Applicability

1   Section 103.4 applies to:

(a)   a **pool participant**; and

(b)   the **ISO**.

Requirements

Currency

2   All payments, fees, charges, amounts and calculations under this Section 103.4 must be in Canadian dollars.

Source Asset Payment and Settlement Calculation

3(1)   The **ISO** must pay a **pool participant**, for energy production from each of its **source assets** during a **settlement interval**, an amount calculated as follows:

energy production;

minus

the volumes of all **net settlement instructions** of the **pool participant** for the **source asset**;

multiplied by

the **pool price** in $/MWh;

where:

"energy production" in MWh for the **settlement interval** is, depending on the origins of the energy production, either the **metered energy** value for the output from the **source asset**, or the value of energy from the **interchange transaction** for the importing **pool asset**.

(2)   A **pool participant**:

(a)   is deemed to have purchased in MWh the net difference in energy from the **power pool**; and

(b)   must pay to the **ISO** the amount calculated under subsection 3(1) to account for the cost of that net difference in energy,

if during a **settlement interval** the energy production in MWh of a **source asset** is less than the volumes of all **net settlement instructions** for the **source asset**.

Payment for Energy Production During a System Emergency

4   The **ISO** must calculate the payment to a **pool participant** for energy production during a system emergency caused by a transmission **delayed forced outage** or **automatic forced outage** based on the payment calculation under subsection 3(1), but such system emergency does not include one caused by a transmission **delayed forced outage** or **automatic forced outage** during a markets suspension event.

Payment for Energy from a Long Lead Time Asset

5(1)   The **ISO** must calculate the payment to a **pool participant** for energy production related to **incremental generation costs** a **pool participant** incurs as a result of a **directive** for energy from a **long lead time asset**, excluding any such **directive** issued during a markets suspension event.

(2)   The **ISO** must pay an additional amount to a **pool participant** to cover those residual costs, if any costs a **pool participant** incurs due to a **directive** for energy from a **long lead time asset** are not fully recovered under subsections 3 and 7, and those residual costs are referenced in and recoverable under

the definition of **incremental generation costs**.

Payment for Cancellation of an Outage

6(1)   The **ISO** must, subject to subsection 11 of Section 306.5 of the **ISO rules**, *Generation Outage Reporting and Coordination*, pay a **pool participant** or **legal owner** of a generating **source asset** for **incremental generation costs** a **pool participant** or **legal owner** incurs as a result of complying with a **directive** to cancel an outage.

(2)   The **ISO** must calculate the payment referred to subsection 6(1) based on the information a claimant provides to the **ISO** in accordance with the provisions of subsection 11 of Section 306.5 of the **ISO rules**, *Generation Outage Reporting and Coordination*.

Payment to a Supplier on the Margin

7(1)   The **ISO** must pay an uplift payment to a **pool participant** with a **source asset** that has delivered energy pursuant to a **dispatch** during a **settlement interval** if during the **settlement interval**:

   (a)   the **ISO** issues a **dispatch** for an **operating block** related to the **source asset**;

   (b)   the **offer** price for the **operating block** is greater than the **pool price**;

   (c)   the energy production of the **source asset** is greater than the sum of the energy that is included in a **dispatch** for all **operating blocks** with an **offer** price below the **offer** price of the **operating block** referred to in subsections 7(1)(a) and (b); and

   (d)   the **ISO** has not made a **transmission constraint rebalancing** payment to a **pool participant** for that **dispatch**.

(2)   The **ISO** must, for each eligible **operating block**, calculate any uplift payment made under subsection 7(1) as follows:

   (a)   If A minus B is less than or equal to C minus B, then the uplift payment equals:

      (A minus B) multiplied by (D minus the **pool price**); or

   (b)   If A minus B is greater than C minus B, then the uplift payment equals:

      (C minus B) multiplied by (D minus the **pool price**);

where:

   "A"   is the energy production in MWh of the **source asset** in the **settlement interval**;

   "B"   is the sum of the energy in MWh in the **settlement interval** included in the **dispatch** of all **operating blocks** of the **source asset** with **offer** prices less than the **offer** price of the **operating block** that is eligible for uplift payment;

   "C"   is the sum of the energy in MWh in the **settlement interval** included in the **dispatch** of all **operating blocks** of the **source asset** up to and including that portion of an **operating block** eligible for uplift payment; and

   "D"   is the **offer** price associated with the MW level of energy provided by an **operating block** eligible for an uplift payment included in a **dispatch** in "C".

Payment for Transmission Constraint Rebalancing

8   The **ISO** must make a payment to a **pool participant** with a **source asset** that has delivered additional energy for **transmission constraint rebalancing** as per 2(2)(b)(ii) of Section 302.1 of the **ISO rules**, *Real Time Transmission Constraint Management* during a **settlement interval**, calculated as follows:

(a)   If A minus B is less than or equal to C minus B, then the **transmission constraint rebalancing** payment equals:

(A minus B) multiplied by (D minus the **pool price**); or

(b)   If A minus B is greater than C minus B, then the **transmission constraint rebalancing** payment equals:

(C minus B) multiplied by (D minus the **pool price**);

where:

"A"   is the energy production in MWh of the **source asset** in the **settlement interval**;

"B"   is the sum of the energy in MWh in the **settlement interval** included in the **dispatch** of all **operating blocks** of the **source asset** with **offer** prices less than the **offer** price of the **operating block** that is eligible for a **transmission constraint rebalancing** payment;

"C"   is the sum of the energy in MWh in the **settlement interval** included in the **dispatch** of all **operating blocks** of the source asset up to and including that portion of an **operating block** eligible for a **transmission constraint rebalancing** payment; and

"D"   is the **offer** price associated with the MW level of energy provided by an **operating block** eligible for a **transmission constraint rebalancing** payment included in a **dispatch** in "C".

Payment for Dispatch Down Service

9   The **ISO** must pay a **dispatch down service** payment to a **pool participant** with a **source asset** that has provided **dispatch down service** during a **settlement interval**, calculated as follows:

dispatch down service price;

multiplied by

dispatch down service quantity;

multiplied by

dispatch down service time;

divided by

60 minutes;

where:

"**dispatch down service** price" is the system marginal price plus the **offer** price for the **dispatch down service**, the sum of which must be greater than or equal to zero for the **settlement interval**;

"**dispatch down service** quantity" is the amount of energy in MW included in the **dispatch** to a **pool participant** for **dispatch down service** in the **settlement interval**; and

"**dispatch down service** time" is the number of minutes set out in the **dispatch** for the **source asset** for **dispatch down service** in the **settlement interval**.

Dispatch Down Service Charge

10   A **pool participant** must, if the **ISO** makes any **dispatch down service** payments under subsection 9 for that **settlement interval**, pay the **ISO** a **dispatch down service** charge, calculated as follows:

energy production;

multiplied by

the sum of all **dispatch down service** payments;

divided by

the sum of all energy production;

where:

"**dispatch down service** payments" are the payments calculated and paid under subsection 8; and

"energy production" is denoted in MWh for a **settlement interval** and is the **metered energy** value for the output from the **source asset**.

Sink Asset Calculation and Payment

11(1) A **pool participant** with one or more **sink assets** must pay the **ISO** for the energy each **sink asset** consumes in a **settlement interval**, calculated as follows:

sink asset energy consumption;

minus

the volume of all **net settlement instructions** of a **pool participant** for the **sink asset**;

multiplied by

the **pool price**;

where:

"**sink asset** energy consumption" for the **settlement interval** is, depending on the origins of the energy consumption, either the **metered energy** value for the **pool asset** originating from **load**, or the value of energy from the **interchange transaction** for the exporting **pool asset**.

(2) A **pool participant** is deemed to have sold the MWh net difference in energy to the **power pool** if, for the **settlement interval**, the **sink asset** energy consumption is less than the volumes of all **net settlement instructions**.

(3) The **ISO** must pay a **pool participant** the amount calculated under subsection 11(1) to account for the cost of that net difference in energy if, for the **settlement interval**, the **sink asset** energy consumption is less than the volumes of all **net settlement instructions**.

