

Market Renewal Program Feedback Form

Market Renewal Implementation – Draft Interim Alignment Market Rules and Market Manuals – September 9, 2022

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To promote transparency, feedback submitted will be posted on the Implementation Engagement webpage unless otherwise requested by the sender.

Following publication on September 9, 2022 the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the draft Interim Alignment batch of Market Rules and Market Manuals. The draft documents can be accessed from the [Implementation Phase documents webpage](#). Additionally, materials for the September 22, 2022 webinar where the IESO will provide an overview of the documents and will be posted to the [engagement web page](#).

Please submit feedback to engagement@ieso.ca by November 8, 2022. If you wish to provide confidential feedback, please mark the document "Confidential". Otherwise, to promote transparency, feedback that is not marked "Confidential" will be posted on the engagement webpage.

Market Rules – Market Manual and Batch Alignment

What feedback do you have on the Market Manual and Batch Alignment draft market rule amendments?

Section / Topic	Feedback
Chapter 2, Section 4.1	<ol style="list-style-type: none"> 1. What is the rationale for the more restrictive revision to the Authorization Orders process? 2. What is the rationale for the increased IESO authority over Authorization Orders, as requirements have been moved from the Market Manuals to Market Rules?
Chapter 2, Section 4.1.1.1	<ol style="list-style-type: none"> 1. Why is Section 1.2.2.6 not included as a requirement? 2. The inclusion of 1.2.2.2 and 1.2.2.3 makes the qualification for a conditional authorization much more restrictive than is currently in the Market Rules. What is the rationale for this change?
Chapter 2, Section 4.1.2	If the condition listed in the order is no longer required, would the IESO have the authority to remove that conditional order?
Chapter 2, Section 4.1.4	<p>There is ambiguity in language: "...section 4.1.1 is terminated or suspended or lapses... with the applicable <i>market manual</i> to extend or renew the order."</p> <p>It is unclear which action, i.e. "extend or renew" would be required when an order is "terminated or suspended or lapsed". When an order is terminated, it should be renewed rather than extended. When an order is suspended or lapsed, it should be extended rather than renewed.</p> <p>Suggests revising this section into separate points to address which type of action is associated with which type of order condition. For example, when an order is _____, it can be _____.</p>
Chapter 2, Sections 4.1.4, 4.1.6.2 and 4.1.7	There is ambiguity in how the Market Rules assesses a lapsed order. Section 4.1.4 indicated that a lapsed order can be extended or renewed. However, Sections 4.1.6.2 and 4.1.7 indicated that if an order is lapsed, it cannot be extended or renewed. It is unclear under what conditions a lapsed order can be extended/renewed and when it will be terminated.
Chapter 2, Section 4.1.9	This section contains language that is not clear, suggest rewording.
Chapter 7, Section 2.1	References to Appendix 7.8 were removed and replaced by references to Section 22. What does this mean for the relevance of Appendix 7.8?

Section / Topic	Feedback
Chapter 7, Section 2.1.1.6	<p>"...for each of its resources that is a dispatchable generation resource or a dispatchable load; and"</p> <p>Suggest italicizing "load" in "dispatchable load".</p>
Chapter 7, Section 2.1.1.7	<p>Section 2.1.1.7 is a new addition to Section 2.1.1. What guidance was absent previously that required the addition of the new Section 2.1.1.7?</p>
Chapter 7, Section 2.2.2	<p>"A market participant may request to register a facility or any associated <i>resources</i> or ..."</p> <p>Suggest italicizing the terms "market participant" and "facility".</p>
Chapter 7, Section 2.2.6.8	<ol style="list-style-type: none"> 1. What is "...sets of load equipment or units..." in reference to? Does it mean "sets of load equipment" or "sets of load units"? What is "units" in reference to? Is "units" part of a defined term in this instance? 2. What is the intent of Section 2.2.6.8? Does "sets of load equipment" mean dispatchable loads or loads with a combined generation unit? 3. Can a generation unit and a load equipment be combined to meet the capacity requirement? Or should they be treated separately in terms of meeting the minimum requirements?
Chapter 7, Section 2.2.6G.2	<p>There appears to be an extra space in "...intends to...".</p>

Market Rules – Load Resources

What feedback do you have on the Load Resources draft market rule amendments?

Section / Topic	Feedback
Chapter 5, Section 4.8	<p>From definition of terms:</p> <ul style="list-style-type: none"> • in the Day-Ahead Market (DAM), there is a difference between non-dispatchable and price-responsive loads; • in the Real-Time Market (RTM), price responsive load takes on the same definition as a non-dispatchable load. <p>Taking into account the above, is it necessary to include the defined term "price responsive load" in Section 4.8, as a price responsive load is a non-dispatchable load in the RTM (as implied by Section 2.3, where the Emergency Operating State is declared in RTM)?</p>

Market Rules – Storage Integration

What feedback do you have on Storage Integration draft market rule amendments?

