

Stakeholder Feedback Form: MRP Energy Detailed Design

Design Document: Publishing and Reporting

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Feedback Due: May 21, 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 May 21, 2020 to engagement@ieso.ca.

Please let us know if you have any questions.

IESO Engagement

General feedback on the Detailed Design Document

- General Feedback #1: New Reporting for Balancing Congestion
 - OPG suggests that the IESO investigate the need to provide reporting related to “balancing congestion”, i.e. where there are differences in Tx congestion in the real time market as compared to the day ahead market. PJM provides a variety of reports related to balancing congestion, and charges associated with it.
- General Feedback #2: Publishing and Reporting Detailed Document Re-Review
 - OPG highly encourages that the IESO allow participants to review this document again once all the remaining detailed design documents are released. As participants review the details of Market Power Mitigation, Day Ahead, PD & RT Calculation Engine etc... there may be additional comments/feedback that may be required for Publishing and Reporting Document, such as reports participants would like to see that haven't been included, or reports that need further clarification within them.

Comments on Design Document Section 2 Summary of Current and Future State

- Comment 1 Figures 2-1 and 2-2
 - Additional clarity would be beneficial for Figures 2-1 and 2-2. Specifically in Figure 2-2, the flowchart shows that inputs/parameters can only be changed in pre-dispatch and do not show if they can be changed in real-time.

Comments on Design Document Section 3 Functional Design

3.3 Reports by Category

- Comment 2 Figure 3-1 and Section 3.3
 - Figure 3-1 and the report tables in Section 3.3 do not provide the specific publishing timelines/frequencies. OPG recommends that the IESO add to Figure 3-1 (or include in a new table) specific details regarding the timing and frequency of publishing of all reports in the new market. A diagram highlighting specific times would be beneficial to market participants.
 - OPG would also like to comment on the consistency/accuracy of the categorizations in Figure 3-1. For example, why are Transmission Reports (Transmission Rights Auction Reports) listed in Post-market only but not in Pre-market? Wouldn't there be Transmission Rights Auction Reports in the Pre-market as well?
- Comment 3 General Comment on Tables
 - The report tables in Section 3 only provide high-level description of the new and modified reports under market renewal. OPG recommends that the IESO also provide samples/examples of all new and/or modified reports to give stakeholders the precise layout. Even sample headers, tables would be beneficial to include in the Reference column.

- Comment 4 Section 3.3.1
 - OPG's understanding is that adequacy reports are going to include information on virtual transactions at the zonal level. OPG suggests that these reports also include information on loads and generation aggregated at the zonal level. OPG believes that in order for participants to adequately manage their assets (generation or loads) in a SSM market with LMPs, it would be beneficial for the IESO to be transparent and indicate available generation and loads at the zonal level. Providing as much detail as possible on a zonal level will help participants in terms of forecasting and planning usage of their assets.
- Comment 5 Section 3.3.2
 - OPG would like to know how initial proxy prudential requirements will be defined at market opening (i.e. during transition from old to new market).
- Comment 6 Table 3-3, Report 2
 - OPG would prefer that the following reports be published earlier than 10:00 EPT, if possible, so that they can be used by market participants to inform day-ahead offer strategy (ideally at 6:00 EPT):
 - Table 3-3 Report 2
 - Table 3.3 Report 3
 - OPG and other participants have large amounts of inputs that will need to be factored into our day-ahead offer strategy, which in MR will become a financially binding schedule. The IESO should be able to provide market participants with enough time to gather inputs for the DAM submission from a variety of sources (water management information, asset updates, fueling information, transmission constraints) and factor those inputs into the Dispatch Data and Pseudo Unit Generator Data reports.
- Comments 7 Table 3-3, Report 5
 - OPG notes that this report is published 'after the fact' and would like confirmation that it is not intended to replace the value bid report.
- Comment 8 Table 3-5, Reports 5 & 8
 - OPG requests further information on the purpose of report #5 in Table 3-5 (ADE Expansion Request Approval). Is this report intended to formalize the approval process for ADE expansion requests? What would this notification look like?
 - OPG would also like clarification on Report #8 in Table 3-5 regarding cleared transactions in 'aggregate form'. Can the IESO define what this would look like?
 - Given that the IESO intends to retain the ADE, OPG has reproduced its previous review comments regarding the ADE that were provided for the review of the DAM High Level Design:
 - "Under the Decisions (2.1.2), the IESO states that "in the event that the right incentives are not in place before the renewed market goes live, the IESO proposes that the ADE offer obligation would be retained as a transitional measure." OPG would like to understand the criteria the

