

# Pricing Events – September 2007

October 29, 2007  
MPWG



## Agenda

1. Overview
2. Detail Discussion
  - High-price hours
  - Low-price hours
  - Negative MCP
  - MCP Volatility
  - Operating reserve activations
  - Emergency control actions
  - Market demand response programs
  - Administered Pricing
3. Wrap Up

- September Summary
  - Average Hourly Market Demand: 17,748 MW
  - Average Hourly Ontario Demand: 16,550 MW
  - Average HOEP: \$ 44.63
- Highlights
  - Highest 2007 monthly imports of 794 GWh (previous highest 648 GWh March 2007)
  - Highest September exports of 863 GWh (previous highest 854 GWh September 2005)
  - 2nd Highest 2007 monthly IOG \$4.4M (highest \$5.9M March 2007)
  - 2nd Lowest 2007 monthly OR \$0.8M (lowest \$0.6M August 2007)
  - Total Wind Generation for September, 77 GWh

## Hours in which HOEP > \$200

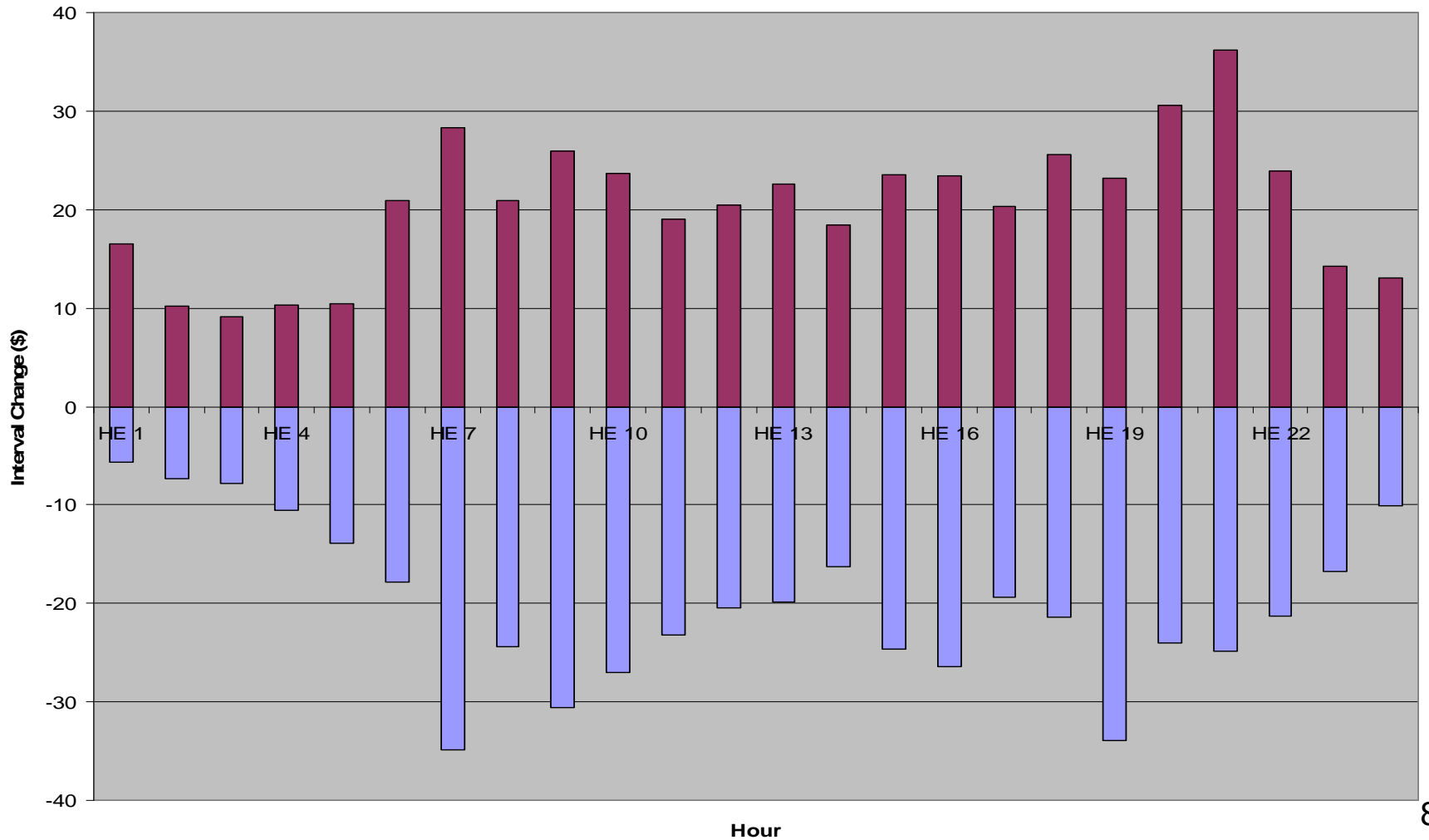
- There were no hours in September in which the HOEP was above \$200

- There were 45 hours in September where the HOEP was below \$20
  - There were 3 peak hours where the HOEP was below \$20
  - The lowest HOEP was -\$0.40 and the average of these 45 HOEP values was \$9.95

