

Memorandum

To: Market Pricing Working Group
From: Jessica Greenberg
Date: 28 Jan 09
Re: Action Item 44-2: Administrative Pricing

Action Item 44-2:

The IESO to provide the following information regarding administrative pricing: refresher on current market rules and practices, data and summary of administrative pricing events and causes, IESO work programs in place to address the causes.

IESO Response:

The IESO has a Quick Take to explain administered pricing as well as the practices associated with administered pricing. The quick take can be found at the following link:
http://www.ieso.ca/imoweb/pubs/training/QT4_AP.pdf.

In the pricing events report given to the MPWG, administered pricing falls under two categories: (i) inaccurate input of data and (ii) forced outages. Inaccurate input of data refers to human error with respect to inputs into the DSO as well as telemetry errors used by the pricing sequence (market schedule). Planned outages refer to IESO tool outages.

The IESO has corporate performance measures with respect to administered pricing and reports on its performance on a quarterly basis. Performance results can be found on the IESO public web site at the following link:
<http://www.ieso.ca/imoweb/corp/corppperformance.asp>

The IESO also reviews causal events and has instituted training and process improvements in order to reduce events of price administration.

Recommendation: Action item 44-2 be closed.

Yours truly,

Jessica Greenberg