

Market Surveillance Panel Response

SAC Meeting December 5, 2007
Dave Robitaille – Market Analysis



- **A formal tracking process has been developed and in place since the February 8, 2007 report.**
- **Recommendations are tracked to ensure that the ongoing disposition of each recommendation is known.**
- **All of the IESO responses to the MSP recommendations are located on the IESO web at**
<http://www.ieso.ca/imoweb/marketSurveil/surveil.asp>



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MSP Recommendations from the last report – August 10, 2007

- **10 recommendations from the last report**
- **3 are closed**
- **7 are in progress**

- **Recommendation #5 - Promote Efficient Use of Dispatchable Loads' Operating Reserve (OR) Capability**
 - Contract provisions now allow for the continued offering of OR by dispatchable loads that have not been dispatched by an OPA program.
- **Recommendation #7 - Review spare generation on line (SGOL) and day-ahead generator cost guarantee (DA-GCG) Interface**
 - Due to its financial guarantees associated with unit commitment, this recommendation will be tracked under recommendation #6.
- **Recommendation #10 - Locational Pricing Analysis**
 - The IESO accepts the SAC's recommendation to the Board that we continue to learn about Locational Pricing, but at a measured pace.

- **Recommendation #1 - Intertie Failures with New York ISO**
 - The IESO and the NYISO have met on several occasions since January of this year. These discussions revealed that a number of these failures are in participant control. The issue is being addressed at the Intertie Trading Standing Committee.
- **Recommendation #2 - Review Time Lags for Replenishing the OR Requirements**
 - The IESO has begun a review of the OR policy. This review will consider the impact on dispatch issues and appropriate pricing outcomes.
- **Recommendation #3 - Increasing Net Interchange Scheduling Limit of 700MW**
 - The IESO will review this increase and consider the appropriate balance between efficiency of trade and reliable operation of the grid.

- **Recommendation #4 - Improvements for Load Predictor Tool**
 - The IESO accepts this recommendation and has added it to our work program.
- **Recommendation #6 - DACP and Generator Cost Guarantee Improvements**
 - The IESO is currently assessing this recommendation under SE-21 day-ahead market evolution.
- **Recommendation #8 - Review of real time inertia offer guarantee (RT-IOG) and day ahead IOG (DA-IOG) in Off-Peak Hours**
 - Currently remains an issue to be addressed by the Market Pricing Working Group.

- **Recommendation #9 - Treatment of Energy Exports through Segregated Mode of Operation (SMO)**
 - This work has been initiated and the IESO has met with OPG and are working through the concept