

# Is Market Pricing Working Group Too Narrow a Scope for Remaining Issues?

MPWG

July 7, 2006



# Recent Items Discussed at MPWG

- Ramping in price
- Interties setting price
- Emergency pricing – review this Fall
- CAOR pricing – review this Fall
  - Recallable Sales providing O/R – pay them?
  - CAOR-enabled Sales – schedule them?
- Selling O/R from Ontario market
- Lengthened pricing/dispatch interval?
- Load following service?

# Issues are beyond pure pricing discussions

- Interaction with dispatch issues
- Interaction with intertie traders
- Very dependent on future design of DAM and real-time market

# Future Direction

- Tackle issues in the context of market evolution
  - integration of DAM and real-time markets
    - DAM stakeholder plan to be posted by end of summer
- Where possible, initiate issue-driven stakeholder plans
  - E.g. CAOR review, DACP review, Emergency Pricing review

# MPWG Closed Issues

- Ontario zone prices and generator weighted average prices posted monthly
- DSO process – quick take on joint optimization issued
- Effects of Emergency Purchases on the Market – resolved with MR 00296, implemented in August 2005

# MPWG Closed Issues

- Systematic differences between DAM prices and RT prices –
- Over forecasting of demand in HE 23, 24 – adjusted formula that selects the peak demand for these two hours
- Impact of Out of Market Sources of OR – CAOR expanded to 800 MW and procedures changed re OR reductions

# MPWG Closed Issues

- Settlement Adjustment and Allocation – MR00291 for adjustments over \$3.5 million to allocate to the actual period
- Reducing Frequency of Failed Intertie Transactions – other forums

# MPWG Closed Issues

- Compensation under admin pricing when incorrect prices have been posted – dispatchable loads receive equivalent treatment to generators for incidents more than 48 intervals or market suspension
- Impact of other out of market control actions – MR 00296 in place since August 2005