

Memorandum

To: Technical Panel

From: Market Rules Group

Date: April 10, 2018

Re: MR-00434: Settlements – Regulated Settlement – Deletion of Rural and Remote Settlement and Debt Retirement Charge

Attached for Technical Panel review and consideration is market rule amendment proposal MR-00434-R00.

At its meeting on March 6, 2018 the Technical Panel voted to recommend market rule amendment MR-00434 to the IESO Board for consideration. The focus of the amendment proposal considered by the Panel was the deletion of references to rural and remote settlement and the debt retirement charge since these charges can be settled under Section 1.2.1 of Chapter 9, consistent with other regulated settlement charges. Subsequently, a question arose that made the IESO take a look at settlement amounts not explicitly referenced in the Electricity Act, 1998 or the Ontario Energy Board Act, 1998. As a result of this review, the IESO proposes further amendments to the market rules to clarify that applicable law other than the Electricity Act, 1998 and the Ontario Energy Board Act, 1998 may impose financial obligations.

Since the sections proposed for amendment also form part of MR-00434, the IESO has included the subsequent amendments (highlighted in yellow) into revised version 5.0 of amendment proposal MR-00434 for consideration by the Technical Panel.

Panel Decision Required

The IESO recommends the Technical Panel agree to repost MR-00434-R00 for stakeholder comment for a period of two weeks, ending on May 3, 2018. The revised target for IESO Board consideration of the amendment proposal is June 13, 2018.

Rebecca Short

Attach.