Market Rule Amendment Proposal Form

Part 1 - Market Rule Information

Identification No.:	MR-00484-R02
Subject:	Post Go-Live True-Ups for the Renewed Market: Settlements
Title:	Post Go-Live True-Ups for the Renewed Market: Settlements
Nature of Proposal:	☒ Alteration ☒ Deletion ☐ Addition
Chapter:	0.9
Appendix:	
Sections:	3.1, 3.3, 3.4, 3.10, 3.11, 4.14
Sub-sections proposed for amending:	3.1.11, 3.3.2.2(a), 3.3.2.2(b), 3.4.3 (deleted), 3.4.3.1 (deleted), 3.4.3.2 (deleted), 3.4.4, 3.4.4.2, 3.10.17, 3.11.1, 4.14.5
Current Market Rules Baseline:	

Part 2 - Proposal History

Version	Reason for Issuing	Version Date
1.0	Draft for Stakeholder Review	August 12, 2025

Approved Amendment Publication Date:

Approved Amendment Effective Date:

Part 3 - Explanation for Proposed Amendment

Provide a brief description that includes some or all of the following points:

- The reason for the proposed amendment and the impact on the *IESO-administered markets* if the amendment is not made.
- Alternative solutions considered.
- The proposed amendment, how the amendment addresses the above reason and impact of the proposed amendment on the *IESO-administered markets*.

Summary

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Background

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Discussion

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Part 4 - Proposed Amendment

Chapter 0.9

3.1 Two Settlement

Hourly Operating Reserve Settlement Amount – Real-Time Balancing Settlement

3.1.11 For all *delivery points* 'm' and *intertie metering points* 'i' associated with a *boundary entity resource*, a *dispatchable load*, a *dispatchable electricity storage resource,* or a *dispatchable generation resource*:

$$HORSA\{2\}_{k,h} = \sum_{R}^{M,T} \{RT\_PROR_{r,h}^{m,t} \; x \; (RT\_QSOR_{r,k,h}^{m,t} - DAM\_QSOR_{r,k,h}^{m}) + RT\_PROR_{r,h}^{i,t} \; x \; (RT\_QSOR_{r,k,h}^{i,t} - DAM\_QSOR_{r,k,h}^{i})\}$$

$$HORSA\{2\}_{k,h} = \sum_{R}^{M,T} \left\{RT\_PROR_{r,h}^{m,t} \; x \left(\frac{RT\_QSOR_{r,k,h}^{m,t} - DAM\_QSOR_{r,k,h}^{m}}{12}\right) + RT\_PROR_{r,h}^{i,t} \; x \left(\frac{RT\_QSOR_{r,k,h}^{i,t} - DAM\_QSOR_{r,k,h}^{i}}{12}\right)\right\}$$

Chapter 0.9

Day-Ahead Market Balancing Credit

3.3.1 The *day-ahead market* balancing credit *settlement amount* for *market participant* 'k' in *settlement hour* 'h' ("$DAM\_BC_{k,h}$") shall be calculated and disbursed to the *market participants* of *GOG-eligible resources* and *energy traders* participating with *boundary entity resources* in accordance with the eligibility and equations set out in this section 3.3 and the operating profit function described in section 10 of Appendix 9.2.

3.3.2 *GOG-eligible resources* and *energy traders* participating with *boundary entity resources* are eligible for the *day-ahead market* balancing credit *settlement amount* in each *metering interval* where:

3.3.2.1 for *energy traders* participating with *boundary entity resources*, such *resource* is *dispatched* for *operating reserve*; or

3.3.2.2 Where:

a. ~~a *GOG-eligible resource* or~~ an *energy trader* participating with a *boundary entity resource*~~, as the case may be,~~ is *dispatched* to a quantity of *energy* less than its *day-ahead schedule* by the *IESO* in order to maintain the *reliability* of the *IESO-controlled grid* and does not receive a real-time make whole payment *settlement amount* pursuant to section 3.5 in relation to such *energy* for the same *metering intervals*; or

b. for all *metering intervals* with *day-ahead schedules* associated with a *GOG-eligible resource's day-ahead operational commitment* for *energy* that is cancelled by the *IESO* in order to maintain the

reliability of the *IESO-controlled grid* and such *resource* does not receive a real-time make whole payment *settlement amount* pursuant to section 3.5 in relation to such *energy* for the same *metering intervals*.

Chapter 0.9

3.4 Day-Ahead Market Make-Whole Payment

3.4.1 Subject to section 3.4.2, 3.4.3 and the mitigation process described in section 5 and Appendix 9.4, the *day-ahead market* make-whole payment *settlement amount* for *market participant* 'k' in *settlement hour* 'h' ("$DAM\_MWP_{k,h}$") shall be calculated for each *settlement hour* for the *market participants* of *dispatchable loads, price responsive loads, energy traders* participating with *boundary entity resources, dispatchable electricity storage resources, self-scheduling electricity storage resources* that are registered to withdraw, or *dispatchable generation resources:*

3.4.1.1 that have a *day-ahead schedule* for *energy* or *operating reserve*; and

3.4.1.2 except for hydroelectric *generation resources* associated with *linked forebays* and hydroelectric *generation resources* not associated with *linked forebays* that have Attained Max Starts, as defined in section 3.4.13, where their *day-ahead schedule* for the applicable *settlement hour* for *energy* or *operating reserve,* as the case may be, is greater than their economic operating point for *energy* or *operating reserve,* as the case may be, for the same *settlement hour.*

3.4.2 The *day-ahead market* make-whole payment *settlement amount* shall be disbursed to the *market participants* of such *resources* in accordance with the eligibility and equations set out in section 3.4, and the operating profit function described in section 10 of Appendix 9.2. The *day-ahead market* make-whole payment *settlement amount* consists of the following components where applicable:

3.4.2.1 Component 1 is the shortfall in payment on the *day-ahead schedule* for *energy*, as determined in accordance with sections 3.4.7(a), 3.4.8(a), 3.4.9(a), 3.4.10(a), 3.4.11(a), 3.4.12(a), 3.4.13.3, 3.4.13.4(b), 3.4.13.5.2, 3.4.14(a) or 3.4.15(a), as applicable; and

3.4.2.2 Component 2 is the shortfall in payment on the *day-ahead schedule* for *operating reserve*, as determined in accordance with sections 3.4.7(b), 3.4.8(b), 3.4.11(b), 3.4.12(b), 3.4.13.3, 3.4.13.4(c), 3.4.13.5.2, 3.4.14(b) or 3.4.15(b), as applicable.

3.4.3 ~~Notwithstanding anything in section 3.4 to the contrary and for the purpose of determining the *day-ahead market* make-whole payment *settlement amount* for a *market participant,* the *IESO* shall adjust any:~~[Intentionally left blank – section deleted]

~~3.4.3.1 *Offer* price and their substitutions as per section 5.1.2.2, as applicable, associated with a *generation resource, dispatchable electricity storage resource* that is registered to inject, or an *energy trader* participating with a *boundary entity resource* that is injecting that is less than (i) 0.00 $/MWh; and (ii) the applicable *day-ahead market locational marginal price* for the applicable *metering interval,* to the lesser of 0.00 $/MWh and such *day-ahead market locational marginal price;* and~~

~~3.4.3.2 *Bid* price and their substitutions as per section 5.1.2.2, as applicable, associated with a *dispatchable load, price responsive load, dispatchable electricity storage resource* that is registered to withdraw, or an *energy trader* participating with a *boundary entity resource* that is withdrawing that is less than (i) the price determined in accordance with the applicable *market manual*, and (ii) the applicable *day-ahead market locational marginal price* for the applicable *metering interval,* to the lesser of the price determined in accordance with the applicable *market manual* and such *day-ahead market locational marginal price.*~~

Chapter 0.9

Day-Ahead Market Make-Whole Payment - Ineligibilities

3.4.4 Notwithstanding this section 3.4 but subject to section 3.4.6, ~~the following *resources* shall not be eligible to receive~~ a *day-ahead market* make-whole payment *settlement amount* shall not be paid for:

3.4.4.1 a *resource* that is a *GOG-eligible resource* or has a primary fuel type of uranium for any *settlement hour* where the *resource* has a *day-ahead schedule* less than its *minimum loading point*;

3.4.4.2 a ~~*generation resource* or a *dispatchable electricity storage resource* for a~~ *called capacity export*~~;~~

3.4.4.3 an *energy trader* participating with a *boundary entity resource* for any *settlement hour* in which the *energy trader* participating with the *boundary entity resource* has a *day-ahead schedule* for any *linked wheeling through transactions*;

3.4.4.4 a hydroelectric *generation resource* for any *settlement hour* in respect of which the hydroelectric *generation resource* receives either a *minimum hourly output* binding constraint or an *hourly must run* binding constraint;

3.4.4.5 *dispatchable loads* and *dispatchable electricity storage resources* that are registered to withdraw for any quantity of *energy* that they *bid* at the *maximum market clearing price* and which was scheduled in the *day-ahead market;*

3.4.4.6 combustion turbine *resources* or steam turbine *resources* that are not operating as a *pseudo-unit* for *settlement hours* in which they have a minimum constraint applied for combined cycle operation consistent with combustion turbine commitment; and

3.4.4.7 *dispatchable electricity storage resources* for any *settlement hour* for which such *resource* is ineligible to receive a *day-ahead market* make-whole payment in accordance with MR Ch.7 s.21.4.3.

Real-Time Make-Whole Payment - Ineligibilities

3.5.2 Notwithstanding this section 3.5 but subject to section 3.5.3, a real-time make-whole payment *settlement amount* shall not be paid for:

a. a *called capacity export*;

b. an import or export transaction during any *settlement hours* in which the associated *energy trader* has a *real-time schedule* for any *linked wheeling through transactions*;

Chapter 0.9

3.10 Operating Reserve Non-Accessibility Charge and Associated Reversal Charges

3.10.1 The *operating reserve* non-accessibility charge *settlement amount* for *market participant* 'k' for *delivery point* 'm' in *metering interval* 't' of *settlement hour* 'h' ("$ORSCB^{m,t}_{r,k,h}$") shall be calculated for each *metering interval* for the *market participants* of *dispatchable loads, dispatchable electricity storage resources,* or *dispatchable generation resources,* individually or as aggregated in accordance with MR Ch.7 s.2.3, as applicable, for each type of *class r reserve*. The *operating reserve* non-accessibility charge *settlement amount* shall be calculated and collected from such *market participants* for each instance in which they meet the eligibility criteria outlined in sections 3.10.7, 3.10.11 and 3.10.14, as applicable, and as calculated in accordance with sections 3.10.8, 3.10.9, 3.10.12, and 3.10.15, as applicable.

3.10.2 The real-time make whole payment reversal charge *settlement amount* for *market participant* 'k' for *delivery point* 'm' in *settlement hour* 'h' ($RT\_MWP\_RC^{m}_{k,h}$) shall be calculated for each *settlement hour* for the *market participants* of *dispatchable loads, dispatchable electricity storage resources,* or *dispatchable generation resources,* individually or as aggregated in accordance with MR Ch.7 s.2.3, as applicable. The real-time make whole payment reversal charge *settlement amount* shall be calculated and collected from such *market participants* for each *settlement hour* for which they received a real-time make whole payment *settlement amount* and meet the conditions set out in section 3.10.7, and as calculated in accordance with sections 3.10.17, 3.10.20, and 3.10.23, as applicable.

Real-Time Make-Whole Payment Reversal Charge for Dispatchable Loads, Dispatchable Electricity Storage Resources, and Dispatchable Generation Resources That Are Not Pseudo-Units

3.10.17 For a *delivery point* 'm' associated with a *dispatchable load, dispatchable electricity storage resource* or a *dispatchable generation resource* that is not a *pseudo-unit*, the real-time make-whole payment reversal charge *settlement amount* ($RT\_MWP\_RC^{m}_{k,h}$) is calculated as follows:

$$RT\_MWP\_RC^{m}_{k,h} = \sum^{T} (RT\_OLC\_RC^{m,t}_{k,h} + RT\_OLOC\_RC^{m,t}_{k,h})$$

Where:

a. The *operating reserve* non-accessibility lost cost reversal, $RT\_OLC\_RC^{m,t}_{k,h}$, is calculated in accordance with section 3.10.18.

b. The *operating reserve* non-accessibility lost opportunity cost reversal, $RT\_OLOC\_RC^{m,t}_{k,h}$, is calculated in accordance with section 3.10.19.

Chapter 0.9

3.11 Hourly Uplifts

Hourly Uplift Settlement Amount

3.11.1 The total *hourly uplift* for *settlement hour* 'h' ("HUS_{Ah}") to be recovered from *market participants* shall be determined according to the following equation:

$$HUSA_h = \sum_K \big(HORSA\{1\}_{k,h} + HORSA\{2\}_{k,h} + DAM\_BC_{k,h} + RT\_MWP_{k,h} + RT\_IOG_{k,h} + RT\_NISLR_h\big) - \sum_K \Big(\sum_R ORSSD_{r,k,h} + \sum_R ORSCB_{r,k,h} + RT\_IMFC_{k,h} + RT\_EXFC_{k,h} + DAM\_IMFC_{k,h} + DAM\_EXFC_{k,h} + GFC\_MPC_{k,h} + RT\_RLSC_{k,h} + DAM\_RLSC_{k,h}\Big)$$

Where:

a. $HORSA\{1\}_{k,h}$ is the hourly *operating reserve settlement amount* calculated in accordance with section 3.1.10 for *market participant* 'k' in *settlement hour* 'h';

b. $HORSA\{2\}_{k,h}$ is the hourly *operating reserve settlement amount* calculated in accordance with section 3.1.11 for *market participant* 'k' in *settlement hour* 'h';

c. $DAM\_BC_{k,h}$ is the *day-ahead market* balancing credit calculated in accordance with section 3.3 for *market participant* 'k' in *settlement hour* 'h';

d. $RT\_MWP_{k,h}$ is the real-time make-whole payment *settlement amount* calculated in accordance with section 3.5 for *market participant* 'k' in *settlement hour* 'h', as reduced by any $RT\_MWP\_RC^m_{k,h}$ calculated in accordance with sections 3.10.2 for such *market participant, delivery point,* and *settlement hour*;

e. $RT\_IOG_{k,h}$ is the net real-time *intertie offer* guarantee *settlement amount* calculated in accordance with section 3.6 for *market participant* 'k' in *settlement hour* 'h';

f. $RT\_IMFC_{k,h}$ is the real-time *intertie* failure charge *settlement amount* for import transactions calculated in accordance with section 3.7.4 for *market participant* 'k' in *settlement hour* 'h';

g. $RT\_EXFC_{k,h}$ is the real-time *intertie* failure charge *settlement amount* for export transactions calculated in accordance with section 3.7.6 for *market participant* 'k' in *settlement hour* 'h';

h. $DAM\_IMFC_{k,h}$ is the hourly *day-ahead market* import failure charge *settlement amount* calculated in accordance with section 3.7A.2 for *market participant* 'k' in *settlement hour* 'h';

i. $DAM\_EXFC_{k,h}$ is the hourly *day-ahead market* export failure charge *settlement amount* calculated in accordance with section 3.7A.3 for *market participant* 'k' in *settlement hour* 'h';

j. RT_NISLR_h is the *real-time market* net interchange scheduling limit (NISL) residual calculated in accordance with section 4.8.8 for *settlement hour* 'h';

k. $GFC\_MPC_{k,h}$ is the *market price* component of the *generator failure* charge *settlement amount* calculated in accordance with sections 4.10.5 and 4.10.8 for *market participant* 'k' in *settlement hour* 'h';

l. $RT\_RLSC_{k,h}$ is the *real-time market reference level settlement* charge *settlement amount* calculated in accordance with section 5.3 for *market participant* 'k' in *settlement hour* 'h';

m. $DAM\_RLSC_{k,h}$ is the *day-ahead market reference level settlement* charge *settlement amount* calculated in accordance with section 5.2 for *market participant* 'k' in *settlement hour* 'h';

n. $ORSSD_{r,k,h}$ is the *operating reserve* shortfall *settlement* debit *settlement amount* calculated in accordance with section 3.9.2 for *market participant* 'k' for *class r reserve* for *settlement hour* 'h'*;* and

o. $ORSCB_{r,k,h}$ is the *operating reserve* non-accessibility charge *settlement amount* calculated in accordance with section 3.10.1 for *market participant* 'k' for *class r reserve* for *settlement hour* 'h'.

Chapter 0.9

Day-Ahead Market Reliability Scheduling Uplift

4.14.5 The *IESO* shall calculate the total amount of *day-ahead market* make-whole payment disbursed to *energy traders* participating with *boundary entity resources* engaged in import transactions and *day-ahead market generator offer* guarantee disbursed to *GOG-eligible resources*, in each instance for those *resources* that were scheduled in Pass 2: Reliability Scheduling and Commitment but were not scheduled in Pass 1: Market Commitment and Market Power Mitigation Pass of the *day-ahead market calculation engine* (DAM_P2_PMT) as follows:

~~$$DAM\_P2\_PMT = -1 \times \sum_{H,K}^{M} Max(Imp\_DAM\_MWP_{k,h}^{i,p2} - Imp\_DAM\_MWP_{k,h}^{i,p1}, 0) + DAM\_GOG_{k,h}^{m}$$~~

$$DAM\_P2\_PMT = -1 \times \sum_{H,K}^{M} [Max(Imp\_DAM\_MWP_{k,h}^{i,p2} - Imp\_DAM\_MWP_{k,h}^{i,p1}, 0) + DAM\_GOG_{k,h}^{m}]$$

Where:

a. 'M' is the set of all *delivery points* 'm' and *intertie metering points* 'i';

b. $Imp\_DAM\_MWP_{k,h}^{i,p2}$ is as calculated in accordance with section 4.14.6;

c. $Imp\_DAM\_MWP_{k,h}^{i,p1}$ is as calculated in accordance with section 4.14.7; and

d. $DAM\_GOG_{k,h}^{m}$ is the $DAM\_GOG_{k,h}^{m}$ calculated in accordance with section 4.4 for the *GOG-eligible resources* scheduled in Pass 2: Reliability Scheduling and Commitment but were not scheduled in Pass 1: Market Commitment and Market Power Mitigation Pass.
