

Memorandum

To: Technical Panel

From: Paula Lukan

Date: July 15, 2025

Re: Alignment of Technical Panel Terms of Reference and Market Rules Ch.3 s.4

Summary

At the May 13, 2025, Technical Panel (TP) meeting, a TP member requested that the IESO consider whether there is a misalignment between the Terms of Reference (ToR) and the market rules. In particular, it was asked whether the “deemed warrants consideration” provision in the ToR aligns with the market rules. In response, the IESO committed to return to the TP with its analysis of the two documents.

The IESO has completed its analyses and has determined that there is no misalignment between the ToR and the market rules. However, there is an opportunity to provide greater clarity within MR Ch.3 s.4.3 “Requests for Review or Amendment of Market Rules”, particularly in relation to the “deemed warrants consideration” provision in section 3.2.1 of the ToR – “Market Rule Submission for Consideration”. The deeming provision although not explicit in the market rules, is supported by the IESO Board’s authority pursuant to market rule s.4.3.6, whereby the IESO Board has authority to direct whether an amendment submission warrants or does not warrant consideration. The approval of the ToR in 2017 by the IESO Board, and in particular the inclusion of the deeming provision, constitutes the direction of the IESO Board that all IESO driven engagements warrant consideration, thereby streamlining the process for most market rule amendments.

While developing the market rules for the Market Renewal Program (MRP), the IESO identified areas within the market rules outside the scope of MRP, that required cleaning up, including

some governance provisions. The market rule amendment process in Ch.3, section 4 has not been meaningfully updated since market opening.

The IESO proposes to take a broader look at the market rule amendment process market rule sections and return to the TP with a more holistic review, as part of the continuing initiative to further enhance the market rules and manuals not directly impacted by MRP.

Panel Action and Next Steps

The IESO will take a longer-term review of section 4 of the market rules to better clarify the rule amendment processes, balancing the timing of these proposed amendments with priority market rule amendments already underway.