

Market Renewal Program Feedback Form

Market Renewal Implementation – Draft Market System and Operations Market Rules and Market Manuals – July 14, 2023

Feedback Provided by:

Name: Dave Forsyth

Title: Technical Specialist

Organization: AMPCO

Email: [REDACTED]

Date: November 8, 2023

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

The Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the Market and System Operations batch of Market Rules and Market Manuals amendments. The draft documents can be accessed from the [Implementation Phase documents webpage](#). Additionally, materials for the July 27 and 28 webinars where the IESO will provide an overview of the batch will be posted to the [engagement web page](#).

Please submit feedback to engagement@ieso.ca by November 8, 2023. 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 – Chapter 5, Sections 4, 6, 7, 8 and 10

What feedback do you have on the Chapter 5, Sections 4, 6, 7, 8 and 10 draft market rule amendments?

Section / Topic	Feedback
Click or tap here to enter text.	No Comment

Market Rules – Chapter 7, All Sections

What feedback do you have on the Chapter 7, All Sections draft market rule amendments?

Section / Topic	Feedback
Price Responsive Load	<p>In the Batch 1 Definitions (https://www.ieso.ca/-/media/Files/IESO/Document-Library/tp/2021/iesotp-20210420-mr-00461-r00-mrp-energy-batch-definitions-amendment-proposal.ashx) brought before the Technical Panel in April 2021, language was changed to indicate Price Responsive Loads were not obligated to submit bids into the Day Ahead Market (DAM) in order to consume energy in Real Time.</p> <p>There are sections in Chapter 7 that directly contradict this assertion (Chapter 7 Section 3.4.1.7 and Section 3.11.1). Additionally in Section 2.2.19 and 2.2.20 there are specific time constraints contemplated for loads changing from one resource type to another. These windows and durations do not consider a load's participation in the capacity auction and could result in undue hardship if a capacity auction position is not realized.</p> <p>The IESO should ensure that appropriate windows exist for loads to change resource type that are consistent with the capacity auction seasons.</p>

Market Rules – Chapter 7, Appendix 7.1 – 7.4, 7.7

What feedback do you have on the Chapter 7, Appendix 7.1 – 7.4, 7.7 draft market rule amendments?

Section / Topic	Feedback
Click or tap here to enter text.	Click or tap here to enter text.

Market Rules – Chapter 7, Appendix 7.8

What feedback do you have on the Chapter 7, Appendix 7.8 draft market rule amendments?

Section / Topic	Feedback
Click or tap here to enter text.	Click or tap here to enter text.

Market Rules – Chapter 11

What feedback do you have on the Chapter 11 draft market rule amendments?

Section / Topic	Feedback
Click or tap here to enter text.	Click or tap here to enter text.

Market Manual 4.1

What feedback do you have on draft Market Manual 4.1?

Section / Topic	Feedback
Click or tap here to enter text.	No Comment

Market Manual 4.2

What feedback do you have on draft Market Manual 4.2?

Section / Topic	Feedback
Click or tap here to enter text.	No Comment

Market Manual 4.3

What feedback do you have on draft Market Manual 4.3?

Section / Topic	Feedback
Click or tap here to enter text.	No Comment

Market Manual 4.5

What feedback do you have on draft Market Manual 4.5?

Section / Topic	Feedback
Click or tap here to enter text.	No Comment

Market Manual 7.1

What feedback do you have on draft Market Manual 7.1?

Section / Topic	Feedback
Click or tap here to enter text.	No Comment

Market Manual 7.2

What feedback do you have on draft Market Manual 7.2?

Section / Topic	Feedback
Click or tap here to enter text.	No Comment

Market Manual 7.3

What feedback do you have on draft Market Manual 7.3?

Section / Topic	Feedback
Click or tap here to enter text.	No Comment

Market Manual 7.4

What feedback do you have on draft Market Manual 7.4?

Section / Topic	Feedback
Click or tap here to enter text.	No Comment

General Comments/Feedback

AMPCO disagrees with the apparent inconsistency of some proposed Day Ahead Market rules and Capacity Auction obligations, and requests that the IESO rationalize these inconsistencies.

In the current capacity market construct, loads must bid above \$100/MWh in DACP and the Real Time Market to receive Availability Payments. This arbitrary floor price was designed to prevent loads

from bidding low prices during Coincident Peak days in an attempt to capture the Availability Payments while simultaneously avoiding ICI Peaks. Loads did not challenge this because DACP was not financially binding and bids could be changed or cancelled in Real Time and the only risk was loss of the Availability Payment (with consequent penalties, depending on the month).

With Market Renewal and the DAM, some loads (Dispatchable Loads and PRL's) will be cleared in the Day Ahead market over 98% of the time (based on historical HOEP values) at prices that may be much higher than RT prices taking any opportunity to manage these costs out of the Loads' control. (i.e. since 2020 HOEP has only cleared 1.54% of the time above \$100) The IESO has indicated that loads will not be subject to Market Power Mitigation for energy but that is exactly what this floor is. This creates unnecessary financial exposure for loads. Other markets use Load Serving Entities to secure energy for customers. The LSE's are bound to be efficient in their management or suffer economic hardship for their customers who can abandon them for more efficient LSEs. Customers in Ontario will not have this luxury and no matter how the IESO forecasts load they will not suffer any monetary consequences. In recent times the IESO has been forecasting PD prices to be very high in some areas, specifically the North-West and then prices settle out in RT. How confident can a load be in this area that they will be getting the lowest cost energy by bidding \$100/MWh in the DAM? The Market would be more efficient if Loads were provided the freedom to achieve the lowest cost energy, either in DA or RT. AMPCO proposes Loads should be subject to the \$100/MWh floor price in RT only and only satisfy their ADE in RT with a price of their choosing.

AMPCO is willing to meet with the IESO to further discuss this issue and potential solutions.