Charge for Cost of Energy from a Long Lead Time Asset

12 The **ISO** must include as a line item in any **power pool** statement any charge to a **pool participant** under subsection 5 of Section 103.6 of the **ISO rules**, *ISO Fees and Charges* for the **ISO** to recover any costs associated with a **directive** for energy from a **long lead time asset**.

Allocation of Charges for Payments to a Supplier on the Margin

13 A **pool participant** must, if, for any **settlement interval**, the **ISO** has paid a **pool participant** an uplift payment in accordance with subsection 7, pay the **ISO** a supplier on the margin charge, calculated as follows:

the sum in dollars of all uplift payments;

multiplied by

the energy consumption of a **pool participant**;

divided by

the sum of energy consumption of all **pool participants**.

Post Final Adjustments for Load Settlement

14   The **ISO** must include post final adjustments in the final **power pool** statement for a **settlement period**, but if the **ISO** does not receive all information from a **load settlement agent** within the time periods set out in the post final adjustment schedule posted on the AESO website, then the **ISO** must include any remaining post final adjustments for that **settlement period** in the final **power pool** statement for the next **settlement period**.

Other Post Final Adjustments

15(1) The **ISO** must make post final adjustments for any energy production or energy consumption calculations for a **settlement period** if there are adjustments to metering data required after the **month** of determination on a final basis.

(2)   The **ISO** may charge a **pool participant** interest in calculating post final adjustments if the adjustments to metering data are a result of the **pool participant**'s failure to comply with applicable requirements relating to metering, calculated on a simple basis using a rate equal to the Bank of Canada's Bank Rate plus 1.5%.

Energy Market Trading Charge

16   The **ISO** must include, as a line item in any **power pool** statement to a **pool participant**, the energy market trading charge.

Final Pool Statement

17(1) The **ISO** must issue on the AESO website a final **power pool** statement to each **pool participant**, no later than the close of business on the 15th **business day** after the end of each **settlement period**, determined on:

      (a)   an initial basis for that **settlement period**;

      (b)   an interim basis for the 2 **months** prior to that **settlement period**; and

      (c)   a final basis for the 4 **months** prior to that **settlement period**.

(2)   The **ISO** must use reasonable efforts to issue to each **pool participant** the final **power pool** statement if the AESO website is not available on the 15th **business day** referred to in subsection 17(1).

Pool Settlement Date and Payment Obligations

18(1) The **ISO** must use, as the settlement date for a **settlement period**, the 20th **business day** following the last day of that **settlement period**.

(2)   The **ISO** must, each January, publish on the AESO website the calendar dates which are settlement dates for the current and next calendar year, being the dates for the financial settlement for the final **power pool** statements and the **ISO tariff**.

(3)   A **pool participant** must, subject to subsection 19, pay to the **ISO** the net dollar amount it owes no later than the specified settlement date for a **settlement period**.

(4)   The **ISO** must, if the **ISO** owes a net dollar amount to a **pool participant**, as set out in the final **power pool** statement for the **settlement period**, pay a **pool participant** that amount by the settlement date.

(5)   A **pool participant** must make full payment of the net amount a **pool participant** owes as set out in the final **power pool** statement, whether or not any such amounts are under dispute.

(6)   A **pool participant** may provide early payment for a **settlement period**:

      (a)   if authorized by the **ISO** in its sole discretion;

(b)   in the manner the **ISO** specifies; and

(c)   if the early payment is received no later than the date and time the **ISO** specifies.

(7)   The **ISO** may, notwithstanding subsection 18(4), withhold any payments to a **pool participant** until such error is corrected by a **pool participant** to the satisfaction of the **ISO**, if the **ISO** determines that there is an error in the metering data as a result of the **pool participant**'s failure to comply with applicable requirements relating to metering.

Acceleration in Pool Settlement Dates Due to Payment Default

19(1) The **ISO** may require that a **pool participant** pay the **ISO** 1 day early for the next 6 **settlement periods** if a **pool participant** has:

(a)   in its first calendar year of **pool participant** registration, defaulted in the payment for a **settlement period** 1 time; or

(b)   after its first calendar year of **pool participant** registration, defaulted in the payment for any **settlement period** 2 times over 12 **settlement periods**.

