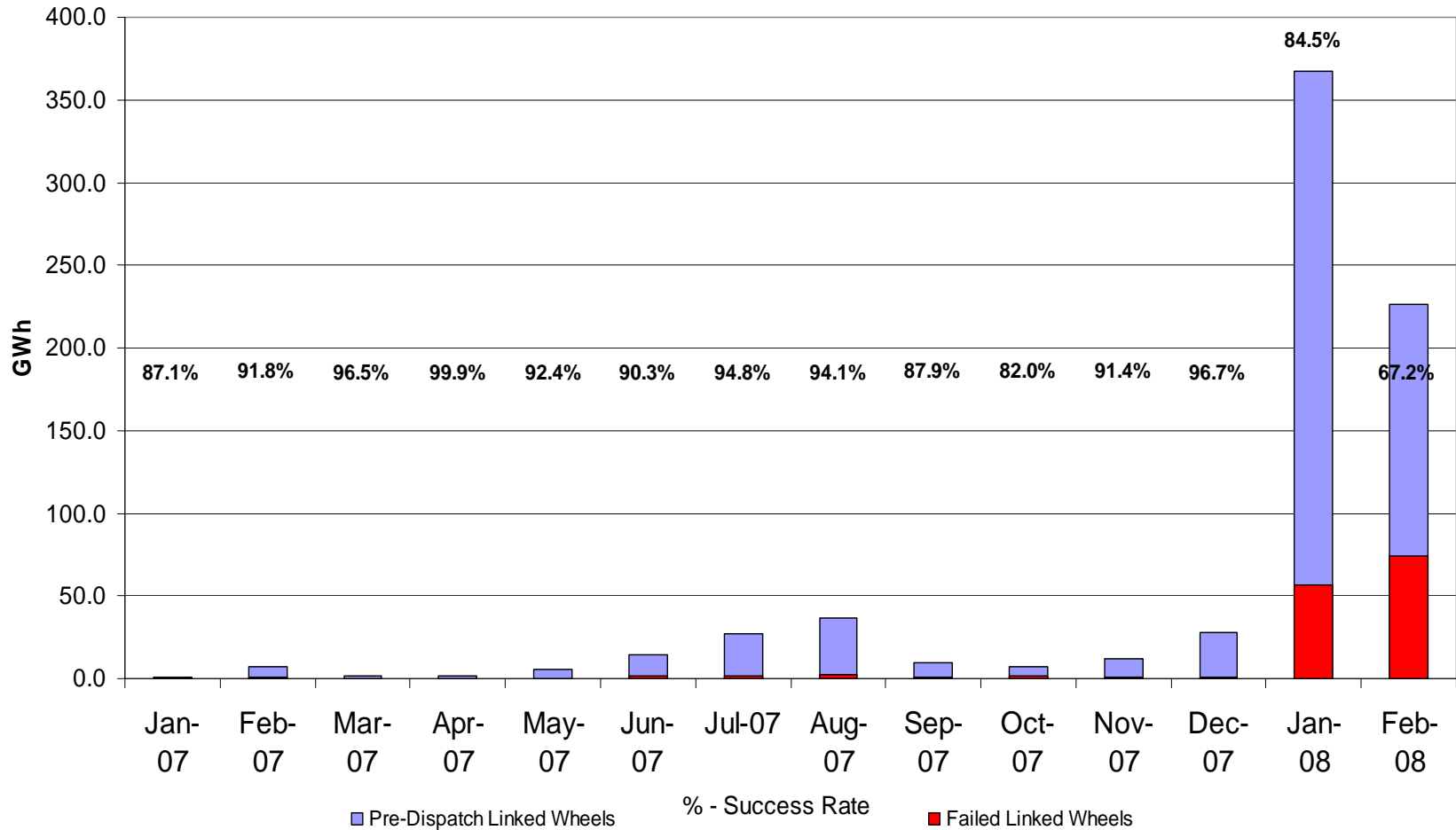


Linked Wheels

Inter Jurisdictional Trading Standing Committee
March 05, 2008



Monthly Linked Wheels
(January 2007 - February 27th, 2008)



- Current tagging practice is to tag all Linked Wheel failures with TLRe
- TLRe has been used in cases where we would normally use OTH because Linked Wheel failures fail both the import and export they:
 - Should not affect the price or create economic inefficiencies
 - Should not affect reliability
- TLRe has been used in cases where we would normally use TLRi as Linked Wheels are not entitled to CMSC as per the Market Rules

Economic efficiencies and/or reliability are affected when a linked wheel failure occurs and:

- An intertie is import congested
 - the number of imports that could have been used to support internal demand is limited
 - economic imports in the stack cannot be scheduled as the failure occurs at a time when only internal generation is available
- When an intertie is export congested
 - economic exports in the stack cannot be scheduled as the failure occurs at a time when the intertie schedules are set.
- When the scheduling limit is low
 - Failures on the intertie in one direction cause the net schedule flow to exceed limits. The IESO must curtail transactions in the opposite direction to remain under the limit. These curtailments are done for security and curtailed using TLRi which creates CMSC payments.

Failures January 30 – February 2nd

New York Import Failures



During this period there were 16 hours of intertie congestion where linked wheels failed for economics.

Due to the significant amount of failures and the potential impact on reliability and economic efficiencies.

- Linked wheel failures for illegitimate failure reasons will be tagged with OTH as are all other transactions i.e.
 - economics
 - NERC tagging errors
 - failure to navigate the market

Change will be processed through an IMDC to Market Manual 4.3.

The IMDC will be posted on the IESO website for 5 business days for stakeholder comment and will take effect thereafter.