Section / Topic	Feedback
General comment – font for section headings	Different fonts in: <ul style="list-style-type: none"> • Chapter 7 Sections 2, 2.1, 2.2D, 2.3 headings; • Chapter 2 Section 5.3 heading and subheading.
General comment – definition of “load”	The two terms “load” and “sets of load equipment” used in the Market Rules appears to be interchangeable, is there a need for the two separate terms?
General comment – Chapter 7	There is a blanket replacement of the term “facility” to “resources” within Chapter 7. What is the impact of the blanket replacement of terms for the applicable sections?
Chapter 7, Section 2.1.1.6	“...in accordance with Appendix 7.8 for each of its <i>resources</i> ...” For the above, should Chapter 7 Section 22.9 be reference in lieu of Appendix 7.8?
Chapter 7, Section 21.2.1	Suggest adding in a comma in “...and its associated self-scheduling electricity storage resources shall satisfy the applicable requirements in section 2, as further described in the applicable...”
Chapter 7, Section 21.3	The revision from “facility” to “resource” have impact on the procurement and support of regulation services and on the settlement process. Has the impact of this change on regulation services been assessed?

Market Rules – Resource Related Updates

What feedback do you have on the Resource Related Updates?

Section / Topic	Feedback
General comment – “Facility” vs “Resource”	There are inconsistencies observed in the revision of “facility” to “resource” within the Resource Related Updates Market Rules, for example revisions in Chapter 5 vs revisions in Chapter 6. There is a blanket replacement of “facility” by “resource” in Chapters 3 and 4 and Appendix 5.1. Has the impact of this blanket replacement been assessed with respect to facilities that are currently providing ancillary services and have reliability must-run requirements?

Section / Topic	Feedback
Chapter 2, Section 6.3.1	<p>"...a condition of obtaining approval to the aggregation of <i>facilities resources</i>."</p> <p>What is the operational and settlement implications resulting from the revision from "facilities" to "resources" for aggregation, such as for compliance aggregation and in the settlement process?</p>
Chapter 2, Section 9.1.4.5	<ol style="list-style-type: none"> 1. There is an extra line break in this section. 2. Does "authorized to be used" imply a conditional authorization and not a full registration? This section implies that the boundary entity resource will not be registered after a transfer and thus will not need to be de-registered when no longer in use.
Chapter 2, Appendix 2.2, Sections 1.1.2 and 1.1.13; Chapter 4, Sections 7.3.1.2 and 7.3A.1.2; Chapter 4, Appendix 4.15 (b); Chapter 4 Appendix 4.24 (b);	<p>For the sections indicated, "is not a registered facility" has been replaced with "is not associated with a/any resource".</p> <p>It is unclear if this is a like-for-like replacement, as the two terms do not appear to be equivalent.</p>
Chapter 5, Appendix 5.1, Sections 1.2.1 and 1.2.4	Suggest removing the comma in "...shall ensure that each <i>resource</i> , that it has scheduled to..."
Chapter 5, Appendix 5.1, Section 1.3	What is the impact of the revision from "facility" to "unit" on facilities providing ancillary services?

Market Rules – Defined Terms

What feedback do you have on the Defined Terms?

Section / Topic	Feedback
General comment – examples of defined terms	Can the IESO provide examples for the defined terms such as: facility, resource, load equipment, generating unit, boundary resources? There is uncertainty in the meaning of these terms, and blanket replacements have resulted in confusion within the Interim Alignment Batch.

Market Manual 1.5

What feedback do you have on draft Market Manual 1.5?

Section / Topic	Feedback
General comment – Sections 2.1 and 3.0	Registration details and instructions within the two sections have been removed; this will reduce clarity in the registration process for applicants.
Section 1.1	The definitions for “program participant” and “service provider” have been removed from the footnotes in this section. The two terms are not defined terms. Will the definition of the two terms be provided elsewhere?
Section 2.1.1	Would it not reduce administrative cost and processing time to provide and complete the participation agreement electronically through IESO Online, instead of through courier?
Section 2.2.1, Table 2-2 – “Market Control Entity for Physical Withholding”	<p>The submission requirement for “Market Control Entity for Physical Withholding” indicates that “Most prospective market participants are required to...”</p> <p>Can the IESO include a list of exception for this submission requirement within Table 2-2 for clarity?</p>
Section 2.2.2, Table 2-3 – “Capacity Auction Participant”, “Virtual Trader”, “TR Participant”	The exemption for an OEB Licence has been removed for a Capacity Auction Participant, Virtual Trader and TR Participant. The removal of this exemption would increase the barrier to entry for these participants. Has this change been communicated with stakeholders previously?
Section 2.2.2, Table 2-3 – “Distributor” and “Electricity Storage Participant”	What is the rationale for the removal of the OEB Licence requirement for distributors and electricity storage participant? Distributors and electricity storage participant sell electricity within the Ontario energy market and would require a licence under the Electricity Act. Has this change been communicated with stakeholders previously?
Section 3.1.3.3, Table 3-1	What is the rationale for the removal of the role and responsibility descriptions for Market Control Entity and Market Control Entity for Physical Withholding in Table 3-1?
Section 3.3, Table 3-4	The “Shared Daily Energy Limits” and “Time Lag” parameters have been removed from Table 3-4 as a Registration Data Parameter. Does this mean the two parameters are no longer Registration Data Parameters? How does this impact the registration and operation of hydroelectric cascade?

