



Independent Electricity Market Operator

Intertie Failures

Agenda Item #2

Intertie Trading Subcommittee

March 29, 2004

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IMO



Tag MW Mismatch

- PD report posted approximately 20 minutes after the hour
- Email to MPs to identify tag MW mismatch, request update by 30 minutes after the hour or inform that IMO is updating tag on a best efforts basis (VCR 185)

At 20 minutes to the hour...

- If MP has not updated tag or IMO change has not been accepted by other CA....
- IMO and other CA have schedules that do not match, and tag matches other CA schedule

Currently

- IMO will call other CA and attempt to have that entity change their schedule to match IMOs (and accept corresponding tag change)
- If no agreement is reached, other CA may let MW flow, IMO counts as inadvertent interchange.

Impacts

- Labour intensive for IMO CR operator and back office staff next day to reconcile.
- Disputes with other CAs can drag on for months - damaging to IMO relationships with other CAs

Proposal

- After 20 minutes to the hour, IMO will make every attempt to have the other CA agree to the IMO schedule.
- Where this is not possible, and where there is *no impact to reliability*, IMO will agree to other CA schedule (ie schedule will now equal tag)

Proposal, con't

- IMO will fix market schedule = constrained schedule = tag
- IMO will note the transaction as non compliant due to a Tag mismatch
- Compliance unit will claw back any IOG that may accrue due to the IMO action.
- Mismatch value will be counted in 3% safe harbour calculation