



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>IESO Staff</u>	
(if applicable) <i>Market Participant / Metering Service Provider</i> No. ¹ : <u>N/A</u>	<i>Market Participant Class</i> : <u>N/A</u>
Telephone: <u>416-506-2801</u>	Fax: <u>416-506-2847</u>
E-mail Address: <u>rule.amendments@ieso.ca</u>	

PART 2 – MARKET RULE AMENDMENT SUBMISSION INFORMATION

Subject: <u>Forecasts and Assessments</u>	
Title: <u>Align Market Rules with IESO’s Objects Under the Electricity Act, 1998</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>5, 10</u>	Appendix: _____ Sections: _____
Sub-sections proposed for amending/clarifying: _____	

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 current market rules obligate the IESO to provide forecasts and assessments for various time horizons, ranging from the current day up to the next 10-years.

Under the Electricity Restructuring Act, 2004 (Bill 100) which was passed by the Ontario Legislature in December 2004, the Electricity Act, 1998 was amended, transferring the obligations to produce long-term forecasts and assessments from the IESO to the OPA. The IESO will assist the OPA to meet its objects under the Electricity Act. As per section 23 of the amended Electricity Act, 1998, the IESO is also obligated to provide the OPA with such information as the OPA may require from time to time.

The market rules should be amended to be consistent with the amended Electricity Act, 1998 by removing IESO obligations to produce long-term forecasts and assessments. The IESO will continue to produce all other forecasts and assessments outlined in the market rules. The market rules should also recognize that the IESO will be providing that information (e.g. assessments, studies) to the OPA.

PART 4 – PROPOSAL (BY SUBMITTER)

In order to align the market rules with the amended Electricity Act, 1998, it is proposed to amend the market rules as follows:

- Remove the provision that obligates the IESO to produce a demand forecast covering a ten-year period (Ch 5, section 7.1.1.5),
- Remove the provisions that obligate the IESO to produce security and adequacy assessments covering a ten-year period (Ch 5, section 7.3.1.1 and Ch 10, section 7), and
- Remove any other references to these long-term forecasts and assessments.

It is also proposed to add provisions that would enable the IESO to conduct security and adequacy assessments of the IESO-controlled grid as required to address reliability needs. These assessments would be conducted in order for the IESO to:

- Meet its obligations to maintain the reliability of the IESO-controlled grid;
- Meet the requirements of standards authorities; and
- Assist the OEB and the OPA in meeting their respective objectives.

In order to clarify the actions that may be required as a result of the IESO's security and adequacy assessments, it is proposed to:

- Re-write the contents of section 9, Chapter 10, taking into account the respective roles of the IESO and the OPA;

PART 4 – PROPOSAL (BY SUBMITTER)

- Clarify IESO obligations; and
- Move those provisions to a new section 7.11 of Chapter 5 so that these provisions more logically follow the section regarding security and adequacy assessments.

PART 5 – FOR IESO USE ONLY

Technical Panel Decision on Rule Amendment Submission: _____

MR Number: MR-00307

Date Submitted to *Technical Panel*: December 13, 2005

Accepted by *Technical Panel* as: (please indicate with x) Date:

General Urgent Minor December 22, 2005

Criteria for Acceptance:

It identifies an error or inconsistency between the Market Rules and applicable laws, regulations, codes and licences. The current market rule obligations for the IESO to produce 10-year demand forecasts and adequacy and reliability outlooks are not consistent with the objects of the IESO and the OPA.

Priority: Medium

Criteria for Assigning Priority:

Pervasiveness of the problem: Correcting the market rules in this regard will provide transparency to the market and ensure that market participants will not be expecting the IESO to produce a 10-year demand forecast and outlook in 2006.

Not Accepted (please indicate with x):

Clarification/Interpretation Required (please indicate with x):

Technical Panel Minutes Reference: IESOTP 176-1, IESOTP 177-1

Technical Panel Comments: _____