
MAY 16, 2023

Market Renewal Program – Market Settlements, Metering, Market Billing and Funds Administration

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Agenda

- Stakeholder Comments – Summary
- Outcome of Responses – Summary
- Representative Stakeholder Comments
- Revisions to the Market Rules - Summary
- Additional Education-Based Discussions
- Revisions to the Market Rules and Manuals – Documents
- Next Steps

Stakeholder Comments - Summary

- Five sets of submissions received with a total of 91 comments on the market rules and market manuals package from Atura Power, the Electricity Distributors Association and Ontario Power Generation (3 sets)
 - Stakeholder comments can be found on the [Implementation Engagement page](#) – Feb 21, 2023 materials
 - The IESO thanks stakeholders for their extensive and constructive comments
- Stakeholder feedback and IESO responses can be found at: [IESO Responses to Stakeholder Feedback](#)

Stakeholder Comments - Summary

Recap:

- No comments related to design concerns or outstanding issues to be addressed
- Several substantive comments resulting in minor changes to the draft (e.g., updating a defined term, adding additional clarity to the draft, etc.)
- Many minor editorial comments (e.g., extra space, cross-referencing style, italics, etc.)
- Many clarification questions that have been addressed with explanation or confirmation
- A few questions on market participant readiness (e.g., sandbox testing, transition)
- Some comments related to Replacement of Settlement System project
- Stakeholders signaled additional questions may arise following review of Market and System Operations rules and manuals

Outcome of Responses - Summary

The responses to stakeholder comments fall into the following categories:

Response Type	Number of Responses (91)
Clarification via Response	49
Editorial Change	32
Addition of Content	1
Update to a Defined Term	1
Modification of Market Rule or Market Manual	8

Representative Stakeholder Comments

Market Participant readiness:

Stakeholder Comment:

“The introduction of the two-settlement system and the Market Power Mitigation process introduces (i) significant volumes of data to be collected/stored, and (ii) an overwhelming amount of complex calculations of settlement charges to implement and reconcile; Support is required from the IESO in the sandbox environment to confirm the settlement charges and ensure the settlement system is developed accurately prior to production.”

IESO Response:

“The IESO is committed to working closely with stakeholders during participant testing and training activities. More details on testing timelines and how the IESO will support participants during testing activities will be shared for feedback in the coming months.”

Representative Stakeholder Comments

Substantive Comments resulting in minor changes to the market rules:

Stakeholder Comment:

“Definitions – Ontario zonal price: More precise language for this definition is required; We note that the price that is applicable to non-dispatchable loads (under normal conditions when DAM is functioning), is the DAM Ontario zonal price plus the load forecast deviation charge. This definition needs to be more prescriptive and illustrative, leaving no room for interpretation across the province.”

IESO Response:

“The IESO has updated the definition of Ontario zonal price to clarify; inserted clarifying language “prior to any adjustments made as a result of the load forecast deviation charge.”

Representative Stakeholder Comments

Clarification Questions that can be addressed with explanation or confirmation

Stakeholder Comment:

“MR Ch.9 section 4.5 outlines the DAM and Real-time Generator Offer Guarantee settlement process; Is it correct to assume the RT GOG settlement process could contain a reliability commitment component, while it is excluded from the DAM GOG settlement process?”

IESO Response:

“Both DAM and RT operators may be required to respond to developing reliability concerns in their applicable timeframes and apply reliability commitment constraints to GOG eligible resources. The DAM-GOG settlement process does not differentiate between a reliability commitment and an operational commitment as the calculations are the same. In contrast, the RT-GOG process needs to consider advancements and extensions that are adjacent to a reliability commitment and which will be calculated as separate commitments.”

Revisions to the Market Rules - Summary

- Revisions that were made in response to stakeholder comments were incremental in nature. Examples include:
 - Clarification to the ramp-down period 'T' in response to stakeholder feedback
 - Correction of the description of variant #3 for the real-time generator offer guarantee
 - Refinement of terms and cross references
 - Some additional changes, such as corrections for errors to variables and equations; clarification of conditions for calculations were based on internal IESO review
- *Each market rule revision in the [Summary of Changes](#) notes the source of the revision.

Additional Education-Based Discussions

- **Scenario Discussion with the Storage Community**
 - IESO settlements team will provide further feedback on examples of settlements related scenarios as requested by the storage community
- **LDC-IESO MRP Preparedness Group**
 - IESO to provide charge type mapping to the OEB and LDC community on how MRP charge types relate to existing charge types so that appropriate guidance can be provided to LDCs

Revisions to the Market Rules and Manuals – Documents

Please refer to:

- 1) The [Summary of Changes](#): 'Summary of Market Rule Changes: April 2023' for a complete listing of incremental changes since the December posting (version 1.0) of the market rules and manuals; and
- 2) Clean and tracked changes versions are available for each of the following rule amendments and market manuals on the [Implementation Phase Documents](#) under "Market Settlements, Metering and Billing (Updated April 2023)":
 - MR-00452-R00 - Revenue Meter Registration
 - MR-00456-R00 - Market Settlements, Market Billing and Funds Administration
 - MR-00456-R01 - Settlements and Billing – Chapter 9 Appendices
 - MR-00456-R02 - Physical Bilateral Contracts and Financial Markets
 - MR-00456-R03 - Optional Registration Requirements (no changes)
 - MR-00461-R04 - Definitions

Revisions to the Market Rules and Manuals – Documents

3) Market Manuals:

- Market Manual 1.5: Market Registration Procedures
- Market Manual 4.4: Transmission Rights Auction
- Market Manual 5.3: Physical Bilateral Contract Data
- Market Manual 5.5: IESO Administered Markets Settlement Amounts

Next Steps

- Today, requesting the TP vote to post the Settlements batch of market rule amendments for further stakeholder comment
- Pending the nature of any comments received, provisional vote to recommend targeted for the June 13th TP meeting

Thank You

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