

Nova Scotia Power System Operator (NSPSO)

Market Procedure

MP-05

Amendments to Market Rules, Standards, Codes
and Market Procedures

Issue: 02

Effective Date: 2007 02 22

Amendment to Market Rules, Standards, Codes and Market Procedures

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Appendices

MP-05 Appendix A Criteria for evaluation of proposals for amendment to Market Rules and or proposals for the establishment, adoption or amendment of a standard, code or Market Procedure

MP-05 Appendix B Process of appeal to the Nova Scotia Utility and Review Board.

Flow Charts

None

Forms

MPF-05-01	Proposal to amend the Market Rules
MPF-05-02	Stakeholder comments on a proposal to amend the Market Rules
MPF-05-03	Proposal to establish, adopt or amend a standard, code or Market Procedure
MPF-05-04	Stakeholder comments on proposal to establish adopt or amend a standard, code or Market Procedure
MPF-05-05	Sign-off sheet

1 Document Control and General Provisions

1.1 Issue and Revision History

Issue	Date	Reason for Issue
01	2007 02 01	Original Procedure
02	2007 02 22	Addition - Appendix B

1.2 Contact for Queries and Submissions

For queries concerning the application or interpretation of this Market Procedure and for submission of documents required under this procedure (unless noted otherwise) contact:

Name: Market Administrator
Phone: 902 428 7719
Address: 5 Long Lake Drive
Halifax, Nova Scotia
B3J 1N8
E-mail: nspsoadmin@nspower.ca

1.3 Incorporation of General Provisions

The general provisions set out in part 3 of Market Procedure 01, General Market Procedure, are incorporated into this Market Procedure (unless superseded by explicit wording to the contrary in this Market Procedure).

2 Overview of this Procedure

2.1 Purpose of this Market Procedure

The purpose of this Market Procedure is to describe:

- how any person may propose an amendment of the Market Rules,
- how any person may propose the establishment, adoption or amendment of a standard, code or a Market Procedure;
- how the Nova Scotia Power System Operator (NSPSO) shall decide whether a proposal should be classified as urgent;
- how the NSPSO shall consult with stakeholders including the Wholesale Market Advisory Committee about such a proposal;
- how the NSPSO shall evaluate such a proposal;
- how the NSPSO shall publish its decision on such a proposal; and
- how any person may apply to the Nova Scotia Utility and Review Board (the Board) for an order to prevent or stay the effect of an amendment of the Market Rules or the effect of establishing, adopting or amending a standard, code or Market Procedure.

2.2 Market Rules – References

This Market Procedure is established in accordance with paragraphs 2.4.2.3 of the Market Rules and Published by the NSPSO in accordance with paragraph 1.5.1.1 of the Market Rules.

The processes described in this Market Procedure comply with the requirements of paragraphs 2.4.2.2 and 2.4.3.2 and subsection 2.4.4 of the Market Rules.

2.3 Scope and Application

This Market Procedure describes the process for all amendments to the Market Rules except those made under the authority retained by the Government of Nova Scotia in respect of, or associated with, changes in eligibility for participation in the market, as referenced in paragraph 2.4.1.2 of the Market Rules.

This Market Procedure describes the process for establishment, adoption or amendment of any standard, code or Market Procedure where such establishment, adoption or amendment is made more than 1 month after the coming into effect of the Market Rules.

This Market Procedure makes reference to the Wholesale Market Advisory Committee, as defined in section 2.3 of the Market Rules. The acronym “WMAC” is used throughout