

# Memorandum

**To:** Technical Panel

**From:** Devon Huber

**Date:** July 11, 2022

**Re:** Follow-Up to Technical Panel Action Item: MR-00468-R00

## Summary

At the February 2022 Technical Panel (TP) meeting, members requested a Market Assessment and Compliance Division (MACD) review of the Adjustments to Intertie Flow Limits (MR-00468-R00) proposed market rule amendments to the extent that the rules met the intent of the design. The Technical Panel Chair communicated this request to MACD. MACD has now reached a determination with respect to the IESO's compliance with existing market rules, and a letter from Glenn McDonald, Vice-President, MACD is included in this package.

## Discussion

The IESO is proceeding with the proposed market rule amendments with the understanding that they will come into force prospectively. The amendments specify when internal transmission constraints will be considered by the IESO in setting intertie flow limits. This will ensure that the IESO has the necessary authorities going forward.

The IESO acknowledges that its actions taken in August 2021 impacted the transmission rights and energy markets as a result of a reduced capability to schedule exports in the Northwest. These actions led to a reduction of congestion management settlement credits (CMSC) to market participants, including importers, in the Northwest. Ontario loads would have been charged equivalently less through CMSC uplift. The amendments would maintain these

outcomes going forward. MACD's compliance findings do not change the need for the proposed market rule amendments, and no change to the rule language is needed in light of the findings.