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Market Renewal Program (MRP)

Discussion with Implementation Working Group: MRP Go-Live Date Considerations

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Purpose

- Provide Implementation Working Group (IWG) members an update on the ongoing work related to Go-Live planning, focusing on timing of the cutover to the new market, and options for addressing potential contingencies
- Obtain initial feedback regarding Market Participants' views on two main aspects related to contingency planning:
 - Mid-Month vs. 1st of Month Only Cutover
 - Specific feedback on dates from the 2025 calendar

Context

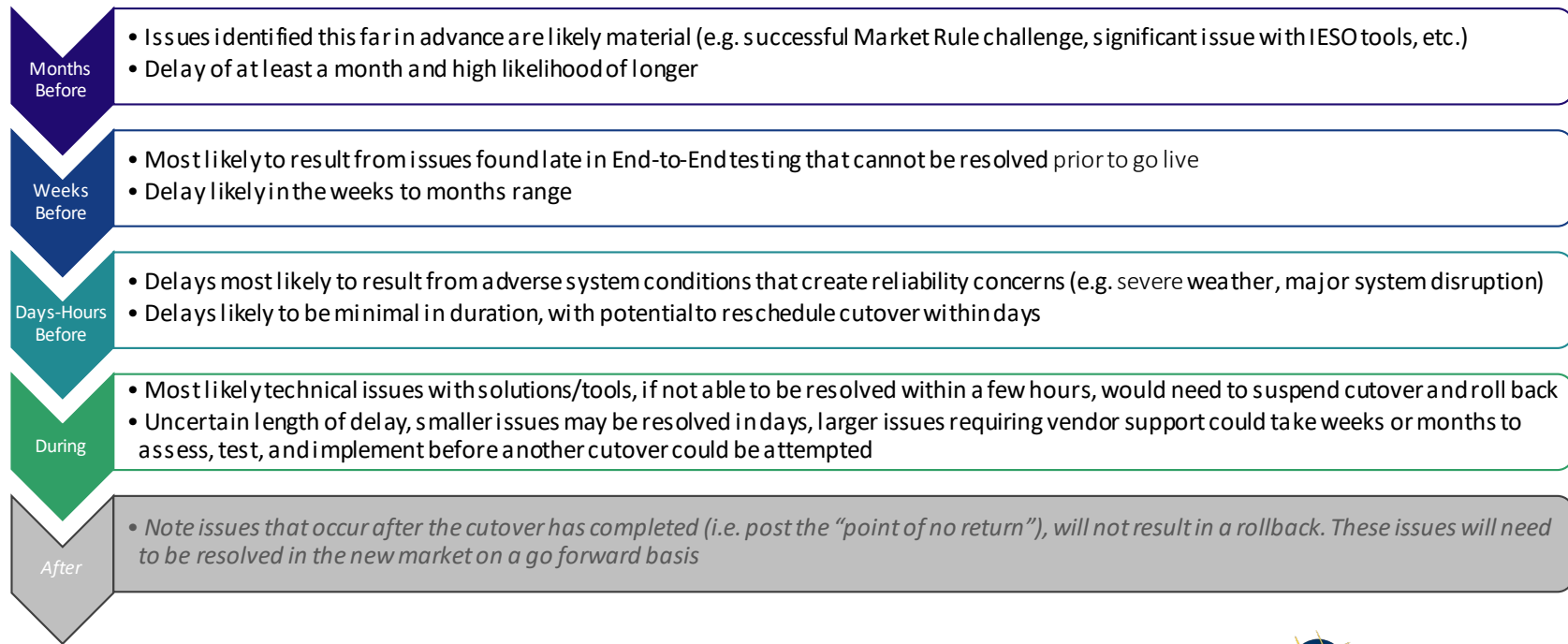
- Market Participants should be prepared for the potential for the cutover to the new market to need to be suspended part way through the process (either due to technology or reliability event related challenges)
 - In such circumstances, it would be necessary to “rollback” to the current set of Market Rules and market interface tools
- Additionally, factors could potentially arise in the days/weeks/months leading up to the cutover that would prevent the IESO from attempting cutover on the target date
- As a result of the above, the IESO and the sector need to plan not only for a single target go-live date, but also understand what approaches would be taken in the result of potential contingency events

Context *(continued)*

- Based on all the internal and external factors that have been assessed, there is a strong rationale for cutover to occur on the first day of the month, as such, MRP is currently **contemplating** targeting May 1, 2025 for the following main reasons:
 - Simplifies settlement of charges calculated on a monthly basis
 - Avoids settling procurement contracts under both current and new market in a month
 - Aligns with start of Capacity Auction summer obligation period
 - Consistent with current plans for Transmission Rights Auction
 - May 1st is a weekday, therefore avoids potential challenges of a weekend go live
 - Consistent with working assumptions of many external stakeholders
- In addition to the primary target date for cutover, it is necessary to plan for contingency events in terms of back-up dates

