



Market Rule Amendment Written Submission

This form is used to provide comment on a *market rule* amendment under consideration by the *IESO*. Please complete all four sections 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 Written 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* intends to *publish* this written submission.

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 your organization and contact information in full.	
Name: <u>Richard Penn</u>	
(if applicable) <i>Market Participant / Metering Service Provider</i> No. ¹ : _____	<i>Market Participant Class</i> : _____
Telephone: _____	Fax: _____
E-mail Address: <u>penn6693@rogers.com</u>	

PART 2 – MARKET RULE AMENDMENT REFERENCE

Type of Rule Amendment Being Commented on (please indicate with x):	
<input type="checkbox"/> Amendment Submission	<input checked="" type="checkbox"/> Proposed Rule Amendment
<input type="checkbox"/> Recommended Rule Amendment	
MR Number: <u>MR-00370-R00</u>	
This <i>Market Rule</i> number is located on the “Current Market Rule Amendment” web page.	
Date Relevant <i>Amendment Submission</i>, Proposed or Recommended Rule Amendment Posted for Comment: _____	

¹ This number is a maximum of 12 characters and does not include any spaces or underscore.

PART 3 – COMMENTS ON RULE AMENDMENT

Provide your comments.

Folks

I have done a quick and dirty look at the Monthly Average -ve prices for each month since April 2009, for ONT, ONT-W and NY-OH all the interfaces that a Trader would be moving power to and through to get it out of Ontario

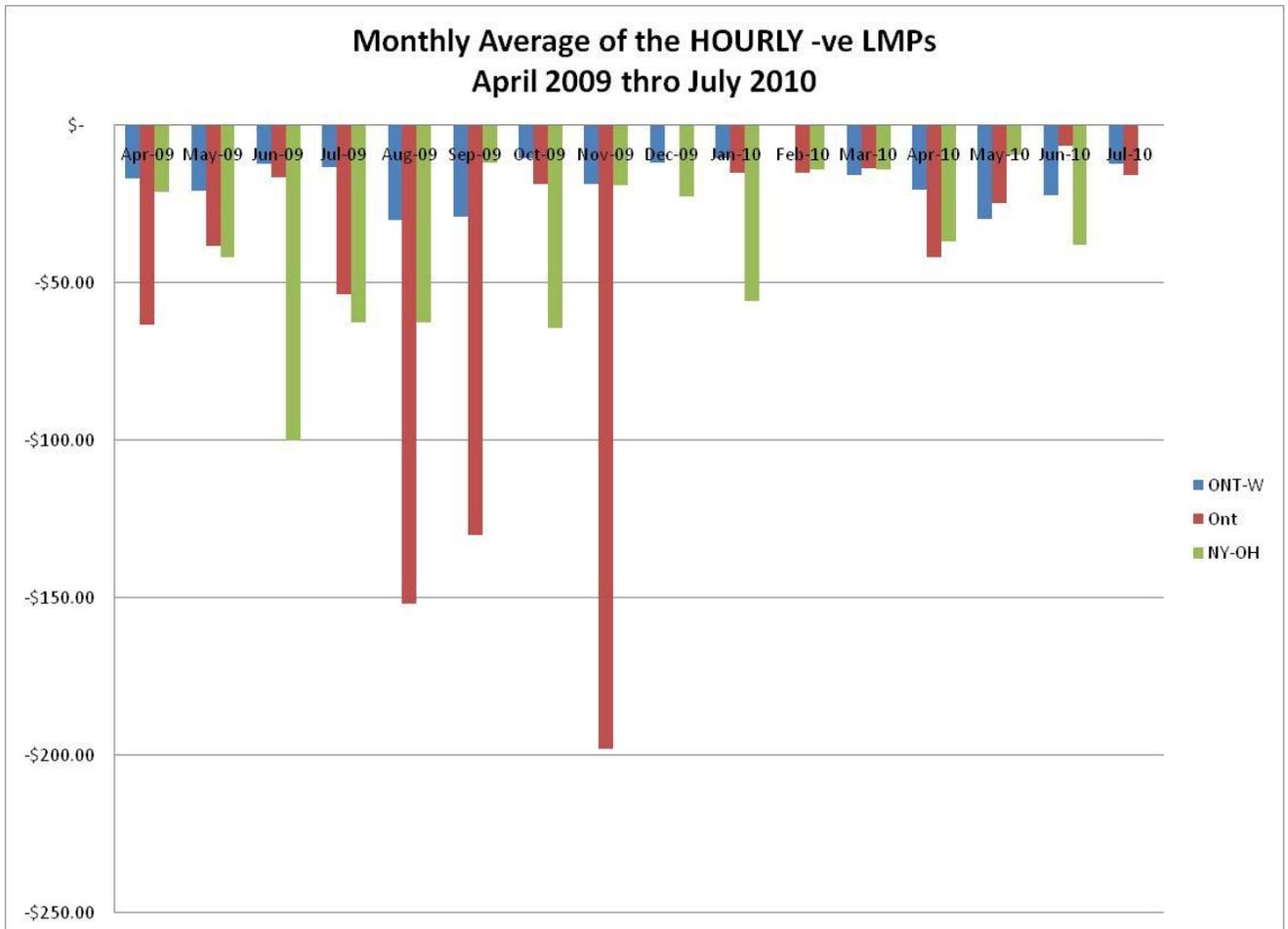
This is just the raw LMP data and doesn't consider the cost of trade. If a Trader is taking out of Ontario by being C On at a minimum accepted price of \$-33 (considering the rest of the trade cost \$17 is the cost to service the trade) then there are many instances where the value of the Trade on the other side of the Border at ONT, ONT-W and NY-OH can on average be considerably less.

What the Graph says at its simplest is if price in the other Market power is being delivered to is going negative (and they are going more negative more frequently as those markets also increase their wind) , the exporter has a high likelihood of losing money if the Ontario Trade is capped at at a minimum of \$-33.

You may want to re-check my calculations as I no longer have the resources to quickly assemble this data and mistakes could have been made. I have done some spot checks but have not checked all the data. The NY-OH data was easily extracted from the NYISO web-site so a lot more confidence in their data

But the bottom line is if IESO wants to move MWs the lower cap **better be** lower than \$-32.

Richard Penn



PART 4 – EXTERNAL CONSULTATION MEETING

If you believe that a special meeting of stakeholders would be necessary/desirable to discuss the issues raised by the rule amendment, please complete the following information:

External Stakeholdering meeting necessary/desirable (please indicate with x):

Reason(s) why you believe a meeting is necessary/desirable: