

Stakeholder Feedback Form: MRP Energy Detailed Design

Design Document: Market Billing and Funds Administration – March 6, 2020

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Feedback Due: March 6, 2020

Feedback Provided by:

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The IESO is posting a series of detailed design documents which together comprise the detailed design of the MRP energy stream.

This design document is posted to the following engagement webpage: <http://ieso.ca/en/Market-Renewal/Energy-Stream-Designs/Detailed-Design>.

Stakeholder feedback for this design document is due on **March 6, 2020** to engagement@ieso.ca.

Please let us know if you have any questions.

IESO Engagement

General feedback on the Detailed Design Document

In August 2019, the IESO released the proposed MRP Energy Detailed Design Plan (later finalized November 27, 2019), in the Engagement Objectives section it states,

“The IESO is engaging with stakeholders before and after the release of the draft detailed design documents. Engagement prior to publication of the draft detailed design will focus on specific design topics that stakeholders identified a significant interest in during high-level design or where the IESO requires stakeholder input to inform the draft design document. Additionally, stakeholders will have the opportunity to provide feedback on the draft detailed design documents in full following their publication.

Once the detailed design documents are released for stakeholder review, a scheduled review period with opportunities for discussion and additional engagement will take place in order to finalize the design.”

The detailed design chapters are inter-related and some comments for each chapter may ultimately depend on the chapters that have yet to be published. As such, market participants should be awarded the opportunity for further review after the publication of subsequent inter-related documents. This further review will likely require discussion and further engagement prior to IESO issuing the final detailed design documents.

Design Document: Section 1 Introduction

- Section 1.1 Purpose, Section 1.2 Scope, Section 1.4 Assumptions and Limitations
 - Comment #1: The MRP has been evolving based on stakeholder engagements and technical discussions and will likely continue to evolve. For clarity, the IESO should include a statement on the inter-related nature of design documents and that changes to one document may impact or require changes to other documents.

Design Document: Section 2 Summary of Current and Future State

- Section 2.2.1 Settlement Data Stream
 - Comment #2: Since the Market Settlement detailed design document has yet to be published it is difficult to provide input on the new or modified flows into Market Billing and Funds Administration without the inter-related aspects of the IESO design. Figure 2-2: Does not show an interaction with the Market Power Mitigation (MPM) process whereas Appendix D, Table D-1 lists Reference Level Settlement Amount and Reference Level Settlement Amount Uplift. More information is required about how the MPM process will impact Market Billing and Funds Administration process.
 - Any changes done through the ongoing IESO engagement on Bill Presentment Review, should also be incorporated during market renewal.
- Figure 2.2: Future Market Billing and Funds Administration Process
 - Comment #3: Requires clarity for settlement data for DAM, RTM, Financial market and charge codes for each. The nomenclature does not easily translate to Appendix D: Table D-1. This may be clarified in the Market Settlements design document. Although the HLD

provided detail on a single schedule market, this nomenclature and that of locational marginal pricing is absent from this document. A market participant's shadow settlement/reconciliation process will require changes to settle with LMPs yet this impact is not mentioned in this design document.

Design Document: Section 3 Detailed Functional Design

- 3.3 Definition of Transactions
 - Comment #4: This section may need to be reviewed again based on the overlap with the Market Settlements document.
- 3.4 Collection of Market Billing and Funds Administration Data
 - Comment #5: 3.4.1 Registration Data states that "Modifications to Online IESO will be required to accommodate the distinction between physical transactions and virtual transactions", while Appendix A Table A-1 lists no changes required to Online IESO. Please clarify.
- 3.5 Settlement and Commercial Reconciliation
 - Comment #6: 3.5.5. Settlement and Invoicing Timelines for the Future Real-Time and Day-Ahead Markets states the issuance timelines for preliminary and final settlement statement information, invoicing, market participant payments to the IESO, IESO payments to the market participant and submission of Notice of Disagreements will be maintained with the introduction of the day-ahead market. Depending on the complexities of the new day-ahead data streams and subsequent application and reconciliation of settlement equations there is potential for a greater number of disagreements with IESO settlements. IESO should engage stakeholders in discussion on whether the current NOD timeline needs to be lengthened for the future market.
 - Comment #7: During the MRP there is an opportunity to simplify the settlement reconciliation process if the IESO publishes additional private reports daily related to AGC, RSVC, station service load, and global adjustment. This is an overlap of the Publishing and Reporting document.
 - Comment #8: This section may need to be reviewed again based on the overlap with the Market Settlements document.
- 3.6 Financial Neutrality and Reconciliation Process
 - No Comment.
- 3.7 Provision of Information to Related IESO Processes
 - Comment #9: This may need to be reviewed again based on the overlap with the Market Settlements and Publishing and Reporting documents.

Design Document: Section 4 Market Rule Requirements

- Table 4-1
 - Comment #10: Market Rule Impacts lists a number of market rule sections that have overlaps with the Market Settlement Detailed Design. As such, the inter-related nature of the detailed design workstreams may require re-work to designs as required when new information or inter-relationships are found. For example Chapter 9, Section 6 Settlement Statements, the type is “Existing – no change”, whereas the requirement then identifies that market rules “may be impacted by Prudential Security and Market Settlement design documents”. For clarity, it would be beneficial for IESO to publish a master list of anticipated market rule changes that are updated as different chapters of detailed design are published.

Design Document: Section 5 Procedural Requirements

- Section 5.1, Table 5.1
 - Comment #11: Impacts to Market-Facing Procedures is inter-related to the Publishing and Reporting and Market Settlements document. Updating the sample settlement invoice and also publishing technical requirements which allow market participants to electronically retrieve invoices will need additional stakeholder inputs.

Design Document: Section 6 Business Process and Information Flow Overview

- Section 6.1 Market-Facing Process Impacts
 - Comment #12: Requires more clarity that would include data flow diagrams with flow of time/sequence of events.
- Appendix A – Market Participant Interfaces
 - Comment #13: It is unclear whether the IESO expects no changes to IESO Reports Site and Online IESO. Will the changes to additional reports and registration data be found in the Publishing and Reporting documents or elsewhere in the detailed design documents?
- Appendix D-1: New Settlement Amounts
 - Comment #14: Definitions and equations to these new settlements are required. There are overlaps with Market Settlements, Market Power Mitigation, and Grid and Market Operations detailed design that have not yet been issued.
 - Comment #15: The background required to understand whether a Reference Level Settlement Amount or Reference Level Settlement Uplift should be daily, hourly, or even necessary is likely in the Market Power Mitigation or Market Settlements documents.
- Similarly, the IESO needs to share more information on Day Ahead Market Make-Whole Payments, Real Time Markets Make-Whole Payments, Generation Offer Guarantees, etc... for a market participant to understand and comment.