Go Live Contingencies – Causes & Impacts

To help plan for contingencies, it is first helpful to understand the potential types of events and associated magnitude of go-live timing impacts that could occur



Back-up Dates - Mid-month vs. 1st of Month

- With the entire sector working towards a specific go-live date, it is expected that there will be a strong desire by both the IESO and Market Participants to complete the transition as soon as possible should a contingency event occur, including drivers such as:
 - Freeing up resources allocated to supporting the transition
 - Managing potential vendor support availability & warranty period considerations
 - Enabling ability to leverage new aspects of the market
 - Minimizing implications of cutover occurring during peak summer periods
- A fundamental decision needs to be made regarding whether back-up dates should only occur on the 1st of a month or whether a mid-month launch will be supported
 - Being able to cutover mid-month is likely to allow a second attempt at cutover to be facilitated more quickly than needing to wait until the 1st of the month (however, this would be dependent on the nature of the contingency encountered)
 - The 1st of the month options in 2025 fall on a variety of days that may impact their feasibility

Back-up Dates - Mid-month vs. 1st of Month *(continued)*

- For the IESO, preparing for a mid-month cutover that would be used in the event of a contingency would require investment in modifying our tools and processes to support settlement of the market and contracts
- **Questions for discussion:**
 1. Are there any considerations related to Market Participants ability to support a mid-month cutover of which the IESO should be aware?
 2. If investments are required by MPs, what lead time would be necessary to have MPs' systems ready for MRP go live?
 3. How do MPs view the potential pros/cons of supporting a mid-month cutover?
 - Pros - may help accelerate next cutover attempt, may help avoid weekend/holiday cutovers
 - Cons – may add cost, complexity, and uncertainty for both MPs and the IESO

Go-Live Contingencies – Calendar Considerations

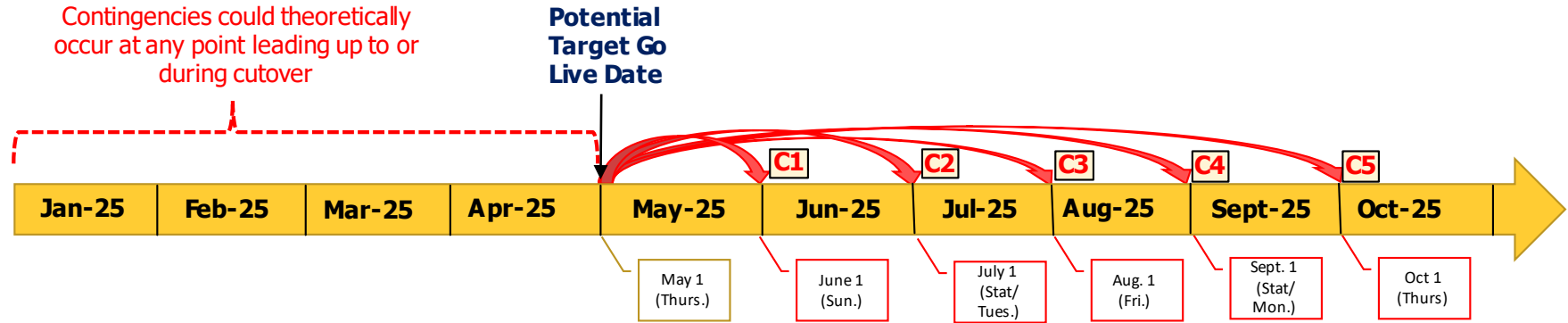
When assessing potential cutover options, it is important to consider the actual 2025 calendar. If cutover is only targeted on first of the month, the following options exist:

- **May 1** (Thursday) – ideal mid-week date, low probability of high demand days
- **June 1** (Sunday) – weekend launch not preferred, increasing probability of high demand
- **July 1** (Tuesday/stat holiday) – difficult for sector to schedule resources, summer period but stat holiday may partially mitigate risk of high demand
- **August 1** (Friday) – high probability of high demand days
- **September 1** (Monday/stat holiday) – would require starting cutover on Sunday leading into a stat holiday, still significant chance of high demand
- **October 1** (Wednesday) – ideal mid-week date, low probability of high demand days

Question for discussion:

4. Do IWG members see any of the dates listed above as being especially challenging to support as a potential back-up date? And if so, why?

Go Live Contingency Planning



Questions for discussion:

5. Is there a minimum amount of time between a contingency event being declared by the IESO and when MPs would be ready to adjust to a back-up date?

Next Steps

- IWG members provide feedback and IESO incorporates into decisions around transition plans
- Stakeholder session explaining details of the MRP transition plan will take place during the April Stakeholder Engagement days (targeting April 25th)