

Memorandum

To: Stakeholder Advisory Committee

From: Declan Doyle, Sr. Manager, MRP Outreach and Strategy

Date: November 3, 2021

Re: Market Renewal Program Update

The IESO is in the process of renewing its electricity markets to ensure the IESO can continue to deliver a reliable system cost-effectively in the future. With the completion of the [detailed design documents](#) earlier in 2021, the Market Renewal Program (MRP) has turned its focus to implementation activities, and the need to actively engage IESO customers and stakeholder communities to ensure that market participants can review and adapt effectively to the changes that are taking place in the electricity market. This memo will provide an update on the major implementation activities, with a focus on how the IESO is working collaboratively with stakeholders to prepare for MRP go-live target of November 2023.

Market Rules and Market Manuals

The IESO published the Market Power Mitigation (MPM) batch of market rules and market manuals for stakeholder review in August. The MPM batch provides further details on topics that the IESO has discussed with stakeholders this year, including the Independent Review Process, constrained area designations, and the methodologies for determining reference levels and reference quantities. Stakeholders submitted feedback in mid-October, and the IESO will respond and publish revised versions of the batch documents later this year. The IESO has also incorporated the advice from stakeholders carried forward from the detailed design phase. Technical Panel engagement on the MPM batch commenced in October and will continue into 2022.

The MRP team will provide an update to the Stakeholder Advisory Committee in early 2022 outlining how stakeholder feedback was incorporated into the revised MPM batch. The next batch of market rules and market manuals, on the day-ahead and real-time market calculation engines, is scheduled for stakeholder review in Q2 2022.

Reference Levels and Reference Quantities Consultations

As a part of the Market Power Mitigation framework, the IESO is making considerable progress, working together with market participants, on the one-on-one consultations to work towards establishing reference level and reference quantity values for dispatchable suppliers of energy and operating reserve. Nuclear and solar market participants have completed their submissions for IESO, and submissions for other resource types continue to flow in.

The IESO will be updating the [background documentation](#) in the near future to reflect some of the lessons learned so far, including adding new fields for opportunity costs and clarifying other required inputs. The consultation schedule will also be tweaked for all remaining thermal resources to start closer to the beginning of 2022 in order to provide more time for clarification discussions, where needed, between market participants and the IESO.

The IESO is providing quarterly progress updates on these one-on-one consultations to the broader stakeholder community through its monthly engagement meetings, with the next update scheduled for November.

Solution Development

The IESO's team of technical experts have been translating the detailed design into a set of implementable requirements. Where differences arise during the translation process, the IESO is committed to transparently engaging with stakeholders on resolutions that continue to align with the Market Renewal principles. The IESO shared its approach for engaging on these items with stakeholders in June, along with [three proposed design implementation solutions](#) in specific areas where there was a deviation from the detailed design documents. Stakeholders did not recommend any revisions to the approach or proposed solutions, and efforts are now underway to incorporate the solutions into future batches of market rules and market manuals. The IESO will review the solutions with stakeholders in full detail as each batch is released.

The IESO is providing quarterly updates on new design implementation solutions through its monthly engagement meetings, with the next update scheduled for December. Technical solution specifications are scheduled to be ready in early Q2 2022.

IESO Readiness

In addition to the many external-facing activities, the IESO has been preparing to align its own internal business processes and procedures with the new market design. Top priorities include line of business engagement, regular communication updates, and the creation of MRP learning modules. Many of the learning modules that are being created for an internal audience will also be leveraged for broader market participant education.

Testing, Training, and Market Participant Readiness

Earlier this year, the IESO formed the MRP Technical Advisory Group (TAG) with volunteers from across the sector to provide advice, guidance and support for the IESO's efforts to engage in testing activities and train market participants on the renewed energy market.

Two TAG meetings have been held so far, with a third scheduled for early November. To date, TAG members have provided input on topics such as tool changes, testing timelines, approaches to resourcing testing activities, and participant segmentation for testing and training activities. The November meeting will cover test execution management and engagement on reports. All TAG agendas, meeting materials, and discussion summaries are publicly posted on the MRP implementation engagement webpage for transparency.

The feedback that the IESO has been receiving through this forum will be incorporated into the draft market participant readiness plan, expected to be published for stakeholder review by the end of the year.