- September 16 HE 3 (6 Intervals)
  - The HOEP price for this hour was \$0.39
- September 18 HE 1 (12 Intervals)
  - The HOEP price for this hour was -\$0.40
  - Can be attributed to natural market behaviour under low demand conditions and typical base load offers

# MCP Volatility – Hourly Price Bounds

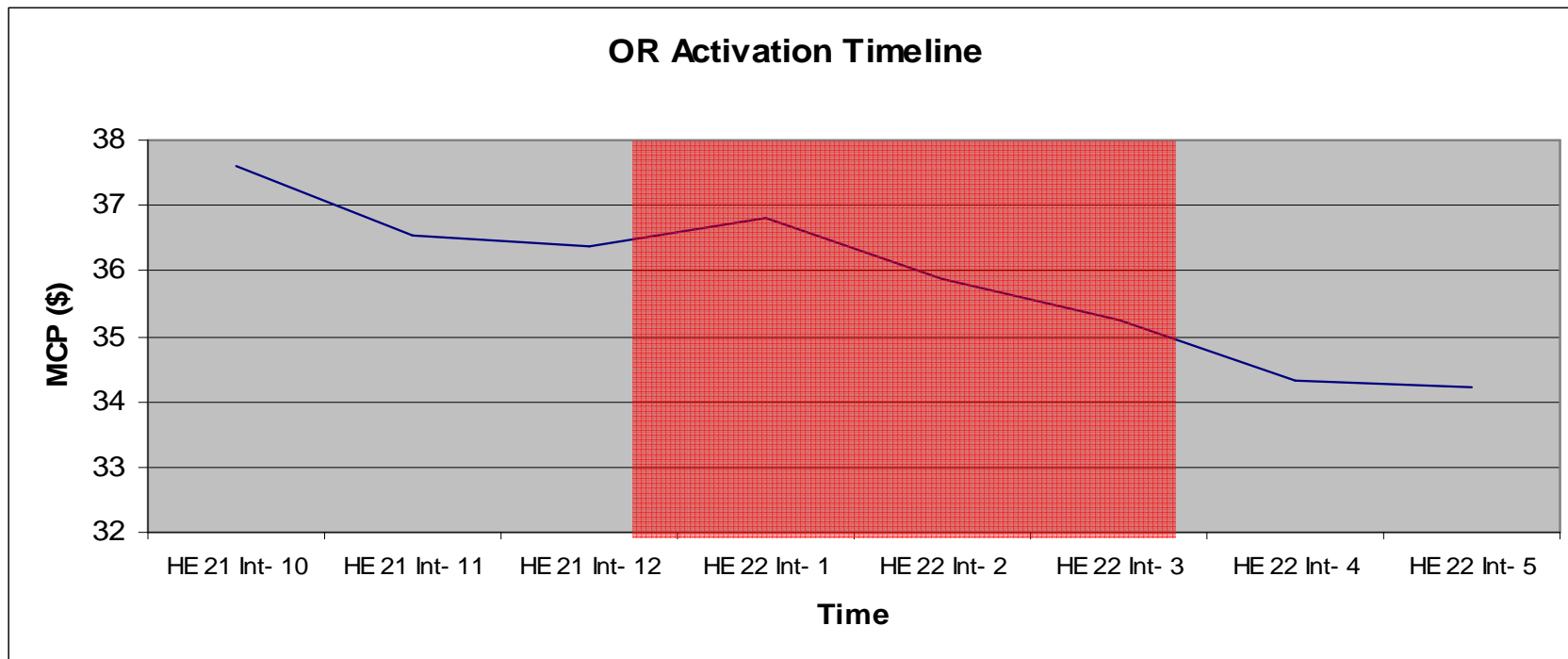
September Bounds



- In September 2007 there were 268 intervals to interval changes that fell outside the bounds of the benchmark
- This represented 3.10% of the total number of intervals changes for the month, indicating this month experienced volatility inline with historic values
- Historic values against the new benchmark:
  - May 2007 – 3.22%
  - June 2007 – 3.08%
  - July 2007 – 2.71%
  - August 2007 – 1.53%

- From September 1 -11 (12X ramp rate) there were 61 intervals to interval changes that fell outside the bounds of the benchmark
- This accounted for 1.9% of the total number of intervals changes for the 11 days
- From September 12-30 (3X ramp rate) there were 207 intervals to interval changes that fell outside the bounds of the benchmark
- This represented 3.78% of the total number of intervals changes for the remainder of the month
- For both periods the volatility experienced was inline with the historic values

- 22 hours with OR activations
- Largest Reserve Activation occurred on September 3, 21:58
  - 550MW of OR were activated
  - Result of boiler tripping at a large generating unit
  - OR was activated for 15 minutes



- No Emergency Control Actions were taken in September

- A notification was sent to ELRP participants on September 6 for possible reduction in hours 13 – 20, but the program was not activated
- A notification was sent to ELRP participants on September 7 for possible reduction in hours 14 – 17, but the program was not activated
- A notification was sent to ELRP participants on September 25 for possible reduction in hours 9 – 20

- In September there were 6 instances where administered pricing was required
  - inaccurate input of data accounted for 39 intervals
  - planned outages accounted for 5 intervals

- There were no hours in September where the HOEP was above \$200
- There were 45 hours where HOEP was less than \$20
- There were 22 OR activations