

Market Pricing Working Group
Friday January 20, 2006
2645 Skymark Avenue, Mississauga

Attached is a final agenda for our meeting this Friday (8:30-2:30 at Skymark).

There are two items scheduled for the agenda; a review of CAOR implementation and re-initiation of the discussion on the 12x ramp rate topic. The 12x discussion is a continuation of previous discussions, and is in response to an IESO Board directive to advance the analysis on this subject. The Board directive can be found at

http://www.ieso.ca/imoweb/pubs/consult/dayAhead/da_DACP-board-resolution.pdf.

A separate Stakeholder Plan will be posted on this shortly. This stakeholder plan timeline concludes with a recommendation to the IESO Board by June, 2006. Hence, discussions about the appropriate solution to the 12x ramp rate issue will be the subject of the next few MPWG meetings. This first meeting will provide a review of the principles and rationale behind the issue, and a summary of simulation results of the past. Coming out of this first meeting we should have a sense of what additional analyses, support or answers we need to advance the discussions at the March meeting. For your convenience we have attached a document that lists, and provides links to, the past presentations to the MPWG on this subject. The slide decks that will summarize this past material will be sent to you mid week.

In addition, we will provide a detailed review of the methodology of each of the 5 price calculation options that we have discussed before (12x, 1x, and three MIO options) at the end of the meeting. Since this is a review, we have scheduled it at the end of the meeting (probably just after lunch), so that attendees can choose whether or not to attend. The attached paper titled "Price Calculation Methods" is the basis for this presentation.

Regarding CAOR, we previously distributed a paper which explains some of the implementation details associated with the second 400 MW block of CAOR. In addition, it addresses the concerns that IESO staff have over heavy CAOR scheduling during last spring, and the potential actions that could be taken to alleviate this concern for this coming spring. The second trench of CAOR was only implemented on November 23, 2005, and hence we have less experience with its operation than we originally anticipated having at this time. However, we are continuing with the discussion at this meeting to address the upcoming springtime conditions, and intend to use feedback from this discussion to provide the IESO Board with an update on CAOR implementation at their February, 2006 meeting.

Also attached is the presentation given to the Technical Panel on October 4, 2005 regarding communications during emergency events (an action item from Sep. 9 MPWG meeting).