

ISO Rules

Part 200 Markets

Division 201 General

Section 201.6 Energy Market Pricing



External Consultation Draft
August 31, 2018

Applicability

- 1 Section 201.6 applies to:
 - (a) the **ISO**.

Requirements

Pool Asset Marginal Price

- 2(1)** Subject to subsection 2(2), the **ISO** must, for each **pool asset**, set the **pool asset** marginal price for each minute of a **settlement interval** at the price specified for the highest priced **operating block** in the **offer** or **bid** which has received a **dispatch**.
- (2)** In setting the **pool asset** marginal price, the **ISO** must not use that portion of an **operating block** in the **offer** or **bid** for a **pool asset** that has received a **dispatch** that results in a payment for **transmission constraint rebalancing**.

System Marginal Price

- 3(1)** The **ISO** must set the system marginal price at each minute as:
 - (a) the highest **pool asset** marginal price, excluding an import priced at \$0.00 or an export priced at \$999.99, as set in accordance with subsection 4;
 - (b) \$1,000.00 per MWh if to maintain the reliable operation of the system the **ISO** has issued a **directive** to the **legal owner** of an **electric distribution system** to shed **firm load** in accordance with Section 202.2 of the **ISO rules**, *Supply Shortfall and Short Term Adequacy*; or
 - (c) as prescribed in Section 202.7 of the **ISO rules**, *Markets Suspension or Limited Markets Operations*,
- (2)** Notwithstanding subsection 3(1)(a), the **ISO** must not use the **transmission must-run** reference price, as calculated in subsection 5, to set the system marginal price.

Pool Price

- 4** The **ISO** must set the **pool price** for each **settlement interval** based on the time weighted average of the 60 one-minute system marginal price values determined for each minute of the **settlement interval**.

Transmission Must-Run Reference Price

- 5(1)** The **ISO** must calculate the **transmission must-run** reference price as follows:

Transmission must-run reference price = (12.5 gigajoules) multiplied by (the gas price)

Where:

the gas price is the monthly Canadian natural gas price for the month in \$/gigajoule at AECO C and Nova Inventory Transfer, the Alberta Bidweek Spot Price, as published on www.ngx.com, and also in the "Canadian Gas Price Reporter."

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(2) The **ISO** must use reasonable efforts to use the current **month's** gas price beginning at midnight on the 2nd **business day** of the same **month** but until the **ISO** can update the gas price for the current **month**, the **ISO** must continue to use the previous **month's** Alberta Bidweek Spot Price.

(3) If the gas price is no longer available on www.ngx.com, the “Canadian Gas Price Reporter”, or otherwise, then the **ISO** must approve a reasonably equivalent gas price that it will use for purposes of determining the **transmission must-run** reference price and must subsequently, update this section of the **ISO rules** to indicate the new source for obtaining the gas price.

(4) If the **ISO** uses a price other than the gas price identified in subsection 5(1) to calculate the **transmission must-run** reference price, then the **ISO** must:

- (a) correct the gas price as soon as practicable; but
- (b) not modify the **pool price** due to any errors in the **transmission must-run** reference price.

Forecast Dispatch Price and Forecast Pool Asset Marginal Price

6(1) The **ISO** must use reasonable efforts to publish a forecast **dispatch** price for each **settlement interval** on the AESO website no later than 70 minutes prior to the start of such **settlement interval**.

(2) The **ISO** must set the forecast **dispatch** price for a **settlement interval** at the highest **pool asset** marginal price of all **pool assets** forecast to be required to meet the forecast load requirement, using the expected energy market **merit order** for the **settlement interval** including importer **operating blocks** and the **ISO** expected import **available transfer capacity** for the **interconnections** for the **settlement interval**.

(3) The **ISO** must set the forecast **pool asset** marginal price for a **pool asset** for each **settlement interval** at the price specified for the **operating block** in the **offer** or **bid** which corresponds to the forecast energy market **dispatch** level of the **pool asset** to meet the forecast load requirement.

Revision History

Date	Description
xxxx-xx-xx	Revised title of rule, amended subsection 3(1)(a), and amended to include transmission must-run before reference price.
2015-11-26	Added subsection 2(2) and related revisions to subsection 2(1).
2014-07-02	Added new subsection 6 for subject matter and drafting consistency.
2013-09-24	Updated to bold the term “firm load”.
2013-01-08	Initial Release