



Market Rule Amendment Submission

This form is used to request an amendment to, or clarification of, the *Market Rules*. Please complete the first four parts of this form and submit the completed form by email or fax to the following:

Email Address: Rule.Amendments@ieso.ca

Fax No.: (416) 506-2847 Attention: Market Rules Group

Subject: Market Rule Amendment Submission

All information submitted in this process will be used by the *IESO* solely in support of its obligations under the *Electricity Act, 1998*, the *Ontario Energy Board Act, 1998*, the *Market Rules* and associated policies, standards and procedures and its licence. All submitted information will be assigned the *confidentiality classification* of “Public” upon receipt. You should be aware that the *IESO* will *publish this amendment submission* if the *Technical Panel* determines it warrants consideration and may invite public comment.

Terms and acronyms used in this Form that are italicized have the meanings ascribed thereto in Chapter 11 of the *Market Rules*.

PART 1 – SUBMITTER’S INFORMATION

Please enter contact information in full.	
Name: _____	
(if applicable) <i>Market Participant / Metering Service Provider</i> No. ¹ : _____	<i>Market Participant Class</i> : _____
Telephone: _____	Fax: _____
E-mail Address: _____	

PART 2 – MARKET RULE AMENDMENT SUBMISSION INFORMATION

Subject: <u>General</u>	
Title: <u>Clean-up of Rule Notes and Definitions</u>	
Nature of Request (please indicate with x)	
<input checked="" type="checkbox"/> Alteration	<input checked="" type="checkbox"/> Deletion <input type="checkbox"/> Addition <input type="checkbox"/> Clarification
Chapter: <u>9, 11</u>	Appendix: _____ Sections: _____
Sub-sections proposed for amending/clarifying: _____	

¹ This number is a maximum of 12 characters and does not include any spaces or underscore.

PART 3 – DESCRIPTION OF THE ISSUE

Provide a brief description of the issue and reason for the proposed amendment. If possible, provide a qualitative and quantitative assessment of the impacts of the issue on you and the *IESO-administered markets*. Include the Chapter and Section number of the relevant *market rules*.

In order to provide greater clarity to *market participants*, the *IESO* has identified a number of “clean-up” amendments to the *market rules*. These clean-up items include:

DELETION OF RULE NOTES: The *market rules* contain two rule notes or explanatory notes which are inserted for convenience only and do not form a part of the *market rules*. Rule notes do not affect the interpretation of the *market rules* nor are they binding on the *IESO* or on any *market participant*. The *IESO* found that the issues described in each rule note have been addressed and that the rule notes are no longer needed.

The rule note in Chapter 9, section 2.4 is with respect to Physical Allocation Data states:

“the *IESO Board* may elect to review these rules subject to the conclusion of an *OEB* examination into the issue of double settlement of *retailers* and like entities in the *retail* and wholesale markets.”

This note should be removed because the *OEB*’s examination of this issue has been published on the *OEB* website in the First Generation Performance Based Regulation for Electricity Distributors - Distribution Rate Handbook in section 11.5: http://www.oeb.gov.on.ca/documents/cases/RP-1999-0034/chapter11_revision2.pdf An excerpt of the *OEB*’s examination into PAD is shown below:

“11.5 PHYSICAL ALLOCATION PROCESS

The Board has considered the ability of distributors to accommodate Physical Allocation at the initial phase of market opening and concluded that it may not be feasible to do so for customers without an interval meter. Therefore, the Board will not obligate a distributor to accommodate a request for Physical Allocation from an aggregator of customers without interval meters.

However, if a Wholesale Market Participant Distributor is presented with a request for Physical Allocation from a customer (the “Requester”) with a remotely read interval meter (defined as a MIST meter in the RSC); the Wholesale Market Participant Distributor shall enter into discussions with the Requester and consider the feasibility of accommodating such a request.

If the two parties are able to reach a physical allocation agreement (“PAA”), the Wholesale Market Participant Distributor must file the PAA with the Board for approval. The PAA shall include specific provisions setting out how variances shall be accounted for between the agreed allocated quantity (or factor) and the actual hourly quantity of energy withdrawn by the Requester. The Wholesale Market Participant Distributor is responsible for proposing a plan to ensure that other customers in its service territory are held harmless by this agreement. When filing the PAA with the Board for approval, the Wholesale Market Participant Distributor shall also apply for a rate that will recover all incremental costs incurred for accommodating the PAA from the Requester.

The obligations of a Wholesale Market Participant Distributors with respect to Physical Allocation will be revisited in conjunction with the mid-term review held to design the next generation of performance-based ratemaking (PBR).”

PART 3 – DESCRIPTION OF THE ISSUE

The rule note in Chapter 11 states:

“the use of the terms “within Ontario”, “in Ontario”, “outside Ontario” and similar expressions may be problematic in certain contexts where references should relate not to the geographic boundaries of the Province but to operational boundaries (for example, “within the *IMO control area*” or “outside the *IESO-controlled grid*”). The relevant provisions of the *market rules* should be considered in this light and any necessary adjustments made.”

This note can be removed if the market rule references to “within Ontario”, “in Ontario”, “outside Ontario” are amended to the appropriate reference.

Removing these Rule Notes will improve the clarity of the market rules.

DEFINED TERMS NO LONGER USED: There are a number of defined terms in Chapter 11 that are no longer used in the market rules and should be removed. These terms were previously referenced in the market rules, however, at some point the market rule was deleted, and the associated defined term was left in Chapter 11. The terms are:

- § *new connection assets*: reference in Ch.10 (s) 9.4.1 removed for baseline 3.1 September 11, 2000
- § *new connection facility*: removed prior to baseline 1.0 February 18, 2000
- § *new embedded generation facility*: removed prior to baseline 1.0 February 18, 2000
- § *power system stability service*: removed prior to baseline 1.0 February 18, 2000
- § *residual risk*: reference in Ch.3 (s) 4 removed for baseline 3.1 September 11, 2000
- § *restoration-related breaker*: removed prior to baseline 1.0 February 18, 2000
- § *risk of seller non-delivery*: reference in Ch.2 (s) 5.3.4.1a removed for baseline 3.1 September 11, 2000
- § *wholesale meter pool charge*: removed prior to baseline 1.0 February 18, 2000

NUMBERING OF DEFINED TERMS: The numbering of defined terms in Chapter 11 is not necessary because the terms are arranged in alphabetical order. By removing the numbering of each term, the page set-up will be more user-friendly for both reading and printing. Specifically, removing the numbering of defined terms will reduce the total number of pages in Chapter 11 from 52 to 42 pages

PART 4 – PROPOSAL (BY SUBMITTER)

Provide your proposed amendment. If possible, provide suggested wording of proposed amendment.

The market rules should be amended as follows:

- § Remove a rule note in Chapter 9 section 2.4:

“the *IESO Board* may elect to review these rules subject to the conclusion of an *OEB* examination into the issue of double settlement of *retailers* and like entities in the *retail* and wholesale markets.”

- § Remove a rule note in Chapter 11:

“the use of the terms “within Ontario”, “in Ontario”, “outside Ontario” and similar expressions may be problematic in certain contexts where references should relate not to the geographic boundaries of the Province but to operational boundaries (for example, “within the *IMO control area*”

PART 4 – PROPOSAL (BY SUBMITTER)

or “outside the *IESO-controlled grid*”). The relevant provisions of the *market rules* should be considered in this light and any necessary adjustments made.”

§ Amend any vague references to “Ontario” to an appropriate specific term.
§ Remove defined terms that are no longer used.
§ Remove numbering of defined terms.

PART 5 – FOR IESO USE ONLY

Technical Panel Decision on Rule Amendment Submission: _____

MR Number: MR-00324

Date Submitted to *Technical Panel*: July 18, 2006

Accepted by *Technical Panel* as: (please indicate with x) Date:

General Urgent Minor July 18, 2006

Criteria for Acceptance: It identifies ambiguity or confusion in the rules that cause interpretation confusion and leads to poor coordination of implementation or to future disputes. The rule notes should be removed because the issues described therein have been addressed. Removing defined terms that are no longer in use will provide clarity to market participants. Removing numbering in Chapter 11 will create a more user-friendly format. Amending and updating the market rules is a necessary to ensure that market participants have access to clear, concise and up-to-date information.

Priority: Low

Criteria for Assigning Priority: **A low priority is appropriate because the extent of the adverse impact on the affected participants resulting from non-material changes to the market rules is low.**

Not Accepted (please indicate with x):

Clarification/Interpretation Required (please indicate with x):

Technical Panel Minutes Reference: IESOTP-190-1

Technical Panel Comments: _____