



Market Rule Amendment Proposal

PART 1 – MARKET RULE INFORMATION

Identification No.: MR-00237-R00	
Subject: Functional Deferral	
Title: Removing Functional Deferral 6 (Adjusting Dispatch Instructions to the Defined Metering Point) From the Market Rules	
Nature of proposal (please indicate with X): Alteration <input checked="" type="checkbox"/> Deletion <input type="checkbox"/> Addition <input type="checkbox"/>	
Chapter: 9	Appendix:
Sections: 3.1.4	
Sub-sections proposed for amending: 3.1.4A.1, 3.1.4A.2	

PART 2 – PROPOSAL HISTORY

Version	Reason for Issuing	Version Date
1.0	Submitted for TP Review and Vote	June 5, 2003
2.0	Recommended by TP and Submitted for IMO Board Approval	June 10, 2003
3.0	Approved by IMO Board	July 3, 2003

Approved Amendment *Publication* Date: July 4, 2003

Approved Amendment *Effective* Date: July 26, 2003

PART 3 – EXPLANATION FOR PROPOSED AMENDMENT

Provide a brief description of the following:

- The reason for the proposed amendment and the impact on the *IMO-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 *IMO-administered markets*.

This rule amendment proposes to remove the requirement for the deferred functionality articulated in the market rules in Section 3.1.4A.1 of Chapter 9 whereby for settlement purposes, dispatch instructions would be adjusted from the operational meter to the defined metering point. The intent of the functionality was that all settlement calculations would be based on the defined metering point.

This functionality was deferred prior to market commencement due to the time and resource commitments required for implementation relative to the limited improvement in settlement accuracy. The deferral period was to be for 9 months after market commencement. The IMO sought and received an exemption to Chapter 9, section 3.1.4A of the market rules for the period of March 1, 2003 to August 1, 2003.

In accordance with the conditions of the exemption the IMO has completed its analysis as to the costs and benefits of implementing the functionality. The results of the IMO analysis are attached (refer to Attachment A). Based on its economic analysis the IMO concluded the benefits of implementing the subject deferred functionality do not justify the cost of implementation by the IMO and market participants.

PART 4 – PROPOSED AMENDMENT**3.1 Hourly Settlement Variables and Data**

3.1.4A For the purposes of sections 3.1.3, 3.1.4 and 3.5.2, “location m” in respect of *market participant k* shall mean the location of:

3.1.4A.1 the relevant meter used by market participant k to meet the monitoring requirements of section 7.3, 7.4, 7.5 or 7.6, as the case may be, of Chapter 4 in respect of registered facility k/m, where such requirements apply in respect of registered facility k/m; or ~~until the date that is the last day of the ninth calendar month following the market commencement date, calculated from the first day of the~~

~~calendar month immediately following the month in which the *market commencement date* occurs;~~

~~the location of:~~

- ~~a. the relevant *meter* used by *market participant k* to meet the monitoring requirements of section 7.3, 7.4, 7.5 or 7.6, as the case may be, of Chapter 4 in respect of *registered facility k/m*, where such requirements apply in respect of *registered facility k/m*; or~~
- ~~b. the *RWM* for *registered facility k/m*, where the monitoring requirements of section 7.3, 7.4, 7.5 or 7.6, as the case may be, of Chapter 4 do not apply in respect of *registered facility k/m*;~~ and

3.1.4A.2 ~~the *RWM* for *registered facility k/m*, where the monitoring requirements of section 7.3, 7.4, 7.5 or 7.6, as the case may be, of Chapter 4 do not apply in respect of *registered facility k/m*. after the date referred to in section 3.1.4A.1, the *RWM* for *registered facility k/m*.~~

PART 5 – IMO BOARD COMMENTS