



Market Rule Amendment Submission

This form is used to request an amendment to, or clarification of, the *Market Rules*. Please complete the first four parts of this form and submit the completed form by email or fax to the following:

Email Address: Rule.Amendments@ieso.ca

Fax No.: (416) 506-2847 Attention: Market Rules Group

Subject: Market Rule Amendment Submission

All information submitted in this process will be used by the *IESO* solely in support of its obligations under the *Electricity Act, 1998*, the *Ontario Energy Board Act, 1998*, the *Market Rules* and associated policies, standards and procedures and its licence. All submitted information will be assigned the *confidentiality classification* of “Public” upon receipt. You should be aware that the *IESO* will *publish this amendment submission* if the *Technical Panel* determines it warrants consideration and may invite public comment.

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

PART 1 – SUBMITTER’S INFORMATION

Please enter contact information in full.	
Name: <u>Adam White</u>	
(if applicable) <i>Market Participant / Metering Service Provider</i> No. ¹ : _____	<i>Market Participant Class</i> : _____
Telephone: <u>416-260-0225</u>	Fax: <u>416-260-0442</u>
E-mail Address: <u>awhite@ampco.org</u>	

PART 2 – MARKET RULE AMENDMENT SUBMISSION INFORMATION

Subject: <u>Market Pricing</u>	
Title: <u>Specifying facility ramping capability in the market schedule</u>	
Nature of Request (please indicate with x)	
<input checked="" type="checkbox"/> Alteration	<input type="checkbox"/> Deletion
<input type="checkbox"/> Addition	<input type="checkbox"/> Clarification
Chapter: <u>7</u>	Appendix: <u>7.5</u> Sections: <u>4.13</u>
Sub-sections proposed for amending/clarifying: <u>4.13.1</u>	

¹ This number is a maximum of 12 characters and does not include any spaces or underscore.

PART 3 – DESCRIPTION OF THE ISSUE

Provide a brief description of the issue and reason for the proposed amendment. If possible, provide a qualitative and quantitative assessment of the impacts of the issue on you and the *IESO-administered markets*. Include the Chapter and Section number of the relevant *market rules*.

The IESO Board of Directors is proposing to make an amendment to the market rules that would define the market parameter that controls the ramp rate multiplier used in determining energy market prices.

The IESO Board of Directors also is proposing to change the multiplier to increase prices on average by 2.6 percent based on 2006 prices. The IESO calculates that based on 2006 prices, the change would increase electricity costs to consumers by \$198 million per year going forward. Given that 2006 prices on average were exceptionally low, one would reasonably expect that the actual costs of the proposal in future years could be higher than the amount calculated.

The calculation of the results of arbitrage or other participant behaviour in response to the price changes is largely speculative.

The calculations of global adjustment amounts or amounts related to the disbursement of funds related to financial transmission rights are irrelevant to an analysis of the economic benefits and costs of the proposed change. The inclusion of these amounts in the market rule proposal is inappropriate and misleading.

The IESO's analysis demonstrates that the costs to consumers in increased electricity prices exceed the benefits of the change in reduced congestion and import offer guarantees. Overall the change will increase the costs of electricity beyond the value of any resulting benefits leading to a net reduction in the welfare of electricity consumers in Ontario and the province as a whole.

The IESO's analysis of the change and the process leading up to the proposed change has been inadequate and inappropriate and does not support the conclusion reached by the IESO in putting the proposal forward.

AMPCO's extensive review of the evidence put forward by the IESO and other stakeholders in support of the proposed change leads us to conclude that the change is unjustified and unwarranted.

AMPCO recommends that the proposed amendment be altered to specify that the existing ramp rate multiplier remain in place.

PART 4 – PROPOSAL (BY SUBMITTER)

Provide your proposed amendment. If possible, provide suggested wording of proposed amendment.

AMPCO proposes that the rule be amended as follows:

TradingPeriodLength

Being either 60 minutes, in respect of a *pre-dispatch schedule*, or 5 minutes, in respect of a constrained *real-time schedule*, ~~or 15 and 60~~ minutes in respect of a *market schedule*, as the case may be.

PART 5 – FOR IESO USE ONLY

<i>Technical Panel Decision on Rule Amendment Submission:</i> _____	
MR Number: _____	
Date Submitted to <i>Technical Panel</i> : _____	
Accepted by <i>Technical Panel</i> as: (please indicate with x)	Date:
<input type="checkbox"/> General <input type="checkbox"/> Urgent <input type="checkbox"/> Minor	_____
Criteria for Acceptance: _____	
Priority: _____	
Criteria for Assigning Priority: _____	
Not Accepted (please indicate with x): <input type="checkbox"/>	
Clarification/Interpretation Required (please indicate with x): <input type="checkbox"/>	
<i>Technical Panel Minutes Reference:</i> _____	
<i>Technical Panel Comments:</i> _____	