

# Reviewing Outstanding Issues – 1, 20

MPWG

December 6, 2007



- Issues review
- Proposed Action and Rationale

# Issue 1: Pre-Dispatch Price Uncertainty

- Issue #1 is around price volatility and understanding price sensitivity as pre-dispatch prices are used as a trigger for operating decisions e.g. HADL, DR
- Stakeholders raised concerns at August 2007 MPWG meeting around need for convergence of pre-dispatch (and other prices) to real time price
- IESO Proposal:
  - This issue 'on hold' pending outcome of day-ahead model forecast of RT HOEP initiative, which could replace the pre-dispatch price as trigger
  - Convergence of PD (and other prices) to real-time price separate issue – open as separate issue pending outcome of day-ahead mechanism initiative (SE-25)?

- The IESO proposed to close the issue as it is not relevant to our uniform pricing regime
- Stakeholders raised concerns at August 2007 MPWG that without active locational marginal pricing initiative, this issue should remain on the table
- The IESO has defined 'locational pricing on the interties' as a work program for next year (MPWG Issue 40)
- IESO Proposal:
  - This issue 'on hold' pending results of MPWG Issue 40 and resumption of active locational pricing initiative