

Guide for Form 1044

Please use the following guide in completing form 1044, in addition to the notes included on form 1044. Please note that this guide is subject to change. Participants are reminded that they may revise their self-assessed trading limit as long as the request is made at least 7 business days prior to the start of any energy market billing period, and as long as the appropriate level of prudential support has been, or will be posted.

1. Metered Market Participants

MP determines their self-assessed trading limit (dollar amount):

The participant may use the following to come up with a dollar amount that will estimate the expected exposure in the real-time market for the upcoming billing period:

- Daily estimated withdrawals from the IESO real-time energy market (MWh/day)
x number of billing days (range from 7-49 days)
x price (see [Exhibit 1](#) below)
+ applicable transmission charges (see example below)
= self-assessed trading limit.
- In order to decrease the likelihood of encountering frequent margin call warnings and margin calls, participants are encouraged to use 49 days in their calculation (30 day billing period, 15 day invoicing period, 2 day payment remittance period, 2 day IESO review period)
- Some of the factors that may be taken into consideration in determining the self-assessed trading include any anticipated Physical Bilateral Contracts (“PBCs”), Physical Allocation Data (“PAD”), and any other appropriate assumptions. Participants must note that actual exposure will be compared to their trading limit on a daily basis when determining whether a margin call/notice of default is to be issued to the participant by the IESO.

1.1. Information to help a Metered MP Calculate their Self-assessed Trading Limit

Exhibit 1 below provides details regarding prices which should be used in determining your self-assessed trading limit:

Exhibit 1

Estimates are \$/MWh.

\$ 69.38*	Energy
7.00	Debt Reduction (MR Chap 9 section 4.6)
1.30	Rural Rate Protection
0.822	IESO Fee
0.551	OPA Fee
4.20	Uplift and Ancillary
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83.25	
x 1.13	Applicable Taxes
\$ 94.07	

Transmission Charges

Plus the following transmission charges based on estimated **peak** load for the upcoming billing period (as applicable – i.e. not all customers will be required to pay all rates):

Network Service Charge	\$2.97/kW/month
Line Connection Service Charge	\$0.73/kW/month
Transformation Connection Service Charge	\$1.71/kW/month

Plus applicable taxes

e.g. of transmission charge component based on a 50MW estimated peak load where all rates above are applicable to the participant:

$$(50 \text{ MW peak} * 1000\text{kW/MW} * 1 \text{ month} * \$5.41) * 1.13$$

*Reflective of energy equivalent for 115KV customer at 80% load factor.

2. Non-metered Market Participants

Minimum TL for a Non-metered market participant:

- equal to 25% of the IESO's estimate of the market participant's net settlement amounts (i.e. amount expected on invoice) for the upcoming energy market billing period.

Self-Assessed TL:

- Participant may choose any percentage greater than 25% of their estimated net settlement amounts (i.e. amount expected on invoice) for an energy market billing period. In order to decrease the likelihood of encountering frequent margin call warnings and margin calls, participants are encouraged to use 100% of their estimated net settlement amounts over 49 days in their calculation (30 day billing period, 15 day invoicing period, 2 day payment remittance period, 2 day IESO review period)

Default Protection Amount for a Non-metered market participant:

- equal to the minimum trading limit (ie. 25% of the IESO's estimate of the market participant's net settlement amounts for the upcoming billing period)

3. All Participants

General note on Self-Assessed Trading Limit for all participants: is an estimate that you are required to provide to the IESO. You may use whatever assumptions you think are appropriate to determine your Self-Assessed Trading Limit, but it is preferable to reflect your expected exposure in the real-time market for the upcoming billing period. It is recommended that you set it at a level such that your Actual Exposure would not reach your Self-Assessed Trading Limit before your next payment to the IESO-administered market.