

# MRP - Single Schedule Market | High Level Design

## Stakeholder Feedback Form

<p><b>Date Submitted:</b> 2018/11/22</p> <p><b>Feedback Due:</b> November 22, 2018</p>	<p><b>Feedback provided by:</b></p> <p>Company Name: Northland Power Inc.</p> <p>Contact Name: Sushil Samant</p> <p>Phone: [REDACTED]</p> <p>Email: [REDACTED]</p>

The Market Renewal Project (MRP) released a draft of the High Level Design (HLD) for the Single Schedule Market (SSM) on **September 27, 2018**. In order to allow interested parties an opportunity to provide meaningful feedback on the HLD, the IESO has provided an eight week review period which concludes on **November 22, 2018**.

The SSM HLD first draft can be accessed [here](#).

This feedback form is intended to help organize stakeholder feedback in two key areas of interest to the IESO. If stakeholders have additional input, they are encouraged to provide those thoughts in the “Other Feedback/Considerations” section of the form.

Stakeholder feedback is due by Thursday November 22, 2018 to IESO Engagement at: [engagement@ieso.ca](mailto:engagement@ieso.ca)

Design Element	HLD Page Reference	Stakeholder Feedback	
		Request for Clarification/Education	Considerations for Detailed Design
<b>Price Formation</b>	8-32	<ul style="list-style-type: none"> <li>- <b>Intertie Congestion pricing</b></li> <li>- <b>Potential for a TR market</b></li> </ul>	<ul style="list-style-type: none"> <li>- The concept of a Locational Marginal Price = Energy Reference Price + Energy Price Congestion Component + Energy Price Loss Component is used throughout the industry for calculating LMPs.</li> <li>- Loss factors (static vs dynamic) will have to be understood in greater detail to prevent volatile and erratic dispatches</li> <li>- We have no issue with reference bus location</li> <li>- We have no issue with ex-ante LMP pricing</li> <li>- We understand the desire for as much</li> </ul>

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			<p>nodal LMP pricing as possible for more transparent price discovery and reduced uplifts. Of course this fact must be balanced with the realities of load pricing (for non-dipatchable loads) which will be zonal.</p>
<b>Market Power Mitigation</b>	33-42		<ul style="list-style-type: none"> <li>- maintaining a database of costs (whether historic or market based) assumes a very high level of administrative burden on the IESO.</li> <li>- it is assumed that Suppliers will individually negotiate their variable costs similar to to the GCG process.</li> <li>- There may be issues with allocation of costs to either energy, start-up or hourly speed-no-load (three-part offers). The DD will have to properly segregate variable and fixed costs</li> <li>- contract implications of any mitigation</li> </ul>

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			measures should be considered
<b>Load Pricing</b>	43-52	<ul style="list-style-type: none"> <li>- There was some discussion that the new DAM will allow non-dispatchable resources to participate as well. We would like more information on this.</li> </ul>	<ul style="list-style-type: none"> <li>- No comments</li> </ul>

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Settlement Topics	53-56		<ul style="list-style-type: none"> <li>- No substantive comments</li> <li>- It is assumed that the Detailed Design will allow for appropriate Make Whole Payments to keep resources financially neutral in the rare event that they are dispatched out-of-merit for reliability reasons</li> </ul>

### Other Feedback / Considerations

- Northland Power appreciates the opportunity to participate in the the various IESO Market Renewal related stakeholding processes to date. It looks forward to participating in future events including the Detailed Design phase.
- We prefer an open electricity market based on market-based principals and believe it will provide the lowest cost solutions to consumers in the long run.
- While out of scope for Market Renewal and this Feedback Form in particular, Northland Power would like to stress to the IESO that they are always scrutinizing any SSM High Level Design and Detailed Design for its contract implications as well.
- We are encouraged to see the eventual introduction of a Day Ahead Market, the elimination of a two schedule market, and reduction in constraint payments. We are optimistic that with more transparent pricing and economic dispatch the market will become more efficient.