

Minutes of Meeting

December 12, 2006, 1:30 pm – 3:30 pm

Attendees

Company	Name
Hamilton Specialty Bar	Jackson, Shawn
Hamilton Specialty Bar	Johnson, Desmond
Ivaco Rolling Mills	Abdelnour, François
Via Teleconferencing	
Dofasco Incorporated	Benner, Ryan
Dofasco Incorporate	Chabot, Marc
Xstrata Nickel	Dumais, Dan
Ontario Power Generation	Leung, Linda

IESO
Drake, Gordon
Iqbal, Haris (Webcast)
Isber, Mike
Kula, Len
Lam, Lisa
Lubek, Jack
Myers, Denise
Savage, Jessica
Springgay, Guy
Thomas, Dave (Webcast)
Wright-Hilbig, Rhonda

Absent
Abitibi-Consolidated
Air Liquide
Bowater Canadian Forest Products Inc.
Gerdau-Ameristeel Corporation
Tembec – Spruce Falls Division

Agenda Item #1: Feedback on the CMSC clawback for dispatchable loads

Guy Springgay welcomed the group.

L. Kula provided information regarding proposed changes to the timelines of the CMSC clawback calculation. The clawback is in the process of moving from an “after the fact” manual calculation to an automated calculation allowing it to coincide with the existing settlement timeline.

Participants asked if the clawback would be given a unique settlement charge type. IESO expects that the clawback will have a unique charge type.

Participants asked why the 1-3 intervals before an operating reserve activation (ORA) are considered to be ORA intervals. L. Kula explained that when a contingency occurs, the system is responding while certain processes take place so there is a delay between the event and the ORA instruction. The IESO develops calculations based on schedule data and not on dispatch instructions and so there needed to be an adjustment made to schedule data that was being impacted by the ORA event before the dispatch instruction registered in the schedule.

Participants asked how the tools would handle exemptions that some loads have received. R. Wright-Hilbig explained that the exemptions do not apply to the clawback of CMSC and therefore no exemption conditions will need to be changed.

Participants asked why there was a difference between the amounts of the manual clawback and the automated business rule clawback, when applied to historical data. L. Lam explained that the difference arose with the application of fixed definitions of ORA and dispatch deviations in the automated tools. In the preparation of a set of business rules, it was assumed that the market participant should keep the CMSC in areas of uncertainty.

Participants asked if future statements will be in the same spreadsheet format that they are currently receiving. L. Lam said that there would be an interval clawback amount for all intervals that are being clawed back but that the format would be the same.

Participants suggested that Step 2 in the implementation phase (February 1 – May 31) be eliminated. It was felt that it was acceptable that the semi-automated approach proposed for January 2007 month-end be extended until full automation of the process could be accomplished. Meeting participants did not express any concern over eliminating this phase of the process. IESO will discuss the matter with working group members who were not present at the meeting, through their account representatives, and report back to the group.

Action: IESO will discuss the elimination of Phase 2 with working group members not present and will report back on the newly-proposed implementation schedule.

Market Manuals will need to be changed in order to accommodate the new process. The first step will be the posting of an Interim Market Document Change to be activated on January 1 2007. Comments are welcome to Stakeholder Engagement (stakeholder.engagement@ieso.ca) before the Interim Market Document Change (IMDC) is posted on the IESO Pending Changes web page.

Agenda Item #2: Update on the Implementation of Facility Outage Management System (FOMS) for dispatchable loads

R. Wright-Hilbig provided updates on a few initiatives that are developing which will have impacts on dispatchable loads, including: 10S Operating Reserve for Dispatchable Loads, Regional Reserve Sharing, 1-Hour Bid/Offer Window, and the Facility Outage Management System (FOMS).

10S Operating Reserve for Dispatchable Loads is expected to pass Northeast Power Coordinating Council (NPCC) by April of 2007. Rule and manual changes will be needed and exemptions will be reviewed for any necessary changes. Participants asked whether the implementation of 10S for dispatchable load would coincide with the FOMS rollout. R. Wright-Hilbig said that the timing was not intentional and that if FOMS is delayed, there will be no delay to 10S for dispatchable load. Participants wanted to know whether there would be changes to the security of PKI or the market participant interface (MPI). A new market entry registration process will be required to accommodate 10S.

Regional Reserve Sharing will require the IESO to make tool changes. Information on the initiative and proposed changes will be coming in the new year. This initiative will also require changes to the market rules and there will be an opportunity to comment on these changes at that time.

With the implementation of the Day Ahead Commitment Process (DACP), the IESO is considering a move to a 1-Hour bid/offer window.

FOMS is being stakeholdered by another IESO initiative and participants who wish to use an Application API to automate the FOMS process should indicate this through Stakeholder Engagement before the end of 2006. Participants asked whether new bid data will be required once a de-rate has been entered. The IESO explained that any dispatch data above the de-rated amount will not be considered but if the de-rate will be ongoing, the bid data should be updated. This requirement will be reviewed as part of the market manual development process. IESO will ask for comments on the dispatch data updating requirements from participants through their account managers.

Action: IESO will ask participants for comments on the dispatch data updating issue through their account managers.

Agenda Item #3: Discuss the implementation of 10S Operating Reserve for dispatchable loads

Discussed above.

Agenda Item #4: Next Steps / Adjourn

Comments on the issues discussed at this meeting may be directed to Stakeholder Engagement (stakeholder.engagement@ieso.ca).