

# EDAC Market Rules True-up

Project Advisory Group Meeting  
September 30<sup>th</sup>, 2010



1. Rules true-up required
  - Review from August 26<sup>th</sup> meeting, and
  - More details for those changes
2. Additional changes identified (NEW)
3. Updated schedule of discussions at Project Advisory Group and Technical Panel

- Enabling rules to facilitate Pseudo Unit Modeling
  - Scheduling
  - Settlements
- Correction of errata to MR-348 and MR-349
  - Ch. 9 Section 3.8E.3 – Correction in formulation of DA-LWFC
  - Terminology/Wording Corrections
- Timing of System Status Report
- Impact of EDAC design on RT IOG offset process

- For market participants choosing to operate as a PSU, the IESO has the obligation to carry out calculations in support of determining the technical data for the PSU.

2.2.6I The *IESO* may determine, in accordance with the applicable *market manual*, *pseudo-unit* technical data for use in the day-ahead commitment process based on *facility* specific data submitted in accordance with sections 2.2.6B.1 and 2.2.6G.

- For market participants choosing to operate as a PSU, the IESO has the obligation to carry out calculations in support of settlement.
- 3.1.10 The *IESO* shall, in accordance with the applicable *market manual*, for *facilities* that submitted *dispatch data* for a *pseudo-unit*, determine the required information for *settlement* and provide this information directly to the *settlement process*.

- Correction of Chapter 9 Section 3.8E.3 – add formula
- This section calculates the charge when a linked wheel is subject to both DA-LWFC and RT failure charge(s)
  - The correct method is already in MM9.5, Section 9.4
  - MW failure for RT failure charge(s) for this purpose based on difference between DA and PD quantities (not RT)

3.8E.3 If a day-ahead linked wheel failure charge specified in section 3.8E.2 applies to a linked wheel where a real-time import failure charge specified in section 3.8C.3 and/or a real-time export failure charge specified in section 3.8C.5 applies to the same linked wheel, **a charge equal to** the lesser of:

3.8E.3.1 the day-ahead linked wheel failure charge specified in section 3.8E.2 and

3.8E.3.2 the sum of the real-time import failure charge and the real-time export failure charge, **both subject to the scheduling deviation quantity between the *schedule of record* and the *pre-dispatch schedule***, shall apply to the *market participant*, **as follows: (INSERT FORMULA)**

1. Change “production cost guarantee” to “day-ahead production cost guarantee” for consistency
  - Ch. 7: section 2.2C Title; sections 3.3A.1, 5.8.4, 6.3B
  - Appendix 7.5A, section 1.1.1.2
  - Ch. 9: section 4.7B.4
2. Use “schedule of record”, not “day-ahead schedule”
  - Ch. 9, section 4.7D.4, Component 3 Clawback – Variant 2
3. Use “DACP”, not “EDAC”
  - Throughout Appendix 7.5A; Ch. 9, sections 4.7D and 3.8A.4
4. Ch. 7: section 3.3A.6 – insert “or bids” (offers “or bids” are submitted by boundary entities)

- Ch. 7, section 12.1 System Status Reports (SSRs)
- New SSR time
- Wording in 12.1.1.3 and 12.1.1.4: replace “10:30” with new time of “09:00”

## Intertie Offer Guarantee Settlement Credit Offset

- There are scenarios where the outcome of the RT IOG Offset process under DACP will be different than from today when considering the various combinations of RT imports and exports
- Changes will be brought to the Inter Jurisdictional Trade committee in late October to support the rules process

## 2. Additional changes identified (New)

- Improve clarity of Ch. 11 defined terms
- Enable recovery of CMSC revenue after midnight
- Ch. 7, sections 3.3 and 3.3A – dispatch data submissions
- Revisions to Ch. 7, section 5.1 and 5.5 – PD scheduling
- Revisions to Ch. 7, section 5.8 – DACP Scheduling
- Appendix 2.2 Technical Requirements, section 1.4.1.1
- Impact of any changes to Administrative Pricing rules (Ch. 7, section 8.4A) on the DACP rules

## 1. Schedule of Record

- MR-00348: *schedule of record* means **a stage of** the day-ahead commitment process **where the resulting constrained schedule is used in** the calculation of various day-ahead *settlement amounts*
- Proposed: *schedule of record* means the **last valid set of results from** the day-ahead commitment process **used by the IESO for the application of constraints and** the calculation of various day-ahead *settlement amounts*

## 2. Minimum Generation Block Down Time

- MR-00348: *minimum generation block down time* is the minimum time, in hours, between the time a *generation facility* was last at its *minimum loading point* before de-synchronization and the time the *generation facility* reaches its *minimum loading point* again after synchronization;
- Proposed: *minimum generation block down time* is the minimum time, in hours, **specified by the market participant, that is required** between the time a *generation facility* was last at its *minimum loading point* before de-synchronization and the time the *generation facility* reaches its *minimum loading point* again after synchronization, **in accordance with the technical requirements of the facility;**

## 3. Pseudo-unit

- MR-00348: *pseudo-unit* means a *generation facility consisting of a combined cycle facility comprised of one or more combustion turbines and a single steam turbine represented as a single generation unit for use in the day-ahead commitment process' 24 hour optimization.*
- Proposed: *pseudo-unit* means a *combined cycle generation facility that is modeled based on a gas-to-steam relationship between physical units, and which is comprised of one combustion turbine and a share of one steam turbine at the same combined cycle generation facility.*

## 4. Combined guaranteed costs

- MR-00348: deleted – deemed unnecessary in error
- Proposed: reinstate original definition – still required for RT-GCG program