(2)   A **pool participant** that is required to pay early under subsection 19(1) may return to using the regular settlement date after the end of the 6 **settlement periods** if the **pool participant** does not commit any further default in payment during the 6 **settlement periods** referred to in subsection 19(1).

(3)   The **ISO** may require that a **pool participant** pay the **ISO** 2 days early for the next 12 settlement dates if a **pool participant** that is already required to pay 1 day early commits another default in payment during the time it is required to pay early.

(4)   A **pool participant** that is required to pay early under subsection 19(3) may return to using the regular settlement date after the end of the 12 **settlement periods** if the **pool participant** does not commit any further default in payment during the 12 **settlement periods** referred to in subsection 19(3).

(5)   The **ISO** may implement the accelerated payment obligations under this subsection 19 in addition to any other rights and remedies of the **ISO** in accordance with Section 103.7 of the **ISO rules**, *Financial Default and Remedies*, with regard to any payment default by a **pool participant**.

Interest and Other Late Payment Costs and Charges

20   A **pool participant** must pay interest, a late payment charge, and any other costs and charges in accordance with the provisions of Section 103.7 of the **ISO rules**, *Financial Default and Remedies*, if a **pool participant** fails to pay on or before a settlement date any outstanding **financial obligation** dollar amount owing to the **ISO** as set out in any of the **pool participant**'s final **power pool** statements.

Payment

21   A **pool participant** must, notwithstanding subsection 18(6) or any written dispute submitted pursuant to subsection 23(1), pay to the **ISO** any net dollar amount the **pool participant** owes, as set out in its final **power pool** statement, and do so in the manner the **ISO** specifies.

Prepayment Procedures

22(1) A **pool participant** may prepay in the manner the **ISO** specifies.

(2)   The **ISO** may apply any prepayment amount, in whole or in part, against any outstanding **financial obligations** of that **pool participant**.

Disputes

23(1) A **pool participant** may submit a written dispute notice to the **ISO** if a **pool participant** determines that there is an error the content of a final **power pool** statement that the **ISO** has issued in accordance

with subsection 17(1)(c).

(2) A **pool participant** must submit any written dispute notice pursuant to subsection 23(1) in accordance with the timelines posted on the AESO website.

(3) A **pool participant** and the **ISO** must make reasonable efforts to resolve any written dispute submitted pursuant to subsection 23(1).

Power Pool Statement Adjustments for Resolved Disputes

24 The **ISO** must, if a dispute is resolved under subsection 23(1), include resolved line item adjustments and the adjusted net amount payable by or to a **pool participant** in the next final **power pool** statement after the resolution.

ISO Recourse to Section 103.7 *Financial Default and Remedies*

25 The failure of a **pool participant** to pay any dollar amount under this Section 103.4 is deemed to be a **financial obligation** default event which will allow the **ISO** to have recourse to the rights and remedies of the **ISO** under Section 103.7 of the **ISO rules**, *Financial Default and Remedies.*

Revision History

Effective	Description
xxxx-xx-xx	Added subsections 15(2) and 18(7) related to errors in metering data Removed reference to preliminary power pool statement Revised dispute resolution process Method of payment amended in subsections 18(6), 18(8), 21 and 22(1) Administrative amendments
2015-11-26	Added subsection 7, "Payment for Transmission Constraint Rebalancing", and related amendments to subsection 6. Updated section 18(2)(h) to refer to "pool participation fee."
2014-07-02	Update subsection 4(1) based on changes to the definitions for "outages"; unbolded "system emergency"; and added new subsection 5 related to payment for cancellation of an outage. Provided pool participants the option to pay their power pool or transmission statements early based on their preliminary statement.
2013-01-08	Previously defined terms have been un-defined, therefore words have been un-bolded; "long lead time energy" has been replaced with "energy from a **long lead time asset**".
2011-07-01	Initial release