Market Renewal Program: RSS Market Participant Readiness Plan

- Market participants can review the plan and propose suggestions.
- Subscribe to the Market Renewal Newsletter https://ieso.ca/subscribe to stay up-to-date on readiness information.

Market Participant Readiness

The Independent Electricity System Operator (IESO) is currently in the Implementation Phase of the Replacement of Settlement Systems (RSS) project as a part of the Market Renewal Program, and there are many activities happening to bring this project to life. The objectives of the RSS project are to:

- Mitigate financial risk to the market
- Provide more clarity and transparency for market participants
- Make timelines more practical for submitting settlement data, disagreement notices, and for resolving settlement disagreements; and
- Improve efficiency of Settlements processing timelines

While the RSS project is an enabling platform for Market Renewal, there are some changes for market participants that will necessitate testing and training activities.

This document will outline the approach and timelines for Market Participant Readiness activities so Market Participants (MPs) can plan for the resourcing of the implementation of the RSS project.

Background

The RSS Detailed Design outlines the primary concepts and the changes that MPs can expect from project implementation. There are three primary changes that impact MPs:

- An extension of the Notice of Disagreement timeline period, from 4 days to 6 days
- Introducing recalculated settlement statement as a new disagreement channel to manage post-final data submissions
- A limitation period for resettlement two years after the trade month

Market Rules and Market Manuals

The IESO will be bring forward the needed Market Rules and Market Manuals to support the Implementation of the RSS in February 2022. Following the stakeholder engagement process, these rules will proceed to the Technical Panel process for review.

Stakeholders have the opportunity to be engaged in the process by participating in the Engagement Days discussions, and accessing the specific language of these documents from the IESO Market Renewal page.

Market Participant Segmentation

The limited changes being proposed through the RSS implementation will impact the IESO participant base in differing ways. The primary-impacted stakeholder audience is the **distributor** and **consumer** community, as they would have the primary use of the new disagreements channel, and will need to understand the process for resettlement through the Recalculated Settlement Statements (RCSS). This new process will lead to the need to understand the Online IESO workflow, as well as the timing and integration of RCSS issuance into the settlements process. Market participant business processes should also be updated to reflect the extension of the Notice of Disagreement window, and the limitation period for resettlement. Finally, while there are no changes to the equations for the various charge types, there will be some manual line items that become automated, and there will be a slight change for participants who have multiple sites, as they will receive more granular information on the Global Adjustment costs.

The secondary-impacted audience is the **generator** community, as there may be some use of the new disagreements channel, and business process updates to reflect the additional time for Notices of Disagreement. This audience could also be subject to outcomes from the resettlement process, and the updated line items on settlement statements.

All other market participants are encouraged to stay engaged with this discussion, and consider if there will be any internal impacts from the implementation of RSS, including updating business processes to reflect the extension of the Notice of Disagreement window.

Process Changes

The IESO is currently building the IT solution to create a new disagreements channel. This workflow will reside within the **Online IESO** tool, and will be the subject of participant testing in Q3 of 2022, including sandbox availability for participant business process testing. The IESO will create and share the test cases early in July 2022 for participant review.

The creation of the RCSS will also necessitate changes to the IESO's Settlement Schedule and Payment Calendars (SSPC) which will be produced in June 2022, alongside the sample and schema files for the RCSS. The IESO will outline the changes to charge types and the manual line items in a training guide, that will be available in June 2022 as well.

Timeline of readiness activities

Timing	Activities
February 2022	• Engagement on Market Rules and Market Manual changes
June 2022	• Updated SSPC • Schema and Sample files for RCSS

Timing	Activities
July 2022	• Test Case for Online IESO workflow changes • RSS Training Guide for participants
August 2022	• Structured sandbox testing for Online IESO • Sandbox testing for Reports
Sept 2022	• MP Business Process testing in Online IESO sandbox
Nov 1 2022	• RSS In-service

Communication and Support

The IESO is preparing to support MPs through the implementation of RSS through direct outreach with market participants. MPs will be notified of specific communications channels and point of contact in June 2022 for all areas of testing and training. Market Participants can begin to consider devoting staff time to the testing and training phases, and align internal requirements with the timelines listed above.