

MRP Energy Detailed Design Document: DAY-AHEAD MARKET CALCULATION ENGINE

Stakeholder Feedback Form

Date Submitted:	September 24, 2020
Feedback Due:	September 24, 2020
Feedback Provided by:	
Company Name:	Ontario Energy Association
Contact Name:	Rob Coulbeck
Phone:	[REDACTED]
Email:	[REDACTED]

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 **September 24, 2020** to engagement@ieso.ca.

Please let us know if you have any questions. IESO Engagement.



General feedback on the Detailed Design Document (please expand any section as required)

The members of Ontario Energy Association (OEA) appreciate the opportunity to provide comments and feedback on the Day-Ahead Market Calculation Engine Detailed Design Document and the Market Renewal Program (MRP). The OEA is a proponent of efficient energy markets in meeting the needs of the province's consumers in that vein our members support MRP as it is an important step in reducing the inefficiencies of Ontario's wholesale electricity market.

The Day-Ahead Market Calculation Engine document descriptions are in line with the high-level design documents and convey the current and future market states. The Detailed Functional Design clarifies outstanding design issues and provides in-depth descriptions of the processes required by the calculation engine to create financially binding schedules in the day-ahead timeframe. A major concern is the mathematic formulae included in the detailed design may not be comprehended by market participants that do not have advanced mathematic knowledge (include the writer of the submission in this group). What means is the IESO undertaking to ensure all market participants are confident the formulae included in all the calculation engines (DAM, PD and RT) meet the intended design? OEA members recommend an independent third party review and report as a minimum requirement.

The OEA recognizes and acknowledges the effort of the IESO in providing market participants with extensive background material and consultation on the Market Renewal Project to this point. As the project moves to market rule, market manual and programming/coding development it would be beneficial to provide bid through billing training examples for each resource type as it is evaluated by the equations within the algorithms described in the detailed design. Examples should cover each calculation engine and demonstrate how market power mitigation functions for energy and operating reserve for each resource type within each mitigation condition.

The OEA looks forward to working with the IESO and market participants as the Market Renewal Program moves towards tool and process development.

Design Document: Section	Detailed Comments (Areas of Support or Concern)
1. Introduction	No comment.
2. Summary of Current and Future State	This section provides an excellent overview of the current and future states.
3. Detailed Functional Design	The functional design explanations effectively describe the processes required to develop financially binding Day-Ahead schedules. The mathematical formulations within the algorithms are difficult to verify for market participants that are not proficient in advanced mathematics. This is not suggesting there is an issue with the material but some participants may not be able to provide comments on the accuracy of the formulae in the document.
4. Market Rule Requirements	No comment.
5. Procedural Requirements	No comment.
6. Business Process and Information Flow Overview	No comment.