

Chapter 3 Market Rule Amendment Process Refresh: Summary of Changes

The IESO is updating the market rule amendment section of Chapter 3 to reflect current practices and remove duplication. This document is intended to summarize the changes made. Unless otherwise indicated, the changes outlined below are contained in Chapter 3, Section 4.

Changes in red font were made following the Technical Panel vote to post.

Summary of Market Rule Changes

Chapter 11 Defined Terms

Definition	Rationale
New defined term - <i>amendment proposal</i>	To support readability, a new defined term is proposed. It refers to the document that sets out specified details for rule amendments that will come before the Technical Panel for a vote to post. This term is distinct from an amendment submission, which is filed by interested parties (or the IESO when there has not been a stakeholder engagement) to propose an amendment. If the Technical Panel votes that an amendment submission warrants consideration, the IESO will prepare a separate amendment proposal that the Technical Panel will vote whether to post. In cases where the IESO has conducted a stakeholder engagement, it will directly initiate the rule amendment process with an amendment proposal. This new term is distinct from an amendment, which is text of the change being proposed. Further details about what constitutes an amendment proposal are included in the market manual.

Amended defined term – <i>amend</i>	For clarity, revised defined term “ <i>amend</i> ” to “ <i>amend</i> , or <i>amendment</i> .”
Amended defined term – <i>amendment submission</i>	Replaced cross reference from Ch.3 s.4.2.4 to Ch.3 s.4.2.1, resulting from the re-drafting of sections within Chapter 3 section 4.
Amended defined term – <i>review notice</i>	Replaced cross reference from Ch.3 s.4.4.2 to Ch.3 s.4.9.3, resulting from the re-drafting of sections within Chapter 3 section 4.

Chapter 3, Section 4 – Market Rule Amendments

New Section	Previous Section	Description of Change	Rationale
4.1 - Introduction and Interpretation			
4.1	4.1	No changes made to this section	
4.2 - Initiating a Market Rule Amendment or Review			
4.2.1	4.2.4	- Deleted reference to “Market participant,” as market participants are included in the broader reference to “any interested party.” - Streamlined language and removed unnecessary administrative details.	Improved readability. Market Manual 2.3 (MM2.3) provides further details on the meaning of “interested parties” and other procedural details.
4.2.2	Not Applicable (N/A)	New provision that outlines the ability for the IESO to initiate an amendment following a stakeholder engagement. This provision, in combination with s.4.3.2, provides that these amendments are deemed to warrant consideration.	Addition made to be consistent with the existing Technical Panel Terms of Reference. MM2.3 provides procedural details when the IESO does or does not initiate an amendment with a stakeholder engagement.
4.2.3	N/A	New provision obligating the IESO to provide amendment submissions or amendment proposals to the Technical Panel for their review and consideration.	Technical Panel is a separate body from the IESO. This provision requires that amendment submissions or amendment proposals are provided to the Technical Panel. MM2.3 specifies timelines for submission.
4.2.4	4.3.2 4.3.9	Combined two provisions that outline TP’s right to request more information and solicit additional comments for amendment submissions from interested parties	Improved readability. MM2.3 specifies timelines for submission.

New Section	Previous Section	Description of Change	Rationale
4.2.5	4.3.7 4.3.10 4.3.11	This combines several provisions that outline the ability for the Technical Panel to meet with those making amendment submissions, and the requirement to include others and notify the IESO Board when they do so.	Improved readability. MM2.3 includes supplemental, procedural details.
4.3 - Warrants Consideration Determination			
4.3.1	4.3.5	This outlines how the Technical Panel may vote when determining whether an <i>amendment submission</i> warrants consideration. The options remain the same but are re-ordered: • Warrants consideration (old 4.3.5.1, new 4.3.1.1) • Interpretation or clarification (old 4.3.5.1B, new 4.3.1.2) • Minor amendment (old 4.3.5.1A, new 4.3.1.3) • No further consideration is warranted (old 4.3.5.2, new 4.3.1.4) Exclusion related to proposed amendments submitted by the IESO Board is covered in section 4.6.	The provision is re-worded to be more direct. The requirement to notify the IESO Board and the person who submitted the amendment submission is relocated to the end of the provision to support readability. MM2.3 specifies procedural details on priority, unsolicited written submissions and assessment criteria. Update made for Vote to Recommend: as a result of comment ref#1, added reference to the receipt of an amendment submission under section 4.2.1.
4.3.2	4.8.1.1 4.3.5 4.2A.2	New provision that explicitly outlines the situations where a warrants consideration vote is unnecessary.	The current rules do not require a warrants consideration vote for amendments directed by the Ontario Energy Board and those initiated by the IESO Board. Amendments proposed by the Technical Panel will be deemed to warrant consideration by virtue of the fact the Technical Panel has submitted the amendment. Amendments which are initiated by the IESO following a stakeholder engagement will be deemed to