Market Manual 5.4

What feedback do you have on draft Market Manual 5.4?

Section / Topic	Feedback
General comment – Sections 1.0, 2.0, and 3.0	Detailed instructions within these sections have been removed, with many sections pointing back to the Market Rules; this will reduce clarity in the prudential support process for applicants.
Section 1.3	<ol style="list-style-type: none"> 1. “The process to calculate market participants’ the market participants prudential support obligation for physical transactions and for virtual transactions includes four steps:...” indicate four steps, however only three steps are listed. 2. Page 5 starts with “4. form.” and appears to connect with the last paragraph on page 3. Suggest revising.
Section 2	<p>Suggest revising:</p> <p>“2. The IESO uses the information submitted by the market participants to calculate the market participants...”</p> <p>to:</p> <p>“2. The IESO uses the information submitted by the market participants to calculate the market participants...”</p>
Section 2.2.1.1	The Market Rules references for this section are “MR Ch.2, ss. 5.3.4.2, 5.3”, however the body of the section references MR Ch.2, ss. 5.3.4.2 and 5.3.4.3.
Section 2.2.2.1 – Determining the Maximum Net Exposure for Physical Transactions	The exemption to post prudential support when the market participant’s maximum net exposure for physical transaction is negative or zero has been removed. What is the rationale for the removal?
Section 3.1.1.2	The first sentence in the section has a different format than the rest of the section.

Market Manual 12

What feedback do you have on draft Market Manual 12?

Section / Topic	Feedback
General Comment	The Interim Alignment Batch used version 13.0 of Market Manual 12. The most up-to-date version of Market Manual 12 on the IESO public website is version 14.0. How would the IESO address and incorporate the changes made in version 14.0 with changes made for Market Renewal in version 13.0?

Section / Topic	Feedback
Section 3.1	<p>"...that includes the reference points listed in MR Ch.7 ss.18.5.2.1, as well as:"</p> <p>Suggest adding in a reference to MR Ch.7 ss.18.5.2.2 to the above sentence, as well as in the section subheading. This is in addition to the reference to MR Ch.7 ss.18.5.2.1.</p>
Section 5.2	<p>"...as described in "Market ManualMM 1.5: Market Registration Procedures", of the registered facility resource associated with the <i>capacity auction resource</i>."</p> <p>Please provide clarification of the revision above, as the revised sentence is confusing.</p>
Section 5.2.3.2	<p>"In instances when a <i>demand response contributor</i> initiates a registration request to become a <i>dispatchable load</i> or <i>price responsive load</i>, the non-dispatchable load must be removed as a <i>demand response contributor</i> before the request will be accepted."</p> <p>Suggest italicizing the defined term "non-dispatchable load" in the above sentence.</p>
Section 5.3.4.1, Section 5.3.4.2, Section 5.3.4.3, Section 5.3.4.5	<p>"...in accordance with "Market ManualMM 4.2: Submission of Dispatch Data in the Real Time Energy and Operating Reserve Markets".1."</p> <p>Should the reference in the above sentence be MM 4.2, instead of MM 4.1?</p>

Market Manual 14.1

What feedback do you have on draft Market Manual 14.1?

Section / Topic	Feedback
Section 5.7.1	<p>The energy unit in "The <i>day-ahead market base settlement</i> charge is calculated using the MWh quantity of <i>energy</i> or <i>operating reserve</i>..." does not match the energy unit in the operating reserve Hourly DAM Physical Withholding Charge (Operating Reserve) equation (i.e. "MWs Failed").</p>

Market Manual 14.2

What feedback do you have on draft Market Manual 14.2?

Section / Topic	Feedback
Section 6.4	<ol style="list-style-type: none"> 1. Would Opportunity Cost be applicable to a non-quick start resource that has a daily energy limit? 2. What is defined as operational limitations in this context: "...because they may forego future energy or operating reserve revenues due to operational limitations."? Please provide examples of "operational limitations".
Section 7.2.5.1	<p>What is the difference between these two requirements, as they appear to be the same on first interpretation:</p> <ul style="list-style-type: none"> • position of the resource in the cascade group; • identification of the order of resource position in the cascade group.
Section 7.7.2	<p>"...Variable costs of operating a BTM resourceunit to reduce the facility's load in response..."</p> <p>What is the rationale for revising "BTM resource" to "BTM unit" in the above? "Unit" is not a defined term in the Market Rules.</p>

General Comments/Feedback

MRP Interim Alignment Batch comment:

1. When will Chapter 7 Appendix 7.1A, Appendix 7.2A and Appendix 7.8 be released for stakeholder review?

MRP Consolidated Draft comments:

1. The defined terms "capacity auction" and "capacity auction clearing price" within Chapter 7 Section 18.5.2.5 are not italicized.
2. There are references to Appendix 7.6 in Chapter 7 Sections 3.3.17 and 7.3.2.3. Appendix 7.6 has been removed in its entirety.