Administrative Enhancements for 2021 Capacity Auction

Summary of Proposed Changes to Market Rules and Manuals

| Market Rules/Market Manual | Chapter/Section | Description |
|-------------------------------|-----------------|---|
| Market Manual 12 | S. 3.2 | Wording included to clarify that the Capacity Auction Participant (CAP) will become the Capacity Market Participant (CMP)to ensure participants are aware that ownership requirements for physical resources will apply to CAPs as well; |
| | | Inclusion of "Electricity Storage Participant" to list of classes of participation for which a CAP may also authorize |
| Market Manual 12 | S. 4.1 | Wording included to clarify that a CAP may revise a capacity auction offer in Online IESO up until the capacity auction offer window closes |
| Market Manual 12 | S. 5.2 | Wording included to clarify that CAP, except in the case of imports, must be the registered owner of the resource as defined in Market Manual 1.5 |
| | | Wording included to clarify that a CAP with a physical capacity obligation providing demand response (DR) must register the DR resource as hourly demand response (HDR) or dispatchable load |



| | | Wording included to clarify a CAP with virtual HDR resource may include physical non- dispatchable load as DR contributors |
|---|-------------------|---|
| | | Wording amended to clarify timelines for registration activities |
| Market Manual 12 | S. 5.3.3 | Remove dispatchable load testing instruction that applies to obligation period ending April 2021 (2019 DR Auction) |
| Market Manual 12 | S. 6 | Wording amended to reflect non-performance charges occur if measurement data submission was not deemed accurate, timely or complete (to align with Market Rules) and for failing to deliver capacity in the energy market in a test activation |
| Market Manual 12 | S. 8 | Wording amended to clarify a capacity obligation transfer will be valid for all of the associated obligation period |
| Market Manual 5.5 | S. 1.6.26.3.5 | Wording included to clarify Capacity Charges apply to test activations only |
| Market Rules | Ch. 2, S. 1.2.2.6 | List of market participant classes exempt from HST updated to include CAP |
| | | Term demand response prudential support replaced by capacity prudential support |
| Market Rules | Ch. 11 | The definition of capacity auction eligible import resource to be amended to clarify that participants cannot use committed MWs to satisfy their capacity obligation |
| Market Rules | Ch. 7, S. 18.4.4 | Wording included to clarify that in the event a CAP has not satisfied the applicable eligibility requirements of S. 19.2, 19.3 or 19.6, the CAP shall forfeit its deposit and its capacity obligation |
| Market Manual 12, Market Manual 5.5 and Market Rules (Chapter 2) | Throughout | Defined terms have replaced previously undefined terms (e.g., contributors vs demand response contributors). Defined terms are italicized |
| (Chapter 2) | | Defined terms are italicized |