



Market Rule Interpretation Bulletin

Interpretation Bulletins are produced by the *IESO* to give notice to *market participants* of clarifications regarding the interpretation, application or implementation of a *market rule*.

All information submitted in this process will be used by the *IESO* solely in support of its obligations under the *Electricity Act, 1998*, the *Ontario Energy Board Act, 1998*, the *market rules* and associated policies, standards and procedures and its licence. All submitted information will be assigned the appropriate confidentiality level upon receipt.

Terms and acronyms used in this Form that are italicized have the meanings ascribed thereto in Chapter 11 of the *market rules*.

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PART 1 – MARKET RULE INFORMATION

Title (reference relevant chapters and sections)		
List of Relevant <i>Market Rules</i>:		
Chapter: <u>5</u>	Appendix: _____	Sections: <u>6.7</u>
Chapter: _____	Appendix: _____	Sections: _____
Chapter: _____	Appendix: _____	Sections: _____
Chapter: _____	Appendix: _____	Sections: _____
Chapter: _____	Appendix: _____	Sections: _____

PART 2 – OTHER RELEVANT MARKET DOCUMENTS

Provide a list of other relevant market documents affected (e.g. procedures, bulletins, etc.):

1. Market Manual 7.3 (IMP_Pro_0035) – Outage Management
http://www.ieso.ca/imoweb/pubs/systemOps/so_OutageManagement.pdf
2. Request for Outage Compensation (1350)
http://www.ieso.ca/imoweb/pubs/systemOps/so_f1350_RequestOutageComp.doc
- 3.

PART 3 – BACKGROUND INFORMATION

Provide the history of this request and purpose of this interpretation bulletin:

The purpose of this interpretation bulletin is to set out the *IESO's* practices with respect to establishing a *market participant's* eligibility for outage compensation. Specifically, this interpretation bulletin addresses situations where the *IESO* has worked with a *market participant* to reschedule a rejected, revoked or a recalled *outage* and the *market participant*, due to timing does not have the opportunity to confirm the rescheduled *outage* in accordance with the *market rules*.

Generators, distributors or connected wholesale customers may be entitled to compensation for certain out of pocket expenses incurred as a result of the revocation or recall of a *planned outage* that had been given advance approval by the *IESO* to proceed, provided specific criteria set out in Chapter 5, section 6.7 of the *market rules* are met.

One of the specific criterion is the need for the *planned outage* to have been confirmed by the *market participant*. Timing of the confirmation is dependent upon the type of *outage* request (i.e. 14 day advance approval or 2 day advance approval).

Market participants have expressed concern regarding compensation for *planned outages* that are revoked or recalled by the *IESO* and then rescheduled to a mutually agreed time that technically makes the *outage as* rescheduled a short notice request for *outage*. A *market participant* may be able to claim compensation costs arising from the initial revocation or recall but, by strict interpretation of the *market rules*, is not eligible for compensation if the advance approval is subsequently revoked for the rescheduled *outage* that is treated as an *outage* requested on short notice. An *outage* requested on short notice is one that has been submitted by the *market participant* or confirmed to the *IESO* after 10:00 a.m. on the third *business day* prior to the start date of the *outage*

Similarly, if the *IESO* rejects a *planned outage*, the *market participant* is not eligible for compensation because it was not approved. However, if the *IESO* subsequently works with *market participant* to find a suitable date for the *outage* to commence that does not allow the *outage* to be confirmed no later than 10:00 a.m. on the third *business day* prior to the start date of the *outage*, then such an *outage* should be considered as having been confirmed and will not treated as one requested on short notice.

PART 4 –INTERPRETATION AND APPLICATION

While the *market rules* are silent on the specific scenarios set out above, because the *IESO* was aware of the planned nature of the original *outage* request and worked with the *market participant* to find a suitable date to reschedule the *outage*, the *outage* should be considered as having been confirmed and will not be treated as an outage requested on short notice for the establishment of eligibility for compensation.

For all cases, the rationale for this interpretation is that the required period of time to confirm the *outage* did not exist, and the *IESO* knowingly worked with the *market participant* to find an acceptable new date, making the *outage* equivalent to planned *outage* status.

The foregoing interpretation is binding on the *IESO* subject to the provisions of Chapter 1, Section 12.1.5