



## 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@theIMO.com](mailto: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

<b>Name: IMO Staff</b>	
(if applicable) <i>Market Participant / Metering Service Provider No.</i> <sup>1</sup> :	<i>Market Participant Class:</i>
<b>Telephone: 416 506-2801</b>	<b>Fax:</b>
<b>Email Address:</b>	

### PART 2 – MARKET RULE AMENDMENT SUBMISSION INFORMATION

<b>Subject: Revenue Metering</b>		
<b>Title: Metering Installations Whose Registration Expires at End of 2004</b>		
<b>Nature of request (please indicate with X):</b> ___Alteration___Deletion___Addition___Clarification		
<b>Chapter:</b>	<b>Appendix:</b>	<b>Sections:</b>
<b>Sub-sections proposed for amending/clarifying :</b>		

<sup>1</sup> 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 *IMO-administered markets*. Include the Chapter and Section number of the relevant market rules.

There are approximately 700 metering installations currently registered under the alternative metering standard that will have their seals expire or lose their Measurement Canada temporary dispensation<sup>1</sup> by the end of 2004. The market rules require that any metering installation currently registered under the alternative metering standard that undergoes a seal expiry (of the meter) has to be upgraded to the enduring metering standard (chapter 6 section 4.4.1A). While work is progressing on upgrading these metering installations, as of early July 2004, 543 of these metering installations had not been upgraded. Based on the upgrading progress to date, the IMO estimates that approximately 300 of these metering installations will not be upgraded by the end of 2004. This represents approximately 17% of the total number of metering installations in the IMO-administered markets. Those metering installations that are not upgraded (i.e. brought into compliance with the enduring metering standard) by the end of 2004 would lose their registration status in the IMO-administered markets at that time (chapter 6 section 4.4.5).

Under the current market rules (chapter 6 section 6.1.1 and chapter 9 section 2.1.1), starting on January 1, 2005, the IMO would not be permitted to effect settlements for the delivery points associated with those metering installations that lose their registration status using the metering data from those metering installations.

The market rules allow that the upgrade of the metering installation upon seal expiry may vary from the minimum, which is a “meter only” change using a conforming meter, to a full upgrade bringing the installation into full compliance with chapter 6 of the Market Rules. Upgrading is the responsibility of the metered market participant (MMP).

Measurement Canada (MC) under the Electricity & Gas Inspection Act holds the “contractor” responsible for replacing seal expired meters. MC has stated that Hydro One Networks retains the responsibilities attributed to a contractor for those meters whose seals expire in 2003 and 2004. To meet this responsibility, Hydro One Networks is planning to replace all the meters it is concerned will not be upgraded by the applicable metered market participant by the end of 2004 with “like-for-like” meters. These “like-for-like” meters would be exactly the same as the existing meters and would not meet the enduring metering installation standards of chapter 6 of the market rules. There is nothing in the market rules to prevent Hydro One Networks from pursuing this option.

<sup>1</sup> A number of revenue metering installations whose seals expired in 2003 were granted temporary dispensation by Measurement Canada to allow the meters to be used for settlement purposes to the end of 2004. Refer to MR-00249-R00-R02 for further details on this temporary dispensation and resulting market rule amendments that extended their registration to the end of 2004.

**PART 4 – PROPOSAL (BY SUBMITTER)**

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

The market rules (chapter 6 section 6.1.1 and chapter 9 section 2.1.1) should be amended to allow the IMO to use for settlement purposes metering data from those metering installations for which “like-for-like” meter replacements occurs under the conditions noted in Part 3 and would no longer be registered at the end of 2004. The market rule obligation on the MMP obligation to upgrade its metering installation(s) should not be changed. The MMP should be deemed non-compliant under the market rules until the metering installation is upgraded to the enduring standard. All other MMP, metering service provider and IMO permissions and obligations regarding these metering installations should also be the same as if these metering installation were registered.

Continued settlement use of these metering installations with “like-for-like” meter replacements is appropriate provided that:

1. The MMP, MSP and IMO obligations regarding these metering installations remain unchanged. This will ensure the ongoing maintenance and accuracy of these metering installations consistent with past practice.
2. The metering installations are upgraded to the enduring metering standard in a timely manner. Maintaining the obligation on the MMP to upgrade their metering installation will promote that timely upgrading.

This rule amendment needs to be in effect by the end of 2004 in order to enable the IMO to continue settling the IMO-administered markets in 2005.

**PART 5 – FOR *IMO* USE ONLY**

<b><i>Technical Panel Decision on Rule Amendment Submission</i></b>	
<b>MR number: MR-00279</b>	
<b>Date submitted to <i>Technical Panel</i>: 20 Jul 04</b>	
<b>Accepted by <i>Technical Panel</i> as: <input checked="" type="checkbox"/> General <input type="checkbox"/> Urgent <input type="checkbox"/> Minor</b> (please indicate with X)	<b>Date: 27 Jul 04</b>
<b>Criteria for acceptance:</b>  <b>It identifies ways to simplify the market and/or reduce participant or IMO costs. Not allowing these metering installations to be used for settlement purposes would require significant and potentially costly “work-arounds” on the part of the IMO and the market participant to effect the settlement of the IMO-administered markets.</b>	
<b>Priority: High</b>	

**PART 5 – FOR *IMO* USE ONLY****Criteria for assigning priority:**

**Pervasiveness of the problem:** as noted above, there are approximately 300 metering installations that are expected to lose their registration status at the end of 2004. These metering installations represent ~17% of the total number of metering installations in the IMO-administered markets. **Maintaining efficient settlements for these metering installations after the end of 2004 until the metering installations are upgraded is necessary to maintain efficient settlement of the entire market. Therefore any market rule amendments to address this issue need to be approved and in effect by the end of 2004.**

**Not accepted** (please indicate with X):

**Clarification/interpretation required** (please indicate with X):

**Technical Panel minutes reference: IMOTP 147-1**

**Technical Panel Comments:**