

Review of Issues 5, 11, 30, 33

Market Pricing Working Group Meeting 44 – 23 Aug 07



- Issue summaries
- Summary of Stakeholder Feedback re: IESO proposal to close issues
- Next Steps

Summary

- Pre-dispatch sequences and RT constrained sequence respect physical ramping constraints i.e. do not permit simultaneous use
- RT unconstrained sequence does permit simultaneous use of ramping
 - Introduced with 12x ramp rate to prevent constraints inappropriately restricting scheduling

Stakeholder Feedback

- MPWG 43: Question whether maintaining RT unconstrained sequence treatment is appropriate with change to 3x ramp rate (AI 43-1)
- No written comments received

Next Steps

- Keep open to determine whether maintaining RT unconstrained sequence treatment is appropriate with change to 3x ramp rate
- Assign high priority for MPWG

Summary

- Pre-dispatch sequences use MP submitted schedules;
Real-time sequences use actual output

Stakeholder Feedback

- MPWG 43: support closing given ongoing IESO work with SS'ers to improve and MSP monitoring of performance and impacts
- No written comments received

Next Steps

- Close: for reasons noted above

Summary

- PD prices not good indicator of RT price
- Good forecast of RT price useful

Stakeholder Feedback

- MPWG 43
 - Better PD prices and a RT MCP price forecast useful/necessary for effective RT demand response
 - Price forecasting should be left to commercial interests, not IESO
- No written comments received

Next Steps

- On hold pending outcome of day-ahead HOEP forecasts as part of DAM study (SE-21) – Fall 2007

Summary

- Market pricing should reflect physical system conditions, especially in times of shortage
- Instances of counter-intuitive pricing have been reduced due to number of initiatives: CAOR, treatment of emergency purchases, IESO not reducing OR requirement in anticipation of OR shortfall

Stakeholder Feedback

- MPWG 43: treatment of physical contingencies that do not affect market schedule should be re-considered so that price reflects physical conditions
- No written comments received

Next Steps:

- Close: number of initiatives underway to address remaining potential counter-intuitive pricing scenarios:
 - review of OR policy, SAR;
 - MSP continues to monitor and report on counter-intuitive pricing events

- Issues closed:
 - Issue 11: Treatment of Self-Scheduling Resources
 - Issue 33: Determining Prices in Times of Shortage
- Issue remaining open:
 - Issue 5: Simultaneous Use of Ramping Units for Energy and Operating Reserve
- Issue on hold:
 - Issue 30: Forecast of Real-Time Prices