New Section	Previous Section	Description of Change	Rationale
			warrant consideration consistent with the TP Terms of Reference. Update made for Vote to Recommend: As a result of comment # 15, removed the word "initiative" for consistency with section 4.2.2.
4.3.3	4.3.7	Where the TP decides that an amendment submission warrants consideration, this decision needs to be communicated.	The original provision required both (i) publication of the decision that an amendment submission warranted consideration, and (ii) an invitation for interested persons to make further submissions (new section 4.2.4). For clarity, these two elements are separated, and this 4.3.3 provision contains only the need to publish the decision.
4.3.4	4.3.12.1	Provision remains essentially unchanged.	N/A
4.3.5	4.2.12.2	Provision remains essentially unchanged.	N/A
4.3.6	4.3.6	Provision remains essentially unchanged.	N/A
4.3.7	N/A	New provision to make it clear that the IESO will prepare <i>amendment proposals</i> for all <i>amendments</i> that warrant consideration.	Given the inter-related nature of rule amendments, the IESO is best positioned to identify all the impacts of a proposed rule amendment, and in collaboration with other parties, develop a cohesive amendment package that addresses all these connections. MM2.3 specifies further procedural details.
4.4 - Vote to Post			
4.4.1	4.3.7	This provision sets out the obligation for the Technical Panel to vote whether to post the proposed amendment for stakeholder comment. Note, if the amendment was initiated through an amendment submission, the IESO will have prepared an	Previously the requirement to post for stakeholder comments was included in old section 4.3.7 and was not explicit. For clarity, this step is specifically set out.

New Section	Previous Section	Description of Change	Rationale
		amendment proposal for the TP to consider and vote on.	
4.4.2	4.3.13	The old provision 4.3.7 indicates that prior to voting to recommend the rule amendment to the IESO Board, the amendment will be posted by the IESO at the TP's request. This new provision explicitly outlines this step and will codify the current practice of publishing all non-confidential submissions.	Improved clarity and readability, articulates that any feedback received will be published along with the IESO's response. MM2.3 specifies timelines for written responses.
4.4.3	N/A	New section that codifies the Technical Panel's discretion to not post an amendment proposal for stakeholder comment where it determines there has previously been sufficient stakeholder review.	This procedure is currently contained in the TP Terms of Reference and is being relocated to the market rules.
4.4.4	4.7.2	Explicitly outlines the current provision that enables the Technical Panel to bypass the vote to post process for minor amendments.	Section 4.7.2 indicates by cross reference to previous section 4.3.14 that the amendment, if minor, does not need to be posted for stakeholder comment prior to being recommended for the IESO Board. This new provision makes this option explicit.
4.5 - Vote to Recommend to the IESO Board			
4.5.1	4.3.13	Sets out the circumstances in which the TP will vote whether to recommend an amendment proposal to the IESO Board.	Improved clarity and readability. This new provision will more clearly outline the vote to recommend process and the conditions upon which the vote to recommend may take place. MM2.3 further species procedural details. Update made for Vote to Recommend: as a result of comment ref#18, added an additional cross reference to be clear that publication of the comments comes after the vote to post comments have been received, with IESO responses being available for the vote to recommend.
4.5.2	4.3.14	Outlines the content requirements for the report to the IESO Board following a vote to recommend.	Updated cross-references, content remains substantially similar.

