

Assessment of Impact of Market Rule Amendment on Consumers Re: Price, Reliability, Quality of Electricity Service

This form is used to document the *IESO's* assessment of the impact of a proposed *market rule amendment* on the interests of consumers with respect to prices and the *reliability* and quality of electricity service.

Terms and acronyms used in this Form that are italicized have the meanings ascribed thereto in Chapter 11 of the *Market Rules*.

Part 1 – Market Rule Information

Identification No.: MR-00486-R00 – Urgent Market Rule Amendment

Title: Corrections to the Day-Ahead Market Balancing Credit and Real-Time Make-Whole Payment

Date of Assessment: April 10, 2025

Part 2 – Assessment

The following is the *IESO's* assessment of the impact of the proposed *market rule amendment* on the interests of consumers with respect to price and the *reliability* and quality of electricity service.

Impact on Price:

The market rule amendments correct two errors relating to the settlement of the Day-Ahead Market Balancing Credit and Real-Time Make-Whole Payment, and align the market rules with the Market Renewal Program's (MRP's) design intent and correct implementation in the IESO's settlement tools.

The MRP design elements and resulting settlements will have a downward influence on the price of electricity and uplift costs. These market rule amendments correct errors that would introduce inefficiencies and incorrect settlement outcomes.

Impact on Reliability of Electricity Service:

As noted above, the market rule amendments correct two errors relating the settlement of the Day-Ahead Market Balancing Credit and Real-Time Make-Whole Payment, and align the market rules with the Market Renewal Program's (MRP's) design intent and correct implementation in the IESO's settlement tools.

The MRP Market Settlements market rule amendments, through a financially binding day-ahead market will improve participation in day-ahead scheduling, helping to ensure reliability while efficiently scheduling resources. In addition, enhanced real-time commitment and continuation of make-whole payments and guarantees will have a positive influence on the IESO's ability to maintain the reliability of electricity service.

Both the DAM Balancing Credit and Real-Tie Make-Whole Payment are payments made when the IESO dispatches for reliability reasons. Correcting these errors would ensure market incentives are aligned with compliance for reliability dispatches per the intended design, and thereby promote reliability.

Impact on Quality of Electricity Service:

The market rule amendments should have no impact on the quality of electricity service.