

Feedback Form

Capacity Auction

Feedback Provided by:

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Capacity Auction – Performance Assessment Procedures

MR Section	Feedback
Chapter 7	<p data-bbox="565 317 967 352">Point-in-Time Exemptions</p> <p data-bbox="565 401 1430 474">Section 18.1A.1.1 allows for exemptions to the Capacity Auction point-in-time rules as follows:</p> <p data-bbox="565 520 1510 632">"Nothing in this section 18.1A shall limit the effectiveness of a <i>market rule</i> amendment or <i>market manual</i> amendment that expressly excludes the application of sections 18.1A.1 and 18.1A.2."</p> <p data-bbox="565 678 1510 989">The IESO stated that it intends the proposed exemption to accommodate the upcoming amendments for Market Renewal. Please provide more detail on the types of market rules the IESO anticipates it will need to use the point-in-time exemption for. The proposed amendment is broad, and could be applied outside the scope of Market Renewal. In order to ensure the exemption is only applied to those rules that need to be changed due to Market Renewal, the IESO should identify specific criteria of application in the Market Rules.</p> <p data-bbox="565 1035 1484 1188">Please provide details on how future market rule/manual amendments could "expressly exclude" 18.1A.1 and 18.1A.2. Would each clause of an amendment need to reference the excluded sections?</p> <p data-bbox="565 1234 1510 1465">Finally, OPG suggests that when an auction obligation period overlaps with Market Renewal go-live, the rules associated with the pre-MRP period and the rules associated with the post-MRP period should be available for review simultaneously. Stakeholders should be able to provide feedback that contemplates the alignment between the two sets of rules before the TP recommends either set.</p> <p data-bbox="565 1556 699 1587">Editorial</p> <p data-bbox="565 1633 1240 1665">19.1.1 - the word "obligation" should be italicized.</p> <p data-bbox="565 1675 1471 1707">19.1.2 – the defined term "capacity obligation" should be italicized.</p>

MR Section	Feedback
Chapter 9	<p>Capacity Obligation Augmented Availability Charge:</p> <p>Sections 4.7J.2.1B and 4.7J.2.1C state,</p> <p>“when the IESO has issued an advisory notice for potential declaration or has declared an emergency operating state”, resources that do not submit bids/offers during the availability window are subject to an augmented availability charge.</p> <p>OPG notes that this charge does not exempt resources that are on outages approved by the IESO. As an example, consider the scenario in which the IESO has approved an outage for a resource. After the resource’s outage has begun, IESO issues an advisory of a potential emergency operating state. As written, that resource would be subject to an augmented availability charge. OPG finds this illogical. When beginning their outage, the participant could not reasonably have had knowledge of the upcoming advisory, and therefore could not change its behaviour to avoid the augmented availability charge. OPG feels this blindness to the outage process will not incent better participation in the DACP and RTM and unnecessarily charges participants. While it is reasonable that a resource’s UCAP is adjusted based on outages, it is unreasonable to levy the augmented availability charge against resources on IESO-approved outages.</p> <p>Will the IESO recall Capacity Auction resources on outage if an advisory of a potential emergency operating state is issued?</p> <p>OPG acknowledges the ability of the true-up mechanism to cover some of the augmented availability charge, but suggests it is insufficient since:</p> <ul style="list-style-type: none"> • The true-up MW is capped at the resource’s ICAP, meaning it could be 0 MW for a resource with PAF = 0. This effectively penalizes resources with low PAFs. • The augmented availability charge is so large that one issuance of the charge would require many hours of true-up payments to break even. <p>Such a mismatch in scale is inappropriate, especially in the scenario described above where the issuance of the advisory notice came after the beginning of an IESO approved outage.</p>
Chapter 11	OPG has no comments on the amendments to Chapter 11 at this time.