

# Memorandum



**To:** IESO Board of Directors

**From:** Michael Lyle, Vice President, Legal Resources and Corporate Governance  
Chair, IESO Technical Panel

**Date:** October 4, 2022

**Re:** Replacement of the IESO Settlement System: Implementation Date Change (Market Rule Amendment MR-00473-R00)

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**Purpose of Item:** Approval

## **Executive Summary:**

Emerging technical issues impacting critical path deliverables of the Replacement of the IESO Settlement System (RSS) project have made it unfeasible to achieve the planned November 1, 2022 go-live date. This project delay means that the IESO is unable to implement the market rules (MR-00472-R00) approved by the IESO Board in June 2022 by the November 1 effective date. Market rules must now be approved by the Board to supersede the previously approved changes (predicated on the November 1 implementation date) in order to maintain the current version of the market rules. A special meeting of the Technical Panel was convened for September 30, 2022 and the Technical Panel voted unanimously to recommend that the Board approve the proposed market rule amendment.

## **Significant Issues, Risks and Opportunities:**

Market participants involved in testing the RSS solution have been notified of the delay in the go-live date. While market participants are not adversely impacted by the delay, it has garnered negative reaction from some stakeholders. The IESO has publically

committed to return to the Technical Panel for a vote to recommend the market rules outlined in MR-00472-R00 with a new effective date once a new implementation date informed by stakeholder feedback has been selected.

**Background:**

Following the August 2022 IESO Board update, it became apparent that risks to the successful implementation of the RSS project could not be mitigated, and the schedule would be impacted. Specifically, issues were detected in user acceptance testing phase which derailed other critical path deliverables that were required to meet the November 1 go-live date.

The RSS project team will take a deeper dive into lessons learned, and opportunities to improve IESO delivery/execution procedures and processes with the objective of improving our ability to execute projects and mitigate unforeseen events to the greatest extent possible.

**Proposal and Analysis**

The market rules proposed in MR-00473-R00 will supersede the approved changes of MR-00472-R00 and maintain the current version of the market rules published to the IESO website on September 19, 2022. This will ensure that current settlement systems and processes will continue to accurately support market participant and IESO-administered market settlements until the RSS project is ready to be deployed.

**Next Steps / Implementation:**

I recommend that the Board accept the unanimous vote and recommendation of the Technical Panel to approve market rule amendment MR-00473-R00: Replacement of the IESO Settlement System: Implementation Date Change, with an effective date of November 1, 2022. The IESO will return to the Technical Panel for a vote to recommend the new effective date for the RSS market rules once a new implementation date has been determined.

Michael Lyle

Cc: IESO Records

Encls.

- a. Market Rule Amendment Proposal form
- b. Technical Panel Materials
  - i. Memo to Technical Panel from IESO staff
  - ii. TP member Rationale
- c. Stakeholder feedback summary, stakeholder engagement and Technical Panel
- d. Consumer Impact Assessment
- e. Draft Resolution
- f. Draft Board Reasons Form