The <i>market participant</i> raises an informal disagreement on the <i>final settlement statement</i> (as outlined in step 7B.05) with the <i>IESO</i> and discusses this with the <i>IESO</i>.</p> <p>If the issue is resolved, no further action is taken by the <i>market participant</i>.</p> <p>If the issue is not resolved, the <i>market participant</i> may decide to pursue the issue through the dispute resolution process, within 20 <i>business days</i> of the issue date of the <i>final settlement statement</i>.</p>	Following 7B.05, when a disagreement is identified.	Informal Disagreement, if required.	Telephone, email, fax.	Issue resolved or submitted for disputes resolution.  See “Market Manual 2: Market Administration, Part 2.1 Dispute Resolution” for details of the dispute resolution process.

<b>Ref.</b>	<b>Task Name</b>	<b>Task Detail</b>	<b>When</b>	<b>Resulting Information</b>	<b>Method</b>	<b>Completion Events</b>
7B.07	Seek resolution of informal disagreement, where possible.	The <i>IESO</i> seeks a resolution of the informal disagreement raised by the <i>market participant</i> , as far as possible.	Following Step 7B.06.	Discussion with <i>market participant</i> .	Telephone, email, fax.	Issue resolved or submitted for dispute resolution.  See “Market Manual 2: Market Administration, Part 2.1 Dispute Resolution” for details of the dispute resolution process.

—End of Section—

# Appendix A: Forms

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This appendix contains a list of forms associated with the current procedure, which are available on the *IESO* Web site (<http://www.ieso.ca/>). The forms included are as follows:

Form Name	Form Number
Notice of Dispute	IMO-FORM-1001

– End of Section –



# Appendix B: Notice of Disagreement Screens

The following screen captures show the *notice of disagreement* forms that *market participants* use to register and track a *notice of disagreement* through Online IESO.

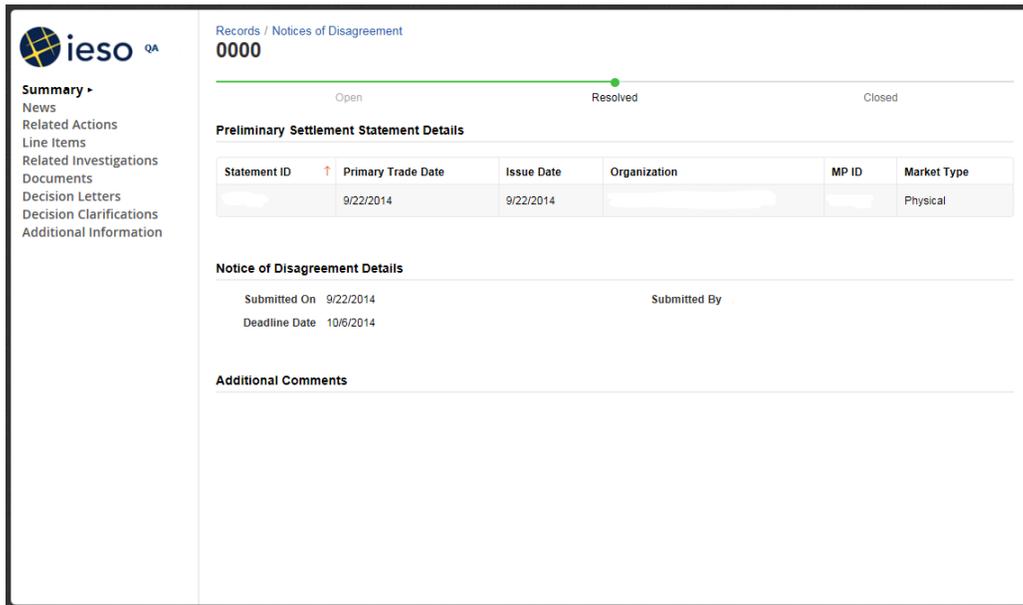


Figure B–1: NOD Detailed Records

Figure B–2: NOD Detail Screen – Select Preliminary Settlement Statement

Figure B–3: NOD Detail Screen – Select Preliminary Settlement Statement Line Items

**Figure B-4: NOD Detail Screen – Add Missing Line Items**

**Figure B-5: NOD Detail Screen – Provide Additional Information**

– End of Section –



## References

Document ID	Document Title
MDP_RUL_0002	Market Rules for the Ontario Electricity Market
IMO_GDE_0003	Market Participant Graphical User Interface User's Guide
IMO_MAN_0024	Market Manual 6: Participant Technical Reference Manual
MDP_PRO_0017	Market Manual 2: Market Administration, Part 2.1: Dispute Resolution
MDP_PRO_0029	Market Manual 4: Market Operations, Part 4.4: Transmission Rights Auction
MDP_MAN_0005	Market Manual 5: Settlements, Part 5.0: Settlements Overview
MDP_PRO_0031	Market Manual 5: Settlements, Part 5.1: Settlement Schedule and Payments Calendars (SSPCs)
MDP_PRO_0033	Market Manual 5: Settlements ,Part 5.5: Physical Markets Settlement Statements
MDP_PRO_0035	Market Manual 5: Settlements, Part 5.6: Physical Markets Settlement Invoicing
MDP_PRO_0047	Market Manual 5: Settlements, Part 5.8: Financial Markets Settlement Invoicing
IMP_SPEC_0005	Format Specification for Settlement Statement Files & Data Files
IMP_LST_0001	IESO Charge Types and Equations
MDP_PRO_0014	Market Manual 1: Market Entry, Maintenance and Exit, Part 1.1: Participant Authorization Maintenance and Exit
IMP_GDE_0103	The Applications Status Tool: A User Guide

– End of Document –