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## Market Rule Amendment Proposal

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### PART 1 – MARKET RULE INFORMATION

Identification No.:	MR-00374		
Subject:	Congestion Management Settlement Credits (CMSC)		
Title:	Replacing the Temporary Suspension of CMSC for Constrained-Off Dispatchable Loads		
Nature of Proposal:	<input checked="" type="checkbox"/> Alteration	<input checked="" type="checkbox"/> Deletion	<input checked="" type="checkbox"/> Addition
Chapter:	9	Appendix:	
Sections:	3.5.1C (deleted), 3.5.1D (new), 3.5.2		
Sub-sections proposed for amending:			

### PART 2 – PROPOSAL HISTORY

Version	Reason for Issuing	Version Date
1.0	Draft for Technical Panel review	October 18, 2010
2.0	Publish for Stakeholder Review and Comment	October 21, 2010
3.0	Submitted for Technical Panel Vote and IESO Board Approval	November 1, 2010
4.0	Recommended by Technical Panel	November 10, 2010
5.0	Approved by IESO Board	November 11, 2010
Approved Amendment Publication Date:	November 11, 2010	
Approved Amendment Effective Date:	December 3, 2010	

**PART 3 – EXPLANATION FOR PROPOSED AMENDMENT**

Provide a brief description of the following:

- The reason for the proposed amendment and the impact on the *IESO-administered markets* if the amendment is not made.
- Alternative solutions considered.
- The proposed amendment, how the amendment addresses the above reason and impact of the proposed amendment on the *IESO-administered markets*.

**Summary**

It is proposed that dispatchable loads will not be entitled to constrained off CMSC payments related to ramping, where such payments are caused by conditions and/or actions at the load facility, and not by conditions on the IESO-controlled grid.

This proposal will replace the temporary suspension on energy-related CMSC for all constrained-off dispatchable load facilities that was introduced under urgent rule amendment MR-00373<sup>1</sup>.

**Background**

Refer to MR-00374-Q00.

**Discussion**

Amend the market rules in Chapter 9, section 3.5 to specify that a market participant for a dispatchable load shall not be entitled to constrained off CMSC where there is a price-quantity change in the energy bid associated with the dispatchable load and that change results in:

- a change in the quantity scheduled in the market schedule; and
- the ramping up or down of the dispatchable load.

The first condition, i.e. the change in the energy bid, indicates a dispatchable load's desire to change its operating behaviour as a result of conditions and/or actions at the load facility and not due to conditions on the IESO-controlled grid. The second and third conditions ensure the withholding of constrained-off CMSC is limited to bid changes that result in changes to the facility's market schedule and targets constrained off CMSC that is a result of the dispatchable load ramping up or down.

The decision rules that will be used to determine whether the above conditions hold will be specified in the applicable settlements market manual.

As a matter of clean-up, a missing cross reference to section 3.5.1A (constrained-off dispatch deviations added in 2003) will be made in section 3.5.2.

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<sup>1</sup> [http://www.ieso.ca/imoweb/pubs/mr2010/MR\\_00373-R00.pdf](http://www.ieso.ca/imoweb/pubs/mr2010/MR_00373-R00.pdf)

## PART 4 – PROPOSED AMENDMENT

## Chapter 9

## 3.5 Hourly Settlement Amounts for Congestion Management

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3.5.1C ~~Notwithstanding any other provision in the market rules, a registered market participant for a constrained off dispatchable load shall not be eligible for any congestion management settlement credit payments attributable to a constraint on the withdrawal of energy. This section shall cease to have effect on March 31, 2011, or such earlier or later date as the IESO Board may determine with such date to be published by the IESO. [Intentionally left blank – section deleted]~~

3.5.1D A registered market participant for a constrained off dispatchable load shall not be entitled to a congestion management settlement credit determined in accordance with section 3.5.2 for hour ‘h,’ where:

3.5.1D.1 the price-quantity pairs contained in the energy bid associated with the dispatchable load for hour ‘h’ are not identical to the price-quantity pairs in the energy bid associated with the same dispatchable load for the applicable preceding hour or following hour; and

3.5.1D.2 the change in energy bid as referred to in section 3.5.1D.1 results in a change in the quantity scheduled in the market schedule for that dispatchable load as described in the applicable market manual; and

3.5.1D.3 the change in energy bid as referred to in section 3.5.1D.1 results in the ramping of the dispatchable load as described in the applicable market manual.

3.5.2 Subject to sections 3.5.1A, 3.5.1D, 3.5.6, 3.5.7 and 3.5.9 and subject to Appendix 7.6 of Chapter 7, the hourly congestion management settlement credit for market participant ‘k’ for settlement hour ‘h’ (“ $CMSC_{k,h}$ ”) shall be determined by the following equation:

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**PART 5 – IESO BOARD DECISION RATIONALE**

This proposal replaces the temporary suspension of CMSC for constrained-off dispatchable load facilities that was implemented under urgent rule amendment MR-00373.