

**ETS Rate Generic Proceeding (EB-2021-0243)**

**Technical Conference**

**Hydro One Compendium**

## **Staff-1 – Legislative References**

### **OEB Act – Section 3**

“transmission system” means a system for transmitting electricity, and includes any structures, equipment or other things used for that purpose;

“transmit”, with respect to electricity, means to convey electricity at voltages of more than 50 kilovolts;

“transmitter” means a person who owns or operates a transmission system;

### **Electricity Act - Section 6**

6 (1) The objects of the IESO are,

- (a) to exercise the powers and perform the duties assigned to it under this Act, the regulations, directions, the market rules and its licence;
- (b) to enter into agreements with transmitters to give it authority to direct the operation of their transmission systems;
- (c) to direct the operation and maintain the reliability of the IESO-controlled grid to promote the purposes of this Act;
- (d) to participate in the development by any standards authority of criteria and standards relating to the reliability of the integrated power system;
- (e) to establish and enforce criteria and standards relating to the reliability of the integrated power system;
- (f) to work with the responsible authorities outside of Ontario to co-ordinate the IESO’s activities with the activities of those authorities;
- (g) to operate the IESO-administered markets to promote the purposes of this Act;
- (h) to engage in activities related to contracting for the procurement of electricity supply, electricity capacity, electricity storage, transmission systems or any part of such systems and conservation resources;
- (i) to engage in activities related to settlements, payments under a contract entered into under the authority of this Act and payments provided for under this Act or the *Ontario Energy Board Act, 1998*;
- (j) to engage in activities in support of the goal of ensuring adequate, reliable and secure electricity supply and resources in Ontario;
- (k) to forecast electricity demand and the adequacy and reliability of electricity resources for Ontario for the short term, medium term and long term;
- (l) to conduct independent planning for electricity generation, demand management, conservation and transmission;

- (m) to engage in activities to facilitate the diversification of sources of electricity supply by promoting the use of cleaner energy sources and technologies, including alternative energy sources and renewable energy sources;
- (n) to engage in activities in support of system-wide goals for the amount of electricity to be produced from different energy sources;
- (o) to engage in activities that facilitate load management;
- (p) to engage in activities that promote electricity conservation and the efficient use of electricity;
- (q) to assist the Board by facilitating stability in rates for certain types of consumers;
- (q.1) to exercise the powers and rights and to perform the duties and obligations assigned to it under the *Ontario Fair Hydro Plan Act, 2017* and to engage in activities to facilitate the implementation of the *Ontario Fair Hydro Plan Act, 2017*, including,
  - (i) entering into agreements or arrangements with any person for the purposes of the *Ontario Fair Hydro Plan Act, 2017*,
  - (ii) engaging in activities related to making payments to and receiving payments as contemplated under the *Ontario Fair Hydro Plan Act, 2017* and related settlement activities;
  - (iii) REPEALED: 2019, c. 6, Sched. 3, s. 11 (1).
- (r) to collect and make public information relating to the short term, medium term and long term electricity needs of Ontario and the adequacy and reliability of the integrated power system to meet those needs; and
- (s) to engage in such other objects as may be prescribed by the regulations.

### **IESO Licence (EI-2013-0066) – Section 3**

#### **3 Authorization**

- 3.1 The Board, in the exercise of the powers conferred by Part V of the Act, licenses the Licensee to direct the operation of the transmission system(s) in accordance with Agreements and the Market Rules, subject to the conditions set out in this Licence.
- 3.2 The Board, in the exercise of the powers conferred by Part V of the Act, also licenses the Licensee, to exercise its powers and perform its duties under the Electricity Act, and to operate the IESO administered markets and to do such things as may be permitted by the Market Rules or required to be done by the Licensee in furtherance of the establishment and operation of the market(s) to be administered by the Licensee, subject to the conditions set out in this Licence

## **HONI-2 – TRCA Disbursement/Settlement References**

### **Market Rules – Chapter 8 – Section 4.18**

#### **4.18 TR Clearing Account**

4.18.1 The IESO shall establish and maintain a TR clearing account and shall:

- 4.18.1.1 credit to the TR clearing account, in respect of each settlement hour, the net congestion rents calculated in accordance with section 3.6.2 of Chapter 9;
- 4.18.1.1A credit to the TR clearing account the amounts referred to in sections 4.20.1A and 4.20.1B;
- 4.18.1.2 subject to section 4.19.5, credit to the TR clearing account the net revenues received from the sale of transmission rights in a TR auction in accordance with section 4.19.4;
- 4.18.1.3 debit from the TR clearing account any amounts required to be paid to TR holders pursuant to section 4.4.1;
- 4.18.1.4 debit from the TR clearing account any amounts required to be paid to successful TR offerors pursuant to section 4.19.6;
- 4.18.1.5 debit from the TR clearing account any amounts authorized to be debited and used to offset transmission services charges in accordance with section 4.18.2; and
- 4.18.1.6 credit to the TR clearing account any transmission rights settlement credits adjusted under section 6.6.10A.2 of Chapter 3.

4.18.2 Subject to section 4.18.3, the IESO Board may, at such times as it determines appropriate, authorize the debit of funds from the TR clearing account in accordance with section 3.6.3 of Chapter 9 for the purpose of using those funds to offset transmission services charges.

4.18.3 The IESO Board shall establish a reserve threshold for the TR clearing account.

### **Market Rules – Chapter 9 – Section 3.6.3**

3.6.3 Disbursements from the TR clearing account authorised by the IESO Board pursuant to section 4.18.2 of Chapter 8 shall be used by the IESO in accordance with section 4.7.

## **Market Rules – Chapter 9 – Section 4.7**

### **4.7 TR Clearing Account Disbursements**

4.7.1 Disbursements from the TR clearing account ordered by the IESO Board pursuant to section 4.18.2 of Chapter 8 shall be distributed among market participants based on the proportionate share of all transmission service charges paid during energy market billing periods immediately preceding the current energy market billing period, in accordance with this section 4.7.

4.7.1.1 The portion of the total disbursements from the TR clearing account allotted to market participants that have paid provincial transmission charges shall be disbursed to market participants on an individual basis as a non-hourly settlement amount according to each market participant's proportionate quantity of energy withdrawn from the IESO-controlled grid at all RWMs excluding intertie metering points during energy market billing periods immediately preceding the current energy market billing period, as determined by the IESO Board, in the manner described in sections 4.7.2 and 4.7.3.

4.7.1.2 The portion of the total disbursements from the TR clearing account allotted to market participants that have paid export transmission service charges shall be disbursed to market participants on an individual basis as a non-hourly settlement amount according to each market participant's proportionate quantity of energy withdrawn from the IESO-controlled grid at all intertie metering points during energy market billing periods immediately preceding the current energy market billing period, as determined by the IESO Board, in the manner described in sections 4.7.2 and 4.7.3.