New Section	Previous Section	Description of Change	Rationale
			4.5.2.2 removes the cross-references to objections raised through various other provisions, referring instead to a summary of any objections.
4.5.3	4.3.15	The provision remains essentially the same. The requirement that the TP provide the IESO Board all written submissions received has been relocated.	The requirement to provide all written submissions to the IESO Board, on their request, is included in new section 4.6.2. This generic reference covers all the specific cross references contained in the previous provision. MM2.3 specifies timelines for written submissions and publication details.
4.6 - IESO Board Review			
4.6.1	4.3.17 4.3.18 4.3.19	The requirement for, and possible outcomes of, the IESO Board vote are set out.	Separating each vote outcome and moving the publication requirements to new section 4.6.3 improves readability. MM2.3 specifies a listing of documents provided in the report to the IESO Board. Update made for Vote to Recommend: As a result of comment #10, Technical Panel is replaced with IESO, to be more specific on who submits the material.
4.6.2	4.3.15	The IESO Board's power to request all written submissions received by the TP is set out in its own provision. This replaces various cross-references in favour of one broader provision.	Eliminating extensive cross-references supports readability.
4.6.3	4.3.18 4.3.19	This is the new location of the publication and notification requirements for IESO Board decisions.	Separating out these obligations supports readability. MM2.3 specifies further procedural details on publication.
4.6.4	4.3.19 4.3.20	Provision remains essentially the same, with the removal of the reference to the Governance and Structure By-law.	Inclusion of section 4.3.20 in this new provision supports readability by removing some cross references. The IESO Board is already obligated to comply with the Governance and Structure by-law.

New Section	Previous Section	Description of Change	Rationale
			Update made for Vote to Recommend: As a result of comment # 11, Technical Panel is replaced with IESO, to be more specific on who submits the report.
4.7 - Urgent Amendments			
4.7.1	4.6.1	Provision remains essentially the same.	N/A
4.7.2	4.6.4	Provision remains essentially the same with additional information on when such an amendment comes into force.	Additional information is provided for clarity. MM2.3 specifies further procedural details on publication.
4.7.3	4.6.2	Provision remains the same.	N/A
4.7.4	4.6.3	Provision remains essentially the same, with the removal of the reference to the Governance and Structure by-law.	The Governance and Structure By-law is already referenced in section 4.1.2 and the IESO Board is already obligated to comply with it– this second reference is redundant.
4.7.5	4.6.5	Provision remains the same.	N/A. MM2.3 specifies further procedural details on publication.
4.7.6	4.6.6	Provision remains essentially the same, with additional clarity about the need to provide the effective date and time of the decision.	N/A. MM2.3 specifies further procedural details on publication.
4.8 - Amendments Subject to Order of the Ontario Electricity Board			
4.8.1	4.8.1	Provision remains essentially the same, with a deletion to the reference to a petition to the Lieutenant Governor in Council (LGIC), and replacement of “taken” with “initiated.”	The reference to the LGIC is no longer applicable. Minor grammatical change for clarity. Update made for Vote to Recommend: As a result of further review, the cross reference is updated to section 4.3.
4.8.2	4.8.2	Provision remains essentially the same, with a deletion to the reference to a petition to the Lieutenant Governor in Council (LGIC), and replacement of “taken” with “initiated.”	The reference to the LGIC is no longer applicable. Minor grammatical change for clarity.
4.9 - Amendments initiated by the IESO Board or Technical Panel			

New Section	Previous Section	Description of Change	Rationale
4.9.1	4.2A.1	Provision remains essentially the same.	N/A. MM2.3 specifies further procedural details on publication, and timelines for written submissions.
4.9.2	4.2A.2	Provision remains essentially the same, but with the removal of the exception for minor amendments and that references to technical panel shall be considered references to the IESO Board in the applicable sections.	The specific rules governing minor amendments have been integrated into the relevant steps of the overall rule amendment process. Accordingly, it is no longer necessary to carve out minor amendments in this provision. Upon review, the existing provision that modifies section 4.4 to 4.6 in the context of a Board-initiated amendment better describes the intended process than substituting references to the Technical Panel with references to the Board. Update made for Vote to Recommend: As a result of further review, the cross reference is updated to section 4.3.
4.9.3	4.4.2	Provision remains essentially the same.	N/A. MM2.3 specifies further procedural and timing details on review notices.
4.9.4	4.4.3	Provision remains essentially the same, but the term review notice is replaced with amendment submission.	The updated rules clarify that a review notice is used by the TP to inform the IESO Board that it intends to initiate a rule amendment. After meeting this obligation, the TP will prepare and file an amendment submission, which is deemed to warrant consideration under section 4.3.2.4. The IESO will subsequently prepare an amendment proposal that will be the basis for the vote to post and recommend. This is intended to clarify and simplify an uncommon process. Update made for Vote to Recommend: As a result of further review, the cross reference is updated to section 4.3.

New Section	Previous Section	Description of Change	Rationale
4.10 - Experts and Other Assistance			
4.10.1	4.9.1	Provision remains essentially the same, but with the removal of reference to the Governance and Structure By-law, and removal of reference to the IESO's Chief Executive Officer.	The Governance and Structure By-law is already referenced in section 4.1.2 and the TP is already obligated to comply with it – this second reference is redundant. Reference to the IESO's Chief Executive Officer is unnecessary – budgetary approvals for consultants are per IESO internal policies.
4.10.2	4.9.1A	Provision remains the same.	N/A
4.10.3	4.9.2	Provision remains essentially the same, but with the removal of reference to section 4 and removal of reference to the IESO's Chief Executive Officer.	The TP's responsibilities are limited to the rule amendment process, so it is not necessary to include a cross reference to section 4. Reference to the IESO's Chief Executive Officer is unnecessary.
4.10.4	4.9.3	Provision remains essentially the same, but with the removal of reference to section 4 and a portion of the last sentence.	Improved clarity and readability. The TP's responsibilities are limited to the rule amendment process, so it is unnecessary to include a cross reference to section 4.
4.10.5	4.9.4	Provision has been simplified.	The IESO Board has broad authority to call upon the assistance of the TP in all circumstances.
4.11- Oversight and Audit			
4.11.1	4.2.3	Provision remains essentially the same, but with the removal of 'from time to time'.	Supports readability.
4.11.2	4.12.1	Provision remains the same	N/A

Summary of Deleted Provisions

Previous Section	Provision	Reason for Removal
4.2.1	Under section 32 of the <i>Electricity Act, 1998</i> , the <i>IESO Board</i> has the authority and responsibility to <i>amend</i> the <i>market rules</i> . The <i>technical panel</i> is authorized, through the <i>Governance and Structure By-law</i> , to support	Unnecessary to repeat governance parameters stated elsewhere.

Previous Section	Provision	Reason for Removal
	the <i>IESO Board</i> in the development and consideration of <i>amendments</i> to the <i>market rules</i> . The <i>urgent rule amendment committee</i> is authorized, through the <i>Governance and Structure By-law</i> , to support the <i>IESO Board</i> in the development, consideration and making of <i>urgent rule amendments</i> .	
4.2.2	In formulating <i>amendments</i> to the <i>market rules</i> , the <i>IESO Board</i> , the <i>technical panel</i> and the <i>urgent rule amendment committee</i> shall take into consideration the objects of the <i>IESO</i> as set forth in the <i>Electricity Act, 1998</i> .	Unnecessary to repeat governance parameters stated elsewhere.
4.3.7	Where the technical panel decides or is required to further consider an amendment submission pursuant to section 4.3.5 or 4.3.6, the IESO shall publish and give notice to all market participants and to any person who made the amendment submission, of the particulars of the amendment submission and of any comments which the technical panel may wish to make in respect of the amendment submission. The notice and publication may, at the request of technical panel, invite market participants and other interested persons to make written submissions to the technical panel concerning the amendment submission, within such reasonable period as shall be determined by the technical panel, and as specified in the publication and notice. This reasonable period shall not be less than 7 days.	This provision (i) requires the IESO to publish the TP's decision that an amendment submission warrants consideration and (ii) permits the TP to solicit additional feedback on this decision. (i) The first requirement is now contained in s. 4.3.3. (ii) The ability to seek additional feedback immediately following the warrants consideration vote has been removed. Seeking feedback at this stage is inefficient, as the TP already has authority under s.4.2.4 to seek feedback prior to the warrants consideration vote.

Summary of Changes to Market Manual 2.3 - Market Rule Amendment Procedure

Market Manual 2.3 has been rewritten in its entirety to conform with the renewed markets style and structure for market manuals.

Update made for Vote to Recommend:

Revised section 11.3 to provide more clarity on the steps a market participant can take if they disagree with market manual content, further to comment #12.

Summary of Changes to the Technical Panel Terms of Reference

Details on the market rule amendment process under section 3.2 of the Terms of Reference that repeat market rule or market manual content have been deleted in their entirety.

Three sections under section 3.2 of the Terms of Reference related to Technical Panel process have been moved to section 4.5 – Role and Expectations of Committee Members, and are shown as tracked changes.

Update made for Vote to Recommend:

- Section 4.5.7.4: to clarify that it is only the Technical Panel members that participate in the vote.
- Section 5.3.3: as a result of comment ref#2, clarifies that all decisions of the Panel are decided by a vote.
- Section 5.4.3: upon further review, removed duplication with the market rules section 4.5.2.