



Market Rule Amendment Written Submission

This form is used to provide comment on a *market rule* amendment under consideration by the *IESO*. Please complete all four sections of this form and submit the completed form by email or fax to the following:

Email Address: Rule.Amendments@ieso.ca
 Fax No.: (416) 506-2847 **Attention: Market Rules Group**
Subject: Market Rule Written Submission

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 *confidentiality classification* of “Public” upon receipt. You should be aware that the *IESO* intends to *publish* this written submission.

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

PART 1 – SUBMITTER’S INFORMATION

Please enter your organization and contact information in full.

Name: Robert Cary & Associates Inc on behalf of Brookfield Renewable Energy, Capital Power, Enbridge, Erie Shores Wind Farm, Kruger Energy, Suncor Energy, and TransAlta, collectively referred to herein as the “RES group” _____

(if applicable) *Market Participant / Metering Service Provider* No.¹: _____ *Market Participant Class:* RES group members are all generators _____

Telephone: 905 687 8744 _____ Fax: _____

E-mail Address: rcary@niagara.com _____

PART 2 – MARKET RULE AMENDMENT REFERENCE

Type of Rule Amendment Being Commented on (please indicate with x):

Amendment Submission Proposed Rule Amendment Recommended Rule Amendment

MR Number: 362 _____

This *Market Rule* number is located on the “Current Market Rule Amendment” web page.

¹ This number is a maximum of 12 characters and does not include any spaces or underscore.

PART 1 – SUBMITTER’S INFORMATION

Date Relevant Amendment Submission, Proposed or Recommended Rule Amendment Posted for Comment: _____
Version 3.0 dated May 4, 2011

PART 3 – COMMENTS ON RULE AMENDMENT

Provide your comments.

Introduction

These comments are updated from those submitted in response to version 2.0, and recognize changes made since those previous comments were filed.

Principles

The Technical Panel is requested to include in any recommended the rule change the following two key modifications:

1. Use of Appendices not Market Manuals to define obligations related to both static and dynamic data provision. Specific changes are identified below.
2. Clear definition in the rules of “coming into effect” provisions in respect of existing facilities and those nearing completion of construction.

Appendices vs Market Manuals

The arguments for using appendices are straightforward.

- Existing obligations in respect of both static and dynamic data are set out in appendices. It makes a lot more sense to keep all such related obligations in one place, not split between appendices and a manual.
- The amendment process for market rules includes the appendices. The obligations under discussion apply to existing facilities, and any changes could create non-compliance situations or require retrofit. The rigour of the rules change process is therefore appropriate and required to provide confidence to wind generators that the obligations will not lightly be changed.

We believe that these considerations should over-ride the IESO’s preference to create new obligations in manuals.

Coming into effect

This version of MR 362 remains silent on the “coming into effect” provisions. We understand that the IESO plans to present its proposal to the Technical Panel, and seek approval without further stakeholder review. We understand from discussion that this proposal will likely comprise:

- A period (4 months?) between IESO board approval and coming into effect

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- Expectations that facilities for which compliance would eventually be practical, but not be the effective date, would be treated as temporarily non-compliant. As long as the market participant has a plan (acceptable to the IESO) to bring the facility into compliance this would trigger no further action.
- If a facility is legally, physically or technically unable to be brought into compliance, or if the costs to do so would be prohibitive relative to the benefits to the market, then the IESO would expect an application for exemption which would be considered by the exemption panel of the board in accordance with the Market Rules.

It remains problematic that IESO should make a market rule in the expectation that it will place one or more existing facilities into a position of unavoidable non-compliance. The market rule amendment should include a provision that market participants who expect to be unable to bring their facility into compliance on the effective date should be permitted to file an implementation plan setting out a reasonable later date on which the rule change would come into effect for that facility. Market participants also need to have a clear understanding of the criteria that the IESO will use in making exemption recommendations to the board panel.

Specific comments

Chapters 4 & 7, obligations for provision of static and dynamic data

Ch 4, Section 7.1.6; We recommend that this be replaced by an extension of the provisions of sections 7.1.4 and 7.1.5 to encompass variable generation over 5 MW, and that the static information requirements for variable generators be included as additional parts of Appendix 4.5A (for transmission-connected) and Appendix 4.6 (for distribution connected).

Ch 4, section 7.3.2A; Wording should be added to replace proposed section 7.1.6 in respect of monitoring / dynamic data. The monitoring information (dynamic data) obligations for variable generation should be added to Appendix 4.15, and not separately positioned in a market manual.

Chapter 4, communications requirements

Section 7.3.2A; see comments above.

Section 7.7.2; amendment not needed if above recommendations are accepted to keep requirements in Market Rule Appendices.

Appendices

All to be incorporated into Market Rule Appendices as noted above

Implementation and effective dates

These rule amendments will impose new obligations on existing facilities. Facility owners will require time to design, procure, lease land for, secure permits for, construct and commission the new or modified equipment that will be required. Unless the IESO plans to address all

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such delays in ability to comply as individual exemptions, the market rules must very clearly state that market participants' obligations in respect of new requirements are subject to any applicable permitting and EA requirements and are limited to commercially reasonable efforts to meet the technical standards etc. It would not be appropriate for the IESO merely to condone or accept non-compliance with more rigorous obligations.

PART 4 – EXTERNAL CONSULTATION MEETING

If you believe that a special meeting of stakeholders would be necessary/desirable to discuss the issues raised by the rule amendment, please complete the following information:

External Stakeholdering meeting necessary/desirable (please indicate with x): **???**

Reason(s) why you believe a meeting is necessary/desirable:

If the IESO accepts and the Technical Panel recommends changes in accordance with the above requests, we see no need for additional stakeholdering.

We are concerned that any proposed coming into effect provisions otherwise need discussion with affected stakeholders.