

Locational Price Signals During Emergencies

MPWG

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- Questions to address before developing a settlement tool
- Emergency Pricing Settlement tool
- Conclusion and Next Steps

- Would require significant time and effort from the IESO and stakeholders in deciding the details
- Details to include:
 - Do generators in the emergency zone receive the emergency price?
 - Is this in addition to the current emergency pricing regime or a replacement?
 - What are the administered prices?
 - Many others...(noted in the issue paper)

- A manual line item would be added to all settlement statements effected by the emergency
- Manual line item calculated as (Administered Price - MCP) * Consumption during event
- Approximately 2-3 months of tool development and time to modify effected market manuals and internal procedures

- Stakeholdering time and effort is largest cost to implement a locational emergency price
- Tool development time and effort distracts from other settlement tool development (Opportunity cost)
- Do nothing more at this time and keep option open pending completion of the LMP study.

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