- The IESO respects registered technical requirements (MGBRT/MLP) by constraining the unit into the next day if required, as per Ch. 7, section 5.8.5:  
5.8.5 Subject to section 5.8.6, the *IESO* shall ensure that the scheduled output from a *facility* that was included in the *schedule of record* will meet or exceed its *minimum loading point* for the *minimum generation block run-time* in future iterations of the *pre-dispatch schedule* and in the *real-time schedule*.
- Market Design: no CMSC revenue up to MLP for hours after midnight
- DA-PCGs are calculated for the dispatch day associated with the DACP dispatch day to ensure that, under most circumstances, the causality of a start is attributed to the day in which the start occurs

- Generators may submit multi-part offers with escalating start-up offers at the end of the DACP day in order to recover their cost for start-up, speed no-load and incr. energy to MLP within that day
- **New Rule** - CMSC after midnight:
  - Enabling rule in Ch. 9, section 3.5 that would give the IESO the authority to recover CMSC revenue up to MLP earned during the hours after midnight as a result of a manual constraint under Ch. 7, sec. 5.8.5

- Dispatch Data Submissions (for Real Time)

### 3.3 Dispatch Data Submissions

3.3.1 Subject to sections 3.3.9 and 3.3A, a *registered market participant* that submits or is required to submit *dispatch data* for the initial *pre-dispatch schedule*, shall submit initial *dispatch data* for each *dispatch hour* of the *dispatch day* after 06:00 EST but before 10:00 EST of each *pre-dispatch day*. Such initial *dispatch data* may thereafter be revised as permitted by this section 3.3.

- Dispatch Data Submissions for DACP

- 3.3A.6 *Registered market participants* for all *boundary entities* and *generation facilities* that submitted *offers* or *bids* in accordance with either section 3.3A.2 or section 3.3A.5 **will require IESO approval for revisions to this dispatch data between 10:00 and 14:00 with the following exceptions:**
- 3.3A.6.1 *dispatch data* revisions submitted by eligible *energy-limited* resources between 10:00 EST and 12:00 EST; and
  - 3.3A.6.2 *dispatch data* revisions submitted by physical *generation units* associated with a *pseudo-unit*, designated in accordance with section 2.2.6G, between 10:00 EST and 14:00 EST.
- 3.3A.8 Subject to sections 3.3A.9 and 3.3A.10, after **14:00 EST** a *registered market participant* may submit revised *dispatch data* with respect to any *dispatch hour* without restriction until 2 hours prior to the beginning of that *dispatch hour*.

- The initial pre-dispatch schedule for the next dispatch day will be determined and released (along with projections of market schedules and published market prices) by 16:00 EST – changed from current 12:00 EST

## **5.1 Purposed and Timing of Pre-dispatch Schedules**

5.1.2 The *IESO* shall determine an initial *pre-dispatch schedule* for the 24 *dispatch hours* of each *dispatch day* no later than **16:00** EST on the *pre-dispatch day*.

## **5.5 Release of Pre-dispatch Schedule Information**

5.5.1 The *IESO* shall release the initial *pre-dispatch schedule* and associated projections of *market schedules* and shall publish *market prices* by **16:00** EST of each *pre-dispatch day*, and shall release any revised *pre-dispatch schedules* and projections of *market schedules* and shall publish *market prices* as soon as practical after they are determined. The information to be released to *market participants* is described in this section 5.5.

- Remove reference to pre-dispatch schedules; App 7.5A is used to determine the schedule of record (5.8.1)
- Remove reference to section 5.5; the schedule of record will be released in accordance with the applicable market manual (5.8.2)
- Remove unnecessary wording, including PD reference (5.8.7)

## **5.8 The Day-Ahead Commitment Scheduling Process**

- 5.8.1 Starting from 10:00 EST, the *IESO* may, in accordance with appendix 7.5A, determine the *schedule of record*.
- 5.8.2 The *IESO* shall release the *schedule of record* no later than 15:00 EST, in accordance with the applicable *market manual*.
- 5.8.7 When determining the *schedule of record* applicable to the first hour of the next *dispatch day*, the *IESO* may disregard the net *inertie* scheduling limit.

- Appendix 2.2, Technical Requirements, section 1.4.1.1 Participant Workstations – add: “daily generator data”

## 1.4 Participant Workstations

1.4.1 Each *market participant* shall, for the purposes of:

1.4.1.1 submitting *dispatch data*, **daily generator data as per the applicable market manual for the day-ahead commitment process**, *physical bilateral contract data*, *EFM bids* or *EFM offers* in the day-ahead *energy forward market* or *TR bids* or *TR offers* in the *TR market*;

.....

provide, install and maintain a *participant workstation* that meets the specifications and other requirements set forth in the *participant technical reference manual*.

- There may be impact on enhanced DACP rules related to proposed changes to Administrative Pricing rules (Ch. 7, section 8.4A)
- For example, calculation of Component 3 of the DA-PCG and DA-IOG would need to be revised to consider the conditions upon which negative CMSC will be fully reversed under Admin pricing
- We are investigating further impacts of proposed Admin Pricing rule changes
- Changes to rules for Admin Pricing will proceed under a separate rule amendment submission and timeline than the enhanced DACP rule true-ups

## 3. Schedule of Rules activities

- September 30, 2010 – detailed rules presentation to PAG
  - Receive comments from PAG; IESO response at October PAG
- Oct-Dec, 2010 – introductory meeting with Technical Panel including EDAC refresher, amendment submission and working drafts of the amendment proposal (rules), incorporating comments from PAG
- Early 2011 – Other sessions as needed leading to a March recommendation by the Technical Panel to the IESO Board of Directors, followed by Board approval in April