

Stakeholder Comment Request – Draft Market Rules and Market Manuals

MR-00439-R00-05 – Transitional Capacity Auction

Date Submitted: 2019/05/27 Feedback Due: May XX, 2019	Feedback provided by: Company Name: <u>Workbench Corp</u> Contact Name: <u>Heather Sears</u> Phone: <u>[REDACTED]</u> Email: <u>[REDACTED]</u>
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Please provide comments relating to the section of the draft amendment proposal in the corresponding box. Please include any views on whether the draft language clearly articulates the requirements for either the IESO or market participants. Please provide any alternative language by inserting the draft language below and red-lining the suggested changes.

MR Chapter	Design Element (MR section)	Stakeholder Comments
2	Participation	<i>Stakeholder comments to be included here.</i>
2 (app)	Appendices	
3	Administration, Supervision, Enforcement	
7	System Operations and Physical Markets	
9	Settlements and Billing	

11	Definitions	
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MM	Design Element (MM section)	Stakeholder Comments
1.1	Participant Authorization	<i>Stakeholder comments to be included here.</i>
1.2	Facility Registration	
1.3	Identity Management	
2.10	Connection Assessment	
4.3	Real-time Scheduling of the Physical Market	
5.4	Prudential Support	
5.5	Physical Market Settlement Statements	<p><u>Section 1.6.26.1 – Settlement Timelines</u></p> <ul style="list-style-type: none"> The language needs to be more specific, I think. It currently reads “All settlement charges for a commitment month will appear on the month end PSS following the commitment month, resulting in a one-month lag”. However, dispatchable generation and dispatchable load resources will have their energy (and OR) settled normally and only have a 1 month lag on the capacity/availability payment, right? Or does an existing dispatchable generator and dispatchable load add a 2nd market participant per site such that they have a separate MP ID for the capacity market participant? <p><u>Section 1.6.26.3.2 – Availability Charges</u></p> <ul style="list-style-type: none"> This opening paragraph is confusing. I can’t tell whether IESO is saying that availability charges apply to: <ul style="list-style-type: none"> a) a specific capacity market participant that has multiple contributing resources that in total did not meet the total capacity obligation of that participant, or; b) all capacity market participants with a capacity obligation, as the sum of all auction capacity across participants. <p>Is this a non-performance charge for one market participant whose obligation was not met, in whole or in part, by its multiple (or sole)</p>

		<p>contributors (a)? Or is it a shared uplift cost where all parties pay a penalty for one facility's non-performance (b)? Logic tells me it's b, but the way it is written is unclear, even though I referred to the definitions repeatedly.</p> <ul style="list-style-type: none"> • The specific assessment of availability charges to dispatchable generators, and the way it incorporates real-time offers and physical constraints (ETD, ramp rates, etc.) would be best illustrated by an example. • Am I right to interpret this as a generator that submits an economic offer in day-ahead and real-time that meets its capacity obligation for the term, and is subsequently dispatched below that capacity in real-time (either to 0, some ramp output level, MLP or other) is not assigned an availability charge?
6	Participant Technical Reference Manual	
7.3	Outage Management	<p><u>Section 4.1.5 Testing of Capacity Generation Resources</u></p> <ul style="list-style-type: none"> • Question: Does an IESO-initiated Test Activation require or involve the outage system (i.e. a test outage slip) if there is no actual reduction in capacity expected? <p><u>Section 4.2.4.I. Outages: Demand Response Resources with Capacity Obligations</u></p> <ul style="list-style-type: none"> • There's nothing to comment on here, but for consistency, I put the header in. <p><u>Section 4.2.4.II. Testing: Dispatchable Load Resources with Capacity Obligations</u></p> <ul style="list-style-type: none"> • Dispatchable load capacity market participants have an obligation to self-report for non-performance during an IESO-initiated test activation. Is it intentional that dispatchable loads have this obligation but dispatchable generators do not? <p><u>Section 4.2.4.III. Testing: HDR Resources with Capacity Obligations</u></p>

		<ul style="list-style-type: none"> To be clear, is there no outage submission for HDR resources with capacity obligations? Or is outage reporting met by the planned non-performance event section? I find this confusing. <p><u>Section 4.2.4.IV. Non-Performance Event for HDR Resources with Capacity Obligations</u></p> <ul style="list-style-type: none"> <i>DR Capacity Obligation</i> – this makes sense, looks like a form or a notice to an email address, either ahead of time if planned or in real time if forced. Is there a specific format or content requirement for the notice? <i>TCA Capacity Obligation</i> – this does not make sense, I think because of the language. It reads as though HDR TCA capacity participants are required to maintain records after the obligation period for 1 year of performance after obligation period. I think you mean it to read that they need to maintain for 1 year after the obligation period records for performance during the obligation period.
12	Definitions	

Stakeholder comment is requested on the following IESO directed questions that will be forwarded to Technical Panel for their consideration in the recommendation of market rules to the IESO Board of Directors:

Question	Stakeholder Comment
Do you believe there is a clear and common understanding of the intent and purpose of the draft market rule amendment?	Yes
In your view, is this market rule amendment in the interest of consumers with respect to prices?	No. Costs are increased by requiring TCA-participating generators to become dispatchable. It seems that a parallel product could be offered by self-schedulers with less investment, thereby enabling the same total capacity at an overall lower

	auction bid price.
In your view, is this market rule amendment in the interest of consumers with respect to the reliability of electricity service?	Yes
In your view, is this market rule amendment in the interest of consumers with respect to the quality of electricity service?	Yes
In your view, are there any adverse effects (not identified in a previous answer) that may be caused by implementing these proposed changes, either to consumers or market participants.	Not that I can foresee.
General Comments:	