

CAOR Draft Recommendations

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- **Implement 800 MW of CAOR including 400 MW of existing CAOR and additional 400 MW**
- **Operating Reserve Offer:**
 - **200 MW for 30 R @ \$30.00 and for 10N at \$30.10**
 - **200 MW for 30 R @ \$50.00 and for 10N at \$50.10**
 - **200 MW for 30 R @ \$100.00**
 - **200 MW for 30 R @ \$150.00**
 - **All reserve offers have an associated energy offer of \$2000**
- **IESO control room operators to no longer lower the operating reserve requirement when a shortage of operating reserve is identified or expected, excluding reductions associated with the activation of operating reserve**
- **The additional 400 MW of CAOR will be implemented in the real-time market only due to reliability concerns raised by the IESO. The decision will be reviewed after one years time.**
- **Exports made recallable in pre-dispatch will not be compensated**

Price Impact of the Use of Additional CAOR - 2004

Scenario	CAOR	Actual Price	New Price	Diff	No. of hours affected	Total hours	% hours	No. of intervals affected	Total intervals	%e of intervals
1	no additional CAOR	49.91	50.72	0.81	194	8784	2.21%		105408	
2	\$30X100 MW	49.91	50.29	0.38	63	8784	0.72%	438	105408	0.42%
3	\$30X200 MW	49.91	50.12	0.21	49	8784	0.56%	305	105408	0.29%
4	\$30X400 MW	49.91	50.00	0.09	27	8784	0.31%	157	105408	0.15%
5	\$50X100 MW	49.91	50.29	0.38	59	8784	0.67%	450	105408	0.43%
6	\$50X200 MW	49.91	50.15	0.24	45	8784	0.51%	353	105408	0.33%
7	\$50X400 MW	49.91	50.01	0.10	19	8784	0.22%	145	105408	0.14%
8	\$100X100 MW	49.91	50.31	0.40	43	8784	0.49%	336	105408	0.32%
9	\$100X200 MW	49.91	50.15	0.24	25	8784	0.28%	196	105408	0.19%
10	\$100X400 MW	49.91	50.02	0.11	13	8784	0.15%	94	105408	0.09%

Percentage of Time 30 Minute OR Price At or Above Threshold Price

Unconstrained Schedule

Price (\$)	RT Percentage	PD Percentage
20	4.96%	9.87%
30	2.81%	6.15%
50	0.07%	0.42%
70	0.03%	0.22%
100	0.03%	0.19%

Constrained Schedule

Price (\$)	RT Percentage	PD Percentage
20	12.21%	16.5%
30	9.40%	11.0%
50	1.17%	1.24%
70	0.93%	0.56%
100	0.83%	0.41%