

Notes from the 18th Meeting of the Market Pricing Working Group

Tuesday April 19, 2005, 12:30 – 4:00

DRAFT

Attendees:

<u>Name</u>	<u>Company</u>	<u>Name</u>	<u>Company</u>
Abdelnour, Francois	Ivaco Rolling Mills	Smith, Peter	TransAlta
Bell, Brian	Ontario Power Generation	Snelson, Ken	AMPCO
Bettle, Peter	Brascan Power	Vasquez, Noralyn	TransCanada Energy
Blechta, George	Falconbridge	Wu, Lawrence	TEAM
Cipolla, Jim	Northland Power	Yang, Bunli	E4 Inc.
Coulbeck, Rob	Ontario Power Generation		
Harrow, Richard	Epcor		
Kerr, Paul	Coral Energy Canada	Cheung, Lisa	IESO
McCuaig, Paul	Powerex	Maria, Gamal	IESO MPWG Team
Miles, Tony	Hydro One Networks	Pietrewicz, Andrew	IESO MPWG Team
Robertson, Jay	Bruce Power	Sergejewich, Peter	IESO MPWG Team
Simpson, Mark	Wescast Industries	Wilbur, Bill	IESO MPWG Team

Item #1: Review of Action Items from April 9th Meeting

- 2.1 – IESO staff continuing to examine methods to gain residential representation on the MPWG – **Open** – Due to the new electricity regulation (Bill 100), the IESO will be reviewing stakeholdering and any progress on this action item will be after that review.
- 15.6 – IESO staff to investigate if a copy of the NYISO discussion paper “Principles for a Good Price” can be obtained and distributed to MPWG members. - **Open**
- 15.7 – IESO staff to provide MW’s dispatched above incremental price. – Will be provided to members by next meeting. – Emailed to members April 18, 2005. - **Closed**
- 15.9 – IESO to draft discussion paper on the various identified pricing options. – **Open**
- 17.1 – IESO staff to provide a detailed plan for MPWG work on these next issues. - **Open**
- 17.2 – IESO to provide data from final week of sandbox testing. – Technical problems during the test have rendered the data unusable. IESO to investigate a replacement test period. - **Closed**
- 17.3 – IESO to report on the NPCC Operating Reserve Sharing project status. – IESO reported that the sharing of 100 MW of operating reserve among NPCC neighbouring ISO’s would not begin until Q4 of 2005. - **Closed**
- 17.4 – IESO staff to revise the draft recommendation to include other benefits of the proposal. – Revised draft handed out at this meeting. - **Closed**

Item #2: Emergency Event of April 7, 2005

A description of events and price impacts of the April 7 event was presented. Much discussion and many questions regarding actions taken and price effects ensued. Members expressed interest in having further analysis and discussion of this event. Some members stated that the

issues related to counter-intuitive pricing involved in this event are of substantially more importance than others such as temporal optimization, and that the focus of the working group should shift accordingly. It was suggested that a more “holistic” and expedient solution to the issue of pricing during emergency events may be more appropriate than individual solutions to already identified issues. It was also suggested that expanded and/or improved demand response programs could help.

Action 18.1 – IESO to do further analysis of the event, control room actions taken and price impacts for future MPWG discussions.

Item #3: Control Action Issues

A revised draft of the CAOR recommendation was included in the meeting package. The changes from the previous draft (April 9) were briefly discussed. This revised draft will be emailed to members and polling on this recommendation will occur at the next meeting (May 13, 2005). With regard to future polling of issue recommendations, it was suggested that members who are abstaining or objecting to the recommendation provide their reasons during the polling.

Action 18.2 – IESO to send the revised recommendation to the members. – Done April 20, 2005.

Item #4 Temporal Issues

The presentation on Fundamentals of Pricing Under Temporal Optimization was given, although not completed due to time constraints.

Item #5: Future Meetings

The next four meeting dates were agreed to and are:
May 13, June 10, July 8, August 5.
All are Friday mornings at Skymark.