

Stakeholder Feedback and IESO Response

Market Renewal Program: Interim Alignment market rule amendment proposal September 9, 2022

The IESO posted updated Interim Alignment draft market rules and market manual amendments on September 9th, 2022 and received written feedback:

Related materials have been posted on the IESO [MRP stakeholder engagement webpage](#) for this engagement. If interested, please visit the webpage to reference the feedback submissions directly as the below uses excerpts and/or a summary of the stakeholder feedback for the purposes of providing an IESO response.

Please contact IESO Engagement at engagement@ieso.ca if you have any questions.

Ontario Power Generation

Note: Section references in the "Section" column relate to the proposed market rule amendments (PDF) posted Sept 9, 2022, on the IESO's stakeholder engagement page.

Market Rules – Market Manual and Batch Alignment

ID	Section	Feedback	IESO Response
1	Chapter 2, Section 4.1	<p>1. What is the rationale for the more restrictive revision to the Authorization Orders process?</p> <p>2. What is the rationale for the increased IESO authority over Authorization Orders, as requirements have been moved from the Market Manuals to Market Rules?</p>	<p>The rationale for each change to section 4.1 is set out in the "MRP Implementation: Summary of Interim Alignment Batch Amendments" document at pages 11-12.</p> <p>The changes in this section represent a reorganization of the information related to the existing requirements, consistent with the approach to Market Rule and Manual drafting set out in the IESO's February 4, 2020 presentation to the Technical Panel.</p>

ID	Section	Feedback	IESO Response
			There has been no increase to the IESO's authority resulting from these changes.
2	Chapter 2, Section 4.1.1.1	<p>1. Why is Section 1.2.2.6 not included as a requirement?</p> <p>2. The inclusion of 1.2.2.2 and 1.2.2.3 makes the qualification for a conditional authorization much more restrictive than is currently in the Market Rules. What is the rationale for this change?</p>	<p>These sections have been amended to reflect this feedback.</p> <p>Section 1.2.2.6 was inadvertently excluded from the requirements. The IESO has amended section 4.1.1 to align with the requirements in the current market rules, which require that the IESO be satisfied that an applicant has met all applicable requirements in section 1.2.2 before the IESO will issue a non-conditional order. Conditional orders require only that applicants meet the requirements of section 1.2.2.2, in line with the current process (see Chapter 2, section 4.1.1).</p>
3	Chapter 2, Section 4.1.2	If the condition listed in the order is no longer required, would the IESO have the authority to remove that conditional order?	<p>This section has been amended to read as follows (changes in red) to authorize the IESO to remove conditions from an order if they are no longer required (note that the IESO has reorganized parts of section 4, which has resulted in some of the section numbering changing):</p> <p>4.1.4 The IESO may, at any time and in its sole discretion, amend a conditional order issued pursuant to section 4.1.1 to include an additional condition, to remove a condition, or to extend the date stipulated pursuant to section 4.1.3.1.</p>
4	Chapter 2, Section 4.1.4	<p>There is ambiguity in language: "...section 4.1.1 is terminated or suspended or lapses... with the applicable market manual to extend or renew the order."</p> <p>It is unclear which action, i.e. "extend or renew" would be</p>	The IESO will amend Market Manual 1.5 in Q1 of 2023 to specify how and in what circumstances an applicant may request that an order be extended or renewed to provide further clarity on this matter.

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		<p>required when an order is “terminated or suspended or lapsed”. When an order is terminated, it should be renewed rather than extended. When an order is suspended or lapsed, it should be extended rather than renewed.</p> <p>Suggests revising this section into separate points to address which type of action is associated with which type of order condition. For example, when an order is _____, it can be _____.</p>	
5	Chapter 2, Sections 4.1.4, 4.1.6.2 and 4.1.7	<p>There is ambiguity in how the Market Rules assesses a lapsed order. Section 4.1.4 indicated that a lapsed order can be extended or renewed. However, Sections 4.1.6.2 and 4.1.7 indicated that if an order is lapsed, it cannot be extended or renewed. It is unclear under what conditions a lapsed order can be extended/renewed and when it will be terminated.</p>	<p>Nothing in section 4.1.7 states that an order lapsing pursuant to section 4.1.6.2 and deemed pursuant to section 4.1.7 cannot be extended or renewed.</p> <p>Section 4.1.4 permits an applicant to request that the IESO extend or renew an order that has lapsed or is terminated or suspended (whether that order is conditional or not). Section 4.1.6.2 states that a conditional order will lapse on the date specified in the order. Further to the response for ID #4, the IESO will amend Market Manual 1.5 to specify how and in what circumstances an applicant may request that an order be extended or renewed to provide further clarity on this matter.</p>
6	Chapter 2, Section 4.1.9	<p>This section contains language that is not clear, suggest rewording.</p>	<p>This section has been amended in response to this feedback. It now reads as follows (change noted in red strikethrough):</p> <p>“A conditional order shall be deemed to constitute the order authorizing the applicant to participate in the <i>IESO-</i></p>

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			<p><i>administered markets</i> or to cause or permit electricity to be conveyed into, through or out of the <i>IESO-controlled grid</i> on any terms and conditions noted in the order as of the date the applicant receives notification from the <i>IESO</i> that the applicant has fulfilled all the conditions of the order.”</p>
7	Chapter 7, Section 2.1	References to Appendix 7.8 were removed and replaced by references to Section 22. What does this mean for the relevance of Appendix 7.8?	<p>The IESO originally anticipated that the future market’s market power mitigation rules would be housed in Appendix 7.8, a new appendix to Chapter 7, and had included references to that appendix in the Market Entry and Prudentials (Batch 1) revisions to Chapter 7. However, following publication of the Batch 1 market rule amendments, a decision was made to house the market power mitigation rules directly within Chapter 7 instead. These rules can now be found in section 22 of Chapter 7 of the MRP Consolidated Draft (PDF). There are currently no plans to add an Appendix 7.8</p>
8	Chapter 7, Section 2.1.1.6	“...for each of its resources that is a dispatchable generation resource or a dispatchable load; and ” Suggest italicizing “load” in “dispatchable load”.	<p>This section has been amended to incorporate this feedback.</p>
9	Chapter 7, Section 2.1.1.7	Section 2.1.1.7 is a new addition to Section 2.1.1. What guidance was absent previously that required the addition of the new Section 2.1.1.7?	<p>No guidance was absent before the change, which was made to align the rules with the drafting philosophy set out in the February 4, 2020 presentation to the Technical Panel. The change to section 2.1.1.7 does not place any new substantive obligations on market participants, but merely directs readers to further procedural details in the applicable market manual.</p>

ID	Section	Feedback	IESO Response
10	Chapter 7, Section 2.2.2	<p>“A market participant may request to register a facility or any associated resources or ...”</p> <p>Suggest italicizing the terms “market participant” and “facility”.</p>	<p>This section has been amended to incorporate this feedback.</p>
11	Chapter 7, Section 2.2.6.8	<p>1. What is “...sets of load equipment or units...” in reference to? Does it mean “sets of load equipment” or “sets of load units”? What is “units” in reference to? Is “units” part of a defined term in this instance?</p> <p>2. What is the intent of Section 2.2.6.8? Does “sets of load equipment” mean dispatchable loads or loads with a combined generation unit?</p> <p>3. Can a generation unit and a load equipment be combined to meet the capacity requirement? Or should they be treated separately in terms of meeting the minimum requirements?</p>	<p>1. The reference to “units” was misplaced and should be removed. Together with the concurrent changes proposed to Section 2.2.6.8 as part of MR-00457-R02, the relevant portion of the section should read as follows:</p> <p>Individual <i>generation units, electricity storage units, or sets of load equipment or units</i> may be aggregated to meet this minimum capacity requirement if they meet the aggregation requirements of section 2.3.</p> <p>2. The IESO is proposing to specify that <i>electrical storage units, sets of load equipment, or generation units</i>, respectively, may each aggregate in order to meet the minimum rating requirements provided by Section 2.2.6.8. “Sets of <i>load equipment</i>” is the language used to refer to the collection of <i>load equipment</i> (within a <i>load facility</i>) that may be modelled as a <i>load resource</i> (including, but not limited to, <i>dispatchable loads</i>). The IESO has proposed that <i>load equipment</i> be defined as “equipment within a <i>load facility</i> that draws electrical <i>energy</i> from the <i>integrated power system</i>.” Similar to how <i>resources</i> for one or more generation units will have the opportunity to be modelled as <i>generation resource</i>, one or more “sets of <i>load equipment</i>” will have the opportunity be modelled as various types of <i>load resources</i>.</p>

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			3. No, under s.2.3, in order to satisfy minimum capacity requirements under Section 2.2.6.8, electrical storage units, generation units, sets of <i>load</i> equipment may only be aggregated with other equipment that is of the same type. To this end, we have provided further clarity by adding the “respectively” to section 2.3.1
12	Chapter 7, Section 2.2.6G.2	There appears to be an extra space in “...intends to...”.	This section has been amended to incorporate this feedback.

Market Rules – Load Resources

ID	Section	Feedback	IESO Response
13	Chapter 5, Section 4.8	<p>From definition of terms:</p> <ul style="list-style-type: none"> • in the Day-Ahead Market (DAM), there is a difference between nondispatchable and price-responsive loads; • in the Real-Time Market (RTM), price responsive load takes on the same definition as a non-dispatchable load. <p>Taking into account the above, is it necessary to include the defined term “price responsive load” in Section 4.8, as a price responsive load is a nondispatchable load in the RTM (as implied by Section 2.3, where the Emergency Operating State is declared in RTM)?</p>	<p>It is correct that there are operational similarities between price responsive loads (“PRLs”) and non-dispatchable loads (“NDLs”) in the real-time market. However, PRLs and NDLs are distinct types of load resources and are separate defined terms under the market rules. Therefore, the use of NDL does not imply PRL, and vice versa.</p>

Market Rules – Storage Integration

ID	Section	Feedback	IESO Response
14	General comment – font for section headings	Different fonts in: <ul style="list-style-type: none">• Chapter 7 Sections 2, 2.1, 2.2D, 2.3 headings;• Chapter 2 Section 5.3 heading and subheading.	All formatting will be adjusted to conform to the market rules standard prior to being integrated into the market rules.
15	General comment – definition of “load”	The two terms “load” and “sets of load equipment” used in the Market Rules appears to be interchangeable, is there a need for the two separate terms?	<i>“Load”</i> as a defined term has been replaced with <i>“load equipment”</i> , to avoid confusion with other uses of the term load (see the document “Summary of Changes”). Therefore, all instances of <i>“load”</i> referring to equipment have been replaced with <i>“load equipment”</i> in the market rules. For a discussion on use of the language “sets of” <i>load equipment</i> , see the response to ID# 11.
16	General comment – Chapter 7	There is a blanket replacement of the term “facility” to “resources” within Chapter 7. What is the impact of the blanket replacement of terms for the applicable sections?	Each proposed amendment has been assessed and intentionally made. To clarify when each term is used, please see the presentation Interim Alignment Q&A Session #2 , provided to Technical Panel on December 13, 2022.

ID	Section	Feedback	IESO Response
			Within the storage integration amendment proposal for example, the majority of the market registration obligations are appropriately at the resource level; however, there are also some ancillary service requirements at the unit level.
17	Chapter 7, Section 2.1.1.6	“...in accordance with Appendix 7.8 for each of its resources...” For the above, should Chapter 7 Section 22.9 be reference in lieu of Appendix 7.8?	This correction was made in the MR457.R00 proposal. For convenience, it will be replicated in this proposal as well.
18	Chapter 7, Section 21.2.1	Suggest adding in a comma in “...and its associated self-scheduling electricity storage resources shall satisfy the applicable requirements in section 2, as further described in the applicable...”	This section has been amended to incorporate this feedback.
19	Chapter 7, Section 21.3	The revision from “facility” to “resource” have impact on the procurement and support of regulation services and on the settlement process. Has the impact of this change on regulation services been assessed?	These edits update the terminology used and do not change current obligations or procedures. The IESO is assessing impacts across rules and contracts to ensure they are aligned.

Market Rules – Resource Related Updates

ID	Section	Feedback	IESO Response
20	General comment – “Facility” vs “Resource”	There are inconsistencies observed in the revision of “facility” to “resource within the Resource Related Updates Market Rules, for example revisions in Chapter 5 vs revisions in Chapter 6. There is a blanket replacement of “facility”	Each proposed amendment has been assessed and intentionally made. To clarify when each term is used, please see the presentation Interim Alignment Q&A Session #2 , provided to

ID	Section	Feedback	IESO Response
		<p>by “resource” in Chapters 3 and 4 and Appendix 5.1. Has the impact of this blanket replacement been assessed with respect to facilities that are currently providing ancillary services and have reliability must-run requirements?</p>	<p>Technical Panel on December 13, 2022.</p> <p>Within the resource-related updates amendment, the updates were made as follows:</p> <p>Ch.3: Deregistration may occur at either a facility or resource level or both, and this section contemplates each scenario.</p> <p>Ch.4: Technical obligations remain at the physical facility or unit level and reference the associated resource that will be used in the market.</p> <p>Ch.5: Replacements align with the testing and delivery of each ancillary service. For example, operating reserve obligations are at the <i>resource</i> level but black start remains at the <i>facility</i> level; RSVC is contracted at the <i>facility</i>, <i>dispatched</i> at the resource, and provided by a <i>unit</i>. There are no changes to the operational requirements for market participants.</p> <p>Ch.6: Replacements align with IESO meter processes. For example, meter installations are for a <i>facility</i> while meter data is collected for the <i>resource</i>.</p>
21	Chapter 2, Section 6.3.1	<p>“...a condition of obtaining approval to the aggregation of facilities resources.”</p>	<p>This section points to Ch.7 section 2.3 which describes the requirements for physical</p>

ID	Section	Feedback	IESO Response
		<p>What is the operational and settlement implications resulting from the revision from “facilities” to “resources” for aggregation, such as for compliance aggregation and in the settlement process?</p>	<p>aggregation of units into resources. It is not referring to compliance aggregation or settlement processes. For clarity, the sentence will be re-worded to state “as a condition of obtaining approval to aggregate resources”.</p>
22	Chapter 2, Section 9.1.4.5	<p>1. There is an extra line break in this section.</p> <p>2. Does “authorized to be used” imply a conditional authorization and not a full registration? This section implies that the boundary entity resource will not be registered after a transfer and thus will not need to be de-registered when no longer in use.</p>	<p>1. Correction made. Note that all formatting will be adjusted to conform to the market rules standard prior to being integrated into the market rules.</p> <p>2. No, the IESO’s intent is to capture boundary entity resources that the market participant is fully registered to use. We have replaced “authorized to be used” with “registered to be used” in response to this question.</p>
23	Chapter 2, Appendix 2.2, Sections 1.1.2 and 1.1.13; Chapter 4, Sections 7.3.1.2 and 7.3A.1.2; Chapter 4, Appendix 4.15 (b); Chapter 4 Appendix 4.24 (b);	<p>For the sections indicated, “is not a registered facility” has been replaced with “is not associated with a/any resource”.</p> <p>It is unclear if this is a like-for-like replacement, as the two terms do not appear to be equivalent.</p>	<p>These edits are implementing the change introduced in the Market Entry and Prudentials market rules to remove the term “<i>registered facility</i>” as a defined term. To support an understanding of the distinction between facility and resource, we have put together a presentation that can be found on the Technical Panel site. These edits update the terminology used</p>

ID	Section	Feedback	IESO Response
			and do not change any operational requirements.
24	Chapter 5, Appendix 5.1, Sections 1.2.1 and 1.2.4	Suggest removing the comma in "...shall ensure that each resource, that it has scheduled to..."	This section has been amended to incorporate this feedback.
25	Chapter 5, Appendix 5.1, Section 1.3	What is the impact of the revision from "facility" to "unit" on facilities providing ancillary services?	Replacements align with the testing and delivery of each ancillary service. For example, operating reserve obligations are at the resource level but black start remains at the facility level; and RSVC is contracted at the facility and provided by a unit.

Market Rules – Defined Terms

ID	Section	Feedback	IESO Response
26	General comment – examples of defined terms	Can the IESO provide examples for the defined terms such as: facility, resource, load equipment, generating unit, boundary resources? There is uncertainty in the meaning of these terms, and blanket replacements have resulted in confusion within the Interim Alignment Batch.	Each proposed amendment has been assessed and intentionally made. To clarify when each term is used, please see the presentation Interim Alignment Q&A Session #2 , provided to Technical Panel on December 13, 2022.

Market Manual 1.5

ID	Section	Feedback	IESO Response
27	General comment – Sections 2.1 and 3.0	Registration details and instructions within the two	These changes consolidate participant and IESO

