



Market Rule Amendment Submission

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@theIMO.com

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 *IMO* 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 *IMO* 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: Jason Chee-Aloy	
(if applicable) <i>Market Participant / Metering Service Provider No.</i> ¹ :	<i>Market Participant Class:</i> IMO Staff
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PART 2 – MARKET RULE AMENDMENT SUBMISSION INFORMATION

Subject: Reliability
Title: Market Participant Eligibility to Enter into Reliability Must-Run Contracts
Nature of request (please indicate with X): <input checked="" type="checkbox"/> <u>Alteration</u> <input type="checkbox"/> <u>Deletion</u> <input type="checkbox"/> <u>Addition</u> <input type="checkbox"/> <u>Clarification</u>
Chapter: 5, 7, 9 and 11 Appendix: Sections: 5:4.8; 7:9.6; 9:4.2 and 9:6.5
Sub-sections proposed for amending/clarifying : 5:4.8.1 – 5:4.8.3; 7:9.6.1, 7:9.6.2, 7:9.6.4 – 7:9.6.6, 7:9.6.8, 7:9.6.10, 7:9.6.12; 9:4.2.1; 9:6.5.3.6; and 11:1.1.1.309

¹ This field is restricted to a maximum of 12 characters and does not allow 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 *IMO-administered markets*. Include the Chapter and Section number of the relevant market rules.

It is proposed to amend relevant sections in the market rules to clarify which market participants and facilities are eligible to enter into reliability must-run (RMR) contracts with the IMO. The market rules presently lack consistency with respect to RMR contracting eligibility and payment. Inconsistencies in the market rules are listed below:

- Chapter 5 section 4.8 is consistent with chapter 7 sections 9.6 and 9.7, as these sections refer to “facilities” that may be required to operate under an RMR contract with the IMO. In chapter 11, facilities are referred to include internal generators, non-dispatchable loads and dispatchable loads, but not boundary entities. Further, the definition of a RMR resource specifically states these resources comprising those described in section 4.8.1 of chapter 5;
- Chapter 9 sections 4.2.1 and 6.5.3.6 provide for RMR contract payment to market participants that are “generators”, i.e. these rules do not contemplate such payments to market participants that are registered as non-dispatchable loads, dispatchable loads or boundary entities. Further, the definition of a RMR contract discusses generators only; and
- Various sub-sections of section 3, 5, 6 and 7 of chapter 7 refer to pre-dispatch schedules and dispatch instructions for “registered facilities” under RMR contracts. These are the only sections in the market rules that suggest that “boundary entities” may be subject to an RMR contract.

The market rules should be amended to permit market participants of registered facilities to enter into RMR contracts with the IMO for the operation of any registered facility. The defined term “registered facility” includes all facilities, generation and load, dispatchable and non-dispatchable, within the IMO control area as well as boundary entities. Depending on the reliability concern, a RMR contract with any type of registered facility may be necessary.

To date, the IMO has developed a draft RMR contract template (which can be found on the IMO web site) and is conducting stakeholdering with market participants to finalize this template. The proposed rule amendments will not only provide clarity within the market rules but will assist in the stakeholdering of the RMR contract template.

PART 4 – PROPOSAL (BY SUBMITTER)

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

The following sections of the market rules should be amended by specifying market participants operating “registered facilities” as being able to enter into a RMR contract with the IMO and be remunerated accordingly by the IMO:

- Replace the term facility with the term registered facility in chapter 5 sections 4.8.1 to 4.8.3;
- Replace the term facility with the term registered facility in chapter 7 sections 9.6.1, 9.6.2, 9.6.4 to 9.6.6, 9.6.8, 9.6.10 and 9.6.12; and
- Replace the term generator with the term registered facility in chapter 9 sections 4.2.1 and 6.5.3; and in the term “reliability must-run contract” in chapter 11.

PART 5 – FOR IMO USE ONLY

Technical Panel Decision on Rule Amendment Submission	
MR number: MR-00206-Q00	
Date submitted to Technical Panel:	
Accepted by Technical Panel as: <input checked="" type="checkbox"/> General <input type="checkbox"/> Urgent <input type="checkbox"/> Minor (please indicate with X)	Date: September 10, 2002
Criteria for acceptance:	
<ul style="list-style-type: none"> • Identifies errors and inconsistencies within the market rules; • Identifies ambiguities and confusion within the market rules that cause interpretation confusion; and, • The expected and perceived benefits of the amendment exceed the expected and perceived costs of implementation. 	
Priority: Low	
Criteria for assigning priority: Pervasiveness of the problem	
Not accepted (please indicate with X):	

PART 5 – FOR *IMO* USE ONLY

Clarification/interpretation required (please indicate with X):
<i>Technical Panel</i> minutes reference: IMOTP 111-1
<i>Technical Panel</i> Comments: The Technical Panel has decided that this issue warrants further consideration. While the proposed rule amendments are administrative, the Technical Panel stated that RMR contracting requirements and processing issues should be further assessed for all market participants.