IESO will use to determine whether incentives to participate are adequate. In the event that Availability Declaration Envelope ("ADE") is retained under a DAM, OPG believes the method which ADE is determined and used for hydroelectric resources would need to be revisited. Specifically, due to the variable nature of water conditions, ADE should not be calculated based on resource offers; rather, they should be calculated in a manner similar to that of variable generators where ADE represents a resource's registered capacity less derates. This would incent hydroelectric resources to more accurately reflect their capability based on expected conditions at the time of offer submission rather than trying to ensure adequate ADE in real-time. If the IESO remains adamant that ADE be calculated based on DAM resource offers, an alternative solution would be to allow RT offers to exceed DAM ADE by a reasonable margin to recognize variability of water conditions (e.g. head change MW) between DA and RT timeframes. This example also applies for nuclear stations that experience varying lake temperatures between DA and RT affecting output"

- Comment 9 Table 3-6/7, Report 12/11
 - OPG suggests that the following reports (Pre-Dispatch Total Report & Real Time Total Report) include summary data at the zonal level:
 - Table 3-6, Reports #12
 - Table 3-7, Reports #11
- Comment 10 Table 3-7, Reports 13 and 14
 - OPG requests that the IESO provide specific details on the frequency of publishing for these reports (Daily Energy Limit Tracking & Number of Starts Tracking). Will it be hourly? OPG also suggests that these two reports be consolidated into a single report to reduce the overall number of reports that need to be published.
 - OPG recommends that all Daily Generator Data submitted by participants be consolidated into a single report, which includes DELs, # of starts tracking, forbidden regions, etc.
 - As indicated in the Offers, Bids and Data Inputs Detailed design document the IESO will monitor when a generator was last above MLP in Predispatch and utilize its lead time curve to help determine a generators status. OPG would like to encourage the IESO produce a confidential report to market participants that shows what the IESO tool calculates in terms of generator status. This will provide participants with transparency and the potential to monitor the IESO inputs and request changes to unit conditions based on SEAL concerns or potentially incorrect data being used.
- Comment 11 Table 3-8, Report 2
 - OPG requests the detailed definitions of the 'nine zonal pricing zones' including details on how they are different from the ten existing transmission zones.
- Comment 12 Table 3-9 All listed reports
 - OPG requests specific details on the timing of publishing of these reports and encourages the IESO to ensure they are released 15 minutes past the hour, if possible, to give market participants additional time to act on them.

- Comment 13 Table 3-12 Report 3
 - OPG suggests that the Mid-Term Demand Forecast Report provide forecast demand for four zones (i.e. the same as for the Near-term Demand Forecast Report) rather than for only two zones. This would reduce the number of different zoning criteria needed in the new market and provide better granularity.
- Comment 14 Table 3-13 Report 5
 - OPG recommends that the Variable Generation Forecast Summary Report be modified such that it breaks down the forecasts at the zonal level (i.e. based on Ontario's ten transmission zones). It currently only provides an Ontario-wide summary.
- Comment 15 Table 3-14/16/18 Report 1
 - OPG recommends that the following reports be published ahead of the day ahead submission window at 6:00 EPT so they can inform market participant offer strategy:
 - Table 3-14, Report 1: Day-Ahead Operating Reserve Shortfalls Reports (including minimum requirement in each OR area)
 - Table 3-16, Report 1: Day Ahead Intertie Scheduling Limit Report
 - Table 3-18, Report 1: Day Ahead Security Constraints Report
- Comment 16 Table 3-18, All Reports
 - OPG's experience is that these reports are lacking in clarity and are difficult to understand and thus, provide minimal benefit in their current format. OPG suggests that the IESO review these reports and look for ways to improve presentation, clarity and transparency so that they would be more valuable to market participants. A glossary defining all the codes/terms used in the tables should be included directly in the report so that market participants can understand.
- Comment 17 Section 3.3.11, General Comment on Market Power Mitigation
 - OPG notes that this section should be reviewed in parallel with the Market Mitigation detailed design document, which is scheduled to be released as draft on May 5, 2020. OPG may have additional comments on the reports listed in this section once the draft Market Mitigation Detailed Design Document is released.
 - The definitions of NCA, DCA need to be established based on a transparent criteria and the criteria should be provided as part of the description of these reports. For example, In the MPM detailed design document (Section 6.8.1) there is reference to designating specific areas as Narrow Constrained Areas (NCAs) based on historical data from the previous year and prospective analysis that predicts where congestion is expected to continue. The IESO will obtain historical transmission constraints and generation shift factor (GSF) data from the day-ahead market (DAM) and real-time market. The historical data set is taken from the previous year, and reviewed annually. Participants should get to see the GSF values for DAM and RT at a resource aggregate level to provide transparency on the transmission constraints that will be impacting participant's assets.

- The Reports shown for Market Power Mitigation also don't seem to fully align with the Market Power Mitigation Detailed Design Document in terms of listed reports in Section 3.16 - Reporting on Mitigation.
- E.g. From MPM Detailed Design Document:
 - Public reports that contain summary data on an anonymous basis of how frequently the mitigation process resulted in dispatch data values being set to reference levels;
- This type of report doesn't seem to be listed in any of the tables pertaining to MPM in Reports and Publishing Document.
- OPG also recommends that the IESO further break down the Reports for MPM into Reports pertaining to Energy and Operating Reserve separately. Table 3-20 Constrained Area Designation Reports should be broken down further to:
 - Local market power Narrow Constrained Areas (NCA) Report – For Energy;
 - Local market power Dynamic Constrained Areas (DCA) Report – For Energy;
 - Local market power Broad Constrained Areas (BCA) Report – For Energy;
 - Global Market Power Conditions Summary – Province-wide market power
 - Local market power for Operating Reserve Report – Reserve area limited operating reserve supply
 - Global market power for Operating Reserve Conditions Summary – Province-wide limited operating reserve supply
- Comment 18 Table 3-19, Report 1
 - OPG would like to reiterate its concern in regards to the use of dynamic loss factors in the new market as previously document in OPG's comments on the Single Schedule Market High Level Design. OPG's previous comment:
 - "In general, OPG does not support dynamic loss factors updated more frequently than one hour, due to experienced dispatch volatility issues experienced when it was last implemented at market open (2002). The IESO acknowledges these issues and states quasi-dynamic loss factors will be considered if using dynamic loss factors is not technically feasible."
- Comment 19 Table 3-20, Report 3
 - OPG would like confirmation that the IESO will provide a clear definition/criteria of what constitutes an uncompetitive intertie.
- Comment 20 Table 3-20, Report 4
 - OPG recommends that this report be published during the pre-dispatch period so that the information can be considered by market participants during real-time. This is another report that highlights the need for clarity with regards to frequency/timelines of many of these published reports.
- Comment 21 Table 3-21, All reports

- OPG would like confirmation that these reports will include information on both reference levels for economic and physical withholding. This is another instance where it would be prudent to highlight what headers/specific information will be in these reports.
- Comment 22 – Table 3-22, Reports 2-5
 - OPG notes that the timing of these notices is important and should be included in the detailed design. OPG also recommends that these notices be provided as soon as possible following the event.

Comments on Design Document Section 4 Market Rule Requirements

- Comment 23 Table 4-1, Page 36, Row 1
 - Can the IESO provide justification for stating they will not provide market rule amendments to reflect
 - the new reporting timelines to be aligned with future market timelines, publication frequency
 - any content changes (such as new market participant and facility types).
 - And that they will be covered in applicable Market Manuals only.
 - Presently this is not explicitly stated in the Market Rules under Chapter 5, 7.1.5, why is there a need for this statement?
 - OPG recognises that this section of the document will need to be re-reviewed when other detailed designed documents are released. Participants should be given the opportunity to re-review this section once all relevant design documents have been released for review, many of the overlapping documents won't be released until late July.

Comments on Design Document Section 5 Procedural Requirements

Detailed Comment: OPG recognises that this section of the document pertaining to Market Manual and other document updates will need to be re-reviewed when other detailed designed documents are released. Participants should be given the opportunity to re-review this section once all relevant design documents have been released for review, many of the overlapping documents won't be released until late July.

Comments on Design Document Section 6 Business Process and Information Flow Overview

Detailed Comment: Some of these sections will again need to be re-reviewed along time various detailed design documents – IESO should provide opportunities for review once all detailed documents are released.

Frequency Column is a good opportunity to provide greater detail/clarity with regards to expected timelines for a variety of reports, however in many instances the frequency and timing is vague e.g. 'As Required', 'Triggered by different process timelines'.