ID	Section	Feedback	IESO Response
		sections have been removed; this will reduce clarity in the registration process for applicants.	obligations into the rules, in line with the drafting philosophy set out in its February 4, 2020 presentation to the Technical Panel . Under this approach, the market rules articulate a participant’s substantive obligations and the market manuals provide additional procedural details regarding how those obligations are operationalized.
28	Section 1.1	The definitions for “program participant” and “service provider” have been removed from the footnotes in this section. The two terms are not defined terms. Will the definition of the two terms be provided elsewhere?	These terms will not be defined as their meaning is clear in the context of MM1.5 and they are not used elsewhere within the Market Rules.
29	Section 2.1.1	Would it not reduce administrative cost and processing time to provide and complete the participation agreement electronically through IESO Online, instead of through courier?	This suggestion is out of scope for MRP, but we will share with the relevant IESO groups for future consideration.
30	Section 2.2.1, Table 2-2 – “Market Control Entity for Physical Withholding”	The submission requirement for “Market Control Entity for Physical Withholding” indicates that “Most prospective market participants are required to...” Can the IESO include a list of exception for this submission requirement within Table 2-2 for clarity?	The market participant registering a dispatchable resource must designate a market control entity for physical withholding for the resource as part of the registration process. The IESO will be updating section 22.9 of Chapter 7 in 2023 to clarify the classes of market participant required to disclose market control entities. The IESO has also amended Table 2-2 to remove

ID	Section	Feedback	IESO Response
			the "Market Control Entity for Physical Withholding" row, as a resource's market control entity for physical withholding is designated as part of the register equipment process described in section 3.
31	Section 2.2.2, Table 2-3 – "Capacity Auction Participant", "Virtual Trader", "TR Participant"	The exemption for an OEB Licence has been removed for a Capacity Auction Participant, Virtual Trader and TR Participant. The removal of this exemption would increase the barrier to entry for these participants. Has this change been communicated with stakeholders previously?	Removal of the exemption was inadvertent. We have corrected the error in the updated materials by reintroducing the OEB license requirements and exceptions into Table 2-2.
32	Section 2.2.2, Table 2-3 – "Distributor" and "Electricity Storage Participant"	What is the rationale for the removal of the OEB Licence requirement for distributors and electricity storage participant? Distributors and electricity storage participant sell electricity within the Ontario energy market and would require a licence under the Electricity Act. Has this change been communicated with stakeholders previously?	These requirements were inadvertently removed during a reorganization of Market Manual 1.5. We have reintroduced the OEB license requirements and exceptions into Table 2-2.
33	Section 3.1.3.3, Table 3-1	What is the rationale for the removal of the role and responsibility descriptions for Market Control Entity and Market Control Entity for Physical Withholding in Table 3-1?	This content was removed as it was redundant with section 22.9 of Chapter 7.
34	Section 3.3, Table 3-4	The "Shared Daily Energy Limits" and "Time Lag" parameters have been removed from Table 3-4 as a Registration Data Parameter. Does this mean the two parameters are no longer Registration Data Parameters? How does this impact the registration and operation of hydroelectric cascade?	Registration of shared daily energy limits was updated with details being communicated through the Market Settlement, Metering and Billing proposed market rule amendments that were posted for stakeholder comments on Dec 1, 2022.

ID	Section	Feedback	IESO Response
			This was an early removal under the interim alignment batch that should have been released with the Market Settlement, Metering and Billing batch. The time lag parameter has been restored in the table.

Market Manual 5.4

ID	Section	Feedback	IESO Response
35	General comment – Sections 1.0, 2.0, and 3.0	Detailed instructions within these sections have been removed, with many sections pointing back to the Market Rules; this will reduce clarity in the prudential support process for applicants.	The IESO has removed content from the Market Manual with the view of reducing redundancy with the Market Rules, in line with the drafting philosophy set out in its February 4, 2020 presentation to the Technical Panel . As such, the relevant requirements are available in the Market Rules. Further, the IESO will publish updated training materials to facilitate the process of navigating the process surrounding prudential support.
36	Section 1.3	<p>1. “The process to calculate market participants’ the market participants prudential support obligation for physical transactions and for virtual transactions includes four steps:...” indicate four steps, however only three steps are listed.</p> <p>2. Page 5 starts with “4. form.” and appears to connect with the last paragraph on page 3. Suggest revising.</p>	The formatting error at issue exists only in the redline version of the Market Manual. Please refer to page 3 of the clean version.

