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: <u>http://ieso.ca/en/Market-Renewal/Energy-Stream-Designs/Detailed-Design.</u>

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

We appreciate the opportunity to comment on the IESO's detailed design document for Publishing and Reporting Market Information (PRMI).

Our view is that the market will be more efficient when more information is available to market participants. In general, there is a need for more market information to be published, and specifically to support some of the market design changes being implemented as part of the Market Renewal Program (MRP).

We recommend that the IESO improve its processes for releasing real-time information because many reports are based on forecasts or are not updated quickly enough to reflect real-time conditions. Making market participants aware of real-time conditions will improve the market's efficiency.

We recommend that the IESO review the information confidentiality catalogue to determine what information could be released to market participants and focus on the best practices implemented in other electricity markets. For example, other markets make bids and offers in energy, ancillary services, capacity and transmission rights markets available publicly (with a time lag and market participant masking in some cases).

More specifically, there is insufficient real-time transmission information to understand how dispatches are determined and shadow prices are set in the existing market during transmission constraints. Transmission information will be more critical once nodal prices are adopted as part of the MRP. We make proposals in the sections below about the types of information that the IESO should provide.

There is also a lack of capability information about the transmission system, such as line ratings and interface ratings under differing system conditions. The existing transmission reports are not updated in real-time and it is not possible to use reported transmission element outages to determine transmission limits. We recommend that the PRMI detailed design document include market rule changes to require the IESO to publish a single-line diagram and a "Gold Book" similar to that published by the NYISO.

Finally, we suggest that the IESO revisit the PRMI detailed design document after all other detailed design documents have been released because market participants may identify additional information needed based on those detailed design documents.

Design Document Section 3 Functional Design: 3.3 Reports by Category

Detailed Comments for 3.3.6 Price Reports

We recommend that the DAM, PD and RT energy and OR LMP reports include a description of all binding transmission constraints and any overrides of binding constraints. It is not clear from the detailed design document whether that information would be included. Examples of this information as provided by MISO for real-time constraints is available here: <u>binding constraints</u> and <u>overrides</u>.

The existing DA, PD and RT security constraint reports do not provide enough details to satisfy these requirements.

Detailed Comments for 3.3.7 Demand Reports

We support the IESO's decision to publish zonal demand forecasts in the proposed "Ontario Near-Term Demand Forecast Report". We would recommend that this should include forecast demand for each of the 10 IESO zones instead of only four forecast areas.

We recommend that the IESO publish real-time demand with at least a zonal granularity, and preferably at a NCA granularity (and a DCA granularity when known in advance). This report should be updated on each of the 5-minute intervals and be available as a historical report. The proposed demand reports do not appear to include this information.

Detailed Comments for 3.3.8 Supply Reports

We recommend that the IESO publish a daily generator outage report by fuel type for at least the next 2 years. The content would be like the current adequacy report but would extend further into the future. This is important information for generators planning their outages, and the quarterly updates through the reliability outlook are too infrequent to support outage planning adjustments to address expected supply tightness.

We recommend that the IESO consider publishing supply offers after a reporting lag and with market participant and facility IDs masked. This would provide valuable information for market participants to understand the Ontario supply curve when making decisions on maintaining existing resources or developing new resources.

Detailed Comments for 3.3.9 Operating Reserve Reports

We recommend that the IESO consider publishing operating reserve offers after a reporting lag and with market participant and facility IDs masked. This would provide valuable information for market participants to understand the Ontario supply curve when making decisions on maintaining existing resources or developing new resources.

In addition, we recommend publishing a report that discloses when the IESO has decided to procure additional OR for flexibility and the quantify of additional OR procured for flexibility. It would be helpful to have this data publicly available to support market participant assessments of the potential value of participating in the OR markets.

Detailed Comments for 3.3.10 Transmission Reports

We support the IESO maintaining the transmission outages reports, which currently contain valuable information for forecasting potential congestion on the transmission system.

We recommend that the IESO publish additional transmission facility information so that market participants can better understand how transmission outages affect the transmission system capability. This information would include a single line diagram for the system, facility ratings, and interface limits during major outages.

We recommend that the IESO improve the reporting detail, accuracy and frequency of the "Transmission Facility Outage Limits Reports". These reports are often vague and rely on generic comments for derates such as "Internal System Conditions". This prevents market participants from understanding what is causing the constraint and understanding how nodal prices will be set in the new markets. These reports are also frequently slow to update and do not reflect real-time information. It would be helpful for the IESO to explain what obstacles exist to improving these reports and whether this can be done as part of the MRP.

We recommend that the IESO publish TR auction bids (and offers if a TR resale market is implemented) after a certain lag and with market participant identification masked. This information is valuable to allow that market to operate efficiently.

Detailed Comments for 3.3.11 Market Power Mitigation Reports

We support the IESO's proposed reporting for NCAs, DCAs and Global Market Power. We recommend that the NCA and DCA reports include details about the system conditions that would lead to the constraints because there may not be sufficient information available in real-time to allow market participants to forecast when an NCA or DCA could become binding.