

# Future Market Pricing Issue Work

Market Pricing Working Group  
March 10, 2005



- » **#1 – Pre-Dispatch Price Uncertainty**
- » **#6 – Effects of Emergency Purchases on the Market**
- » **#7 – Imports & Exports Setting Price**
- » **#9 – Use of Peak Demand in Pre-Dispatch**
  
- » **#32 – Role of Import Offer Guarantee**
  - » This issue will be directly affected by the outcome of work on issue #7.

- » **#1 – Pre-Dispatch Price Uncertainty**
  - » Many participants use PD prices for business decisions
  - » IESO does not publish any info on PD price uncertainty
  
- » **#6 - Effects of Emergency Purchases on the Market**
  - » Current process to incorporate emergency energy purchases into market systems can result in counter-intuitive pricing

- » **#7 – Imports & Exports Setting Price**
  - » **Currently not allowed to set MCP**
  - » **Creates a potentially significant discrepancy between PD and RT price**
  
- » **#9 - Use of Peak Demand in Pre-Dispatch**
  - » **Necessary (in some hours) in order to schedule imports/exports appropriately to meet peak demand.**
  - » **Another source of difference between PD and RT price**

- » **#32 – Role of Import Offer Guarantee**
  - » IOG provides a guarantee to importers in case RT price falls below their offer price
  - » Implemented to avoid discouraging importers from participating in the IESO markets, particularly at times of scarce internal resources
  - » Is this incentive to importers required in all hours of the day?

- » **Pre-Dispatch Issues Work Package**
  - » **Issues #1 and #9**
  
- » **Import/Export Issues Work Package**
  - » **Issues #6 and #7**
  
- » **Issue #32 will be addressed (if needed) after issue #7 work is complete**