ID	Section	Feedback	IESO Response
37	Section 2	Suggest revising: “2. The IESO uses the information submitted by the market participants to calculate the market participants...” to: “2. The IESO uses the information submitted by the market participants to calculate the market participants’...”	The section has been amended to incorporate this feedback.
38	Section 2.2.1.1	The Market Rules references for this section are “MR Ch.2, ss. 5.3.4.2, 5.3”, however the body of the section references MR Ch.2, ss. 5.3.4.2 and 5.3.4.3.	The error at issue exists only in the redline version of the Market Manual. Please refer to page 12 of the clean version which also references MR, Ch.2, s.5.3.4.2. The IESO has kept the reference to MR, Ch.2, s.5.3.5 because the text in section 2.2.1.1 of the Market Manual indirectly relates to the process of calculating the <i>trading limit</i> for <i>physical transactions</i> , as distinct from the <i>minimum trading limit</i> for <i>physical transactions</i> .
39	Section 2.2.2.1 – Determining the Maximum Net Exposure for Physical Transactions	The exemption to post prudential support when the market participant’s maximum net exposure for physical transaction is negative or zero has been removed. What is the rationale for the removal?	No, the requirement to post prudential support remains applicable only to the extent that the prudential support obligation is greater than zero. The text at issue was relocated to page 17 of the Market Manual. See also MR, Ch.2, s. 5.7.1.
40	Section 3.1.1.2	The first sentence in the section has a different format than the rest of the section.	The formatting error at issue exists only in the redline version of the Market Manual.

ID	Section	Feedback	IESO Response
			Please refer to page 22 of the clean version.

Market Manual 12

ID	Section	Feedback	IESO Response
41	General Comment	The Interim Alignment Batch used version 13.0 of Market Manual 12. The most up-to-date version of Market Manual 12 on the IESO public website is version 14.0. How would the IESO address and incorporate the changes made in version 14.0 with changes made for Market Renewal in version 13.0?	In some instances, recent updates to manuals, including changes for other IESO initiatives in parallel with MRP, will not be captured in MRP provisional draft amendment proposals. In this instance the IA documents were issued September 9 th , and the September baseline changes didn't take effect until the 14 th . MRP will incorporate and reconcile these in-parallel changes within our consolidated draft and final alignment of the rules and manuals.
42	Section 3.1	"...that includes the reference points listed in MR Ch.7 ss.18.5.2.1, as well as:" Suggest adding in a reference to MR Ch.7 ss.18.5.2.2 to the above sentence, as well as in the section subheading. This is in addition to the reference to MR Ch.7 ss.18.5.2.1.	The section has been amended in incorporate this feedback.
43	Section 5.2	"...as described in " Market Manual MM 1.5: Market Registration Procedures ", of the <i>registered facility resource</i> associated with the <i>capacity auction resource</i> ."	This sentence is indicating that the MP with the capacity obligation must be registered as the owner of the resource that will deliver upon that obligation. This is an existing requirement; the interim

ID	Section	Feedback	IESO Response
		Please provide clarification of the revision above, as the revised sentence is confusing.	alignment batch is only updating the resource term within the sentence.
44	Section 5.2.3.2	<p>“In instances when a demand response contributor initiates a registration request to become a dispatchable load or price responsive load, the non-dispatchable load must be removed as a demand response contributor before the request will be accepted.”</p> <p>Suggest italicizing the defined term “non-dispatchable load” in the above sentence.</p>	The section has been amended to incorporate this feedback. The term “non-dispatchable load” has been italicized in all instances.
45	Section 5.3.4.1, Section 5.3.4.2, Section 5.3.4.3, Section 5.3.4.5	<p>“...in accordance with “Market Manual MM 4.2- Submission of Dispatch Data in the Real-Time Energy and Operating Reserve Markets”. 1.”</p> <p>Should the reference in the above sentence be MM 4.2, instead of MM 4.1?</p>	The current Market Manual 4.2- Submission of Dispatch Data in the Real-Time Energy and Operating Reserve Markets is going to be renumbered to 4.1- Submitting Dispatch Data in the Physical Markets. The references in this Market Manual 12 have been updated in anticipation of this future change. Market Manual 4.1 will be released as part of the Market & System Operations batch.

Market Manual 14.1

ID	Section	Feedback	IESO Response
46	Section 5.7.1	The energy unit in “The day-ahead market base settlement charge is	Energy is measured in MWhs whereas operating reserve is measured in MWs of capacity.

ID	Section	Feedback	IESO Response
		calculated using the MWh quantity of energy or operating reserve...” does not match the energy unit in the operating reserve Hourly DAM Physical Withholding Charge (Operating Reserve) equation (i.e. “MWs Failed”).	This is the reason for using different units for the different charges.

Market Manual 14.2

ID	Section	Feedback	IESO Response
47	Section 6.4	<ol style="list-style-type: none"> 1. Would Opportunity Cost be applicable to a non-quick start resource that has a daily energy limit? 2. What is defined as operational limitations in this context: “...because they may forego future energy or operating reserve revenues due to operational limitations.”? Please provide examples of “operational limitations”. 	<ol style="list-style-type: none"> 1. Currently, the market power mitigation framework does not identify opportunity costs relevant for thermal resources. However, as per section 6.4.5 of Market Manual 14.2, market participants are free to request additional opportunity costs that are not already reasonably addressed by market design. 2. There is no definition of operational limitations in this context as the IESO will assess operational limitations for resources presented as part of a request for an additional opportunity cost on a case-by-case basis. One example of an operational restriction is found in section 6.4 of Market Manual “For example, when a hydroelectric resource with limited water in storage uses that water to produce energy in the current dispatch day, it may incur an

ID	Section	Feedback	IESO Response
48	Section 7.2.5.1	<p>What is the difference between these two requirements, as they appear to be the same on first interpretation:</p> <ul style="list-style-type: none"> • position of the resource in the cascade group; • identification of the order of resource position in the cascade group. 	<p>opportunity cost because it foregoes the chance to use that water to produce energy at a higher price in a future dispatch day.”</p> <p>The language in the section has been updated to better reflect the registration process for resources within a cascade group:</p> <p><i>A market participant must register the following information for eligible resources:</i></p> <ul style="list-style-type: none"> • <i>position of the resource in the forebays within the cascade group;</i> • <i>shared The sequence of the forebays; and identification of the order of resource position in within the cascade group-; and</i> • <i>The resources within each forebay.</i> <p><i>Refer to MM1.5 for more details on the registration process for cascade groups.</i></p>
49	Section 7.7.2	<p>“...Variable costs of operating a BTM <i>resource unit</i> to reduce the facility’s load in response...”</p>	<p>The word resource was replaced with unit in this section to represent that fact that these are not IESO</p>

ID	Section	Feedback	IESO Response
		What is the rationale for revising “BTM resource” to “BTM unit” in the above? “Unit” is not a defined term in the Market Rules.	modelled and dispatched generation and electricity storage units. The instances of only “unit” have been updated to “generation unit or electricity storage unit” or “generation unit”, as applicable, for consistency.

General Comments/Feedback

ID	Feedback	IESO Response
	MRP Interim Alignment Batch comment	
50	1. When will Chapter 7 Appendix 7.1A, Appendix 7.2A and Appendix 7.8 be released for stakeholder review?	<p>These are references that have been updated subsequent to the initial drafting of the section, and will be reviewed and corrected prior to the final posting of the market renewal rules.</p> <p>Specifically, Appendix 7.1A refers to the Day Ahead Calculation engine which is now Appendix 7.5. Appendix 7.2A refers to the Pre-dispatch calculation engine which is now Appendix 7.5A. Appendix 7.8 refers to market power mitigation, which is now section 22 in chapter 7.</p> <p>The calculation engine appendices were released for stakeholder review this past July. The market power mitigation batch was provisionally approved by the IESO Board in August 2022, following an earlier</p>

provisional vote to recommend by the Technical Panel.

MRP Consolidated Draft comments:

51 1. The defined terms “capacity auction” and “capacity auction clearing price” within Chapter 7 Section 18.5.2.5 are not italicized.

Thank you for noting this. The IESO will correct this when the next amendments take place for the capacity auction.

52 2. There are references to Appendix 7.6 in Chapter 7 Sections 3.3.17 and 7.3.2.3. Appendix 7.6 has been removed in its entirety.

The MRP Consolidated Draft is intended as a record for all MRP amendments that been through the provisional TP recommendation and IESO Board provisional approval process. To date, there have been no MRP amendments to these sections that have passed this provisional recommendation and approval process, and so these sections reflect the current baseline of the market rules. It is expected that both of these sections will be amended in the Market and System Operations batch, at which point these references will be removed.

Electricity Distributors Association

Market Rules – Load Resources

ID	Section	Feedback	IESO Response
53	Chapter 7, Section 19.2.6	<p>The EDA seeks greater clarity from the IESO regarding the design decision that restricts price responsive load's ability to register as a demand response contributor. This decision appears to unduly restrict the market participation options of price responsive loads, without either documentation or justification. We propose that the IESO revisit this position at the earliest opportunity.</p>	<p>Price Response Loads (PRLs) introduce a new participation option, designed primarily for Market Participants that would historically have registered their resources as non-dispatchable loads. By choosing to be registered as a PRL, these loads will be able to actively participate in the Day Ahead Market and be settled on the basis of LMP. The settlement treatment of PRLs is inconsistent with the settlement treatment of virtual HDR resources, in whose portfolios demand response contributors participate, which is why a participant cannot elect for their resource to both be registered as a PRL and participate as a demand response contributor. However, these participants are not required to register as PRLs in the new market; they may continue to register their resources as non-dispatchable loads, and as such continue to be eligible to participate as demand response contributors should they elect this participation option. PRLs therefore represent a new option for, rather than a restriction on, resources that</p>

ID	Section	Feedback	IESO Response
			would historically have registered as NDLS.

Market Rules – Storage Integration

ID	Section	Feedback	IESO Response
54	General	The IESO’s “MRP Implementation: Summary of Interim Alignment Batch Amendments” (see PDF page 22) should be corrected to show the following chronological sequence: <ul style="list-style-type: none"> - the Energy Storage Design Project Long-Term Vision was completed in September 2020 - the Final Detailed Designs were published by the IESO in January 2021 - the IESO’s design of the MRP occurred simultaneously with its development of the rules to integrate storage into the IESO’s market. 	While the final detailed designs were published in January 2021, the initial stakeholder versions were published in November 2019 with much of the design effort to prepare these documents occurring prior to that date, ahead of the publication of the Long Term Vision.

General Comments/Feedback

ID	Section	Feedback	IESO Response
55	General	We suggest that the IESO review its package of definitions for whether it is complete, free of circularity and intuitive (or, where the definition is not intuitive, that the IESO document its reasoning for the definition).	As we update the rules with each batch, we will continue to refine the proposed definitions. The IESO welcomes stakeholder feedback into specific areas that should be reviewed.
56	General	Below are examples of an incomplete definition and of a circular definition:	The term <i>dispatchable</i> was included in the Market Registration batch, and can now be found in the MRP

ID	Section	Feedback	IESO Response
		<ul style="list-style-type: none"> • The term non-dispatchable load is defined as “not dispatchable” but the term “dispatchable” is not defined. • The defined term embedded load facility references a load facility whose definition links to facility which links back to load facility 	<p>Consolidated Draft version of Chapter 11. The MRP Consolidated Draft can be found on the IESO’s website, under Market Renewal Implementation.</p> <p>Thank you for your feedback with respect to the definition for “load facility”. The IESO plans to further revise the linked term “facility” as part of future batches of MRP Market Rules, and will take your comments into consideration. The IESO will continue to consider how equipment, units, and facilities will be distinguished in the future market, and if needed could make conforming changes in upcoming batches.</p>
57	General	<p>Definitions must be clear, capable of being understood and must integrate with each other consistently and as a package. This is essential so that all market participants, including LDCs, can understand their opportunities and risks. It is of greater importance for LDCs, as their customers look to their LDC for information on the risks and opportunities that impact consumers. Definitions must also be clear so that other documents, such as OEB Codes, can be amended consistent with MRP.</p>	<p>The IESO agrees and is working to improve clarity and consistency in Market Rule definitions with each batch of market rules. The IESO welcomes stakeholder feedback into specific areas that should be reviewed.</p>
58	General	<p>The EDA anticipates that the OEB will need to amend the Distribution System Code, the</p>	<p>The IESO continues to discuss the implementation of Market Renewal with OEB staff to</p>

ID	Section	Feedback	IESO Response
59	General	<p>Overall, LDCs require additional information in order to properly review, comment and ultimately implement the IESO's MRP as LDCs are both wholesale market participants (i.e., non-dispatchable loads) and are subject to the Electricity Act and the OEB Act. For example, neither the IESO nor the OEB have responded to the EDA's request to clarify the wholesale market prices that will apply to non-Market Participant loads, generators and energy storage situated within an LDC's service territory and connected to the distribution system.</p>	<p>ensure that the Board is able to assess changes that may be needed to its codes and standards. To facilitate these discussions, the IESO invites the EDA to come forward with the specific sections of OEB codes and standards that it expects will need to change.</p> <p>The IESO has posted the market rules and market manuals for Market Settlement, Metering and Billing, which includes examples on how market participants will be settled within the renewed market. The IESO continues to work proactively with LDCs and coordinate with the OEB on these settlement changes and the OEB will determine how the changes in the pricing structure will affect non-market participant customers in Ontario.</p>