

Market Rule Amendment Written Submission

This form is used to provide comment on a market rule amendment under consideration by the IMO. Please complete all four sections of this form and submit the completed form by email or fax to the following:

Email Address: <u>Rule.Amendments@theIMO.com</u> Fax No.: (416) 506-2847 Attention: Market Rules Group

Subject: Market Rule Written Submission

All information submitted in this process will be used by the *IMO* 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 *IMO* intends to *publish* this written submission.

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 your organization and contact information in full

Name: Peter Alpajaro				
(If applicable) Market Participant / Metering Service Provider No. 1:	Market Participant Class:			
Telephone (519) 361-7051	Fax: (519) 361-1845			
Email Address: peter.alpajaro@brucepower.com				

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

PART 2 – MARKET RULE AMENDMENT REFERENCE

Type of Rule Amendment being commented on (please indicate with X):						
Amendment SubmissionX_ Proposed Rule AmendmentRecommended Rule Amendment						
MR-#MR-00195-R00-R06						
This Market Rule number is located on the "Current Market Rule Amendment" web page.						
Date relevant <i>Amendment Submission</i> , Proposed or Recommended Rule Amendment posted for comment:						

PART 3 – COMMENTS ON RULE AMENDMENT

Provide your comments.

Please refer to the previous detailed submission in February 2003 from Corinne Draesner regarding the Strawman for CMSC Payments for the detailed rationale as to why Bruce Power is vigourously opposed to the elimination of CMSC payments for exports and imports. This previous submission was a thorough and concise explanation of why it would be inappropriate to proceed with the proposed market rule amendment.

The intent of these specific comments is to highlight the requested feedback on MR-00195-R00-R06 on the "fairness" of applying the proposed rules which would result in either the avoidance of negative CMSC payments or the crediting of these negative CMSC payments to market participants. In the absence of a LMP pricing regime, which continues to be debated by the IMO WG MEP, it would be inherently unfair to generators to avoid the payment of negative CMSC payments. CMSC payments in these export and import situations provide the requisite compensation when generation is constrained off due to transmission congestion and encourage the further development or maintenance of generation located within Ontario. Other jurisdictions such as NYISO that do not employ the CMSC payments, utilize a LMP pricing regime that acknowledges the cost of congestion via TCCs. We cannot in good faith simply eliminate the CMSC payments without the requisite corresponding pricing regime. Since we still don't have a decision on whether or not to officially adopt LMP from the IMO board, especially since the consultation process is ongoing, elimination of the CMSC payments for exports and imports would be a premature and hasty decision.

PART 3 – COMMENTS ON RULE AMENDMENT							
PART 4 – EXTERNAL CONSULTATION MEETING							
If you believe that a special meeting of stakeholders would be necessary/desirable to discuss the issues							
raised by the rule amendment, please complete the following information:							
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PART 4 – EXTERNAL CONSULTATION MEETING						
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