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Market Renewal – Energy Project Implementation – Market Rules Market Power Mitigation

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Agenda

- Stakeholder Comments – Summary
- Outcome of Responses – Summary
- Topics for Further Discussion
- Revisions to the Market Rules – Documents
- Next Steps

Stakeholder Comments - Summary

- Comments are reflective of the two comment periods following the Technical Panel vote to post on the market rule amendments for market power mitigation
- Six submissions received with a total of 139 comments – the IESO thanks stakeholders for their extensive and constructive comments

Stakeholder Comments - Summary

The topics of the stakeholder comments fall into the following categories:

Category	Number of Responses (139)
Determination of Reference Levels and Reference Quantities	42
Ex-Post Mitigation for Physical Withholding	39
Independent Review Process	18
Ex-Post Mitigation for Intertie Withholding	17
Ex-Ante Mitigation for Economic Withholding	7
Market Control Entity	5
Others	11

Outcome of Responses - Summary

The responses to stakeholder comments fall into the following categories:

Response Type	Number of Responses (139)
Clarification via Response	80
Editorial Change	32
Addition of Content	13
Commitment to Add Supplemental Market Manual Content	11
Modification of Market Rule or Market Manual	2
Update to a Defined Term	1

Topics for Further Discussion

- **The Independent Review Process**
 - Intended Benefit to Market Participants
 - Contrast in process and objectives with Dispute Resolution Process
- **Reference level and reference quantity consultations**
 - Outline of the inputs needed from market participants
 - Description of the support that the IESO continues to offer

Topics for Additional Discussion

- **Conduct thresholds and impact thresholds**
 - These thresholds are currently found in the calculation engine market rules, so this supplemental content will not impact the existing draft market rules
 - To support market participant understanding and transparency, the IESO will add a new appendix to Market Manual 14.1 that lists all the thresholds
 - For this supplemental appendix, the IESO will prioritize accessibility, ensuring that the content is presented in an easy-to-understand manner

Topics for Additional Discussion

- **Procedural details of simulation and impact tests**
 - The IESO does not anticipate that this supplemental content will require any changes to the existing draft market rules
 - There are specifics regarding the internal IESO process to calibrate the simulations to support ex-post assessments of physical withholding and intertie withholding
 - The IESO will supplement Market Manual 14.1 with this information and stakeholder during engagement days

Topics for Additional Discussion

- **Further content regarding the independent review process**
 - The IESO does not anticipate that this supplemental content will require any changes to the existing draft market rules
 - There are specifics regarding issues such as the selection process, contract provisions and requirements that the IESO anticipated would be further developed in the coming months
 - The IESO will supplement Market Manual 14.2 with this information and stakeholder during engagement days

Revisions to the Market Rules – Documents

Please refer to:

- (1) The Reader's Guide 'Summary of Market Rule Changes: March 2022' for a complete listing of incremental changes since version 4.0 of the market rules reviewed at the January TP meeting; and
- (2) Two versions of MR-00455-R00 are available:
 - MR-00455-R00 - 'clean' version with incremental changes as a result of the comment periods following the vote to post highlighted in yellow
 - MR-00455-R00 - 'tracked changes' version which shows all additions, edits and deletions
 - MR-00461-R01 - 'clean' version with incremental changes highlighted in yellow

Next Steps

- Today, requesting the Panel to provisionally recommend the MPM market rule amendments to the IESO Board for provisional approval in June

Thank You

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