

Feedback Form

Transmission Rights Market Review webinar – December 14, 2020

Feedback Provided by:

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Following the December 14, 2020 Transmission Rights Market Review engagement webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the following items discussed during the webinar. Background information related to these feedback requests can be found in the presentation, which can be accessed from the [engagement web page](#).

Please submit feedback to engagement@ieso.ca by January 18, 2021. If you wish to provide confidential feedback, please submit as a separate document, marked "Confidential". Otherwise, to promote transparency, feedback that is not marked "Confidential" will be posted on the engagement webpage.

Feedback Requested

Bruce Power welcomes the opportunity to provide feedback to the IESO on the Transmission Right (“TR”) Market Review. Specifically, Bruce Power appreciates and agrees with the IESO’s analysis that substantiates the benefits intertie trading provides to the Ontario consumer as well as the overall market. The high-value opportunities identified by the IESO are essential in supporting and facilitating intertie transactions. Bruce Power will continue to support the IESO’s endeavor to improve the certainty, efficiency, transparency and effectiveness of the TR market.

Topic	Feedback
<ul style="list-style-type: none"> Please provide further comments on the high-value opportunities identified during Stage 2 	<ul style="list-style-type: none"> The high-value opportunities were identified appropriately during stage 2 TR market review process.
Topic	Feedback
<ul style="list-style-type: none"> What are the benefits and risks of hedging day-ahead market net interchange scheduling limit (NISL) congestion costs with transmission rights? Please provide detailed examples, evidence and rationale. 	<ul style="list-style-type: none"> Congestion resulting from the Net Interchange Schedule Limit (“NISL”) constraint should be hedged with TR under MRP. Further analysis is also required to address this issue. As the IESO evidenced, the intertie trading has provided benefit to the Ontario consumer and overall market. To facility intertie trading, it is essential to improve certainty instead of adding uncertainty. Under Market Renewal Program (“MRP”), Locational Marginal Price (“LMP”) will increase uncertainty of intertie trading by introducing NISL congestion into Intertie Congestion Price (“ICP”). By including NISL congestion into TR hedging, it will eliminate this added uncertainty. The certainty of intertie trading will be more prominent given that the IEO is planning to include non-firm imports in resource adequacy assessments. We would also suggest the IESO to provide actual examples and further analysis on the NISL congestion. Is the primary cause of NISL congestion widely observed from various interties or is it mainly related to a particular intertie? The analysis would help to address efficiency and transparency of TR market design

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<ul style="list-style-type: none"> Please provide comments on the default changes or any other changes required to the TR market as a result of the relevant MRP changes 	<ul style="list-style-type: none"> In addition to the NISL congestion, internal congestion and loss residual are another two components introducing uncertainty to intertie trading under MRP. The increased uncertainty maybe not in line with the IESO's broader mandate (certainty, efficiency, competition, implementability, transparency) While the IESO has made decision of not providing internal TR to hedge internal congestion, it may be appropriate to include export into the disbursement calculation of internal congestion rents and loss residual. After all, the majority of current intertie congestion payment from exporters is shared with internal loads according the amendment of TRCA disbursement methodology.

General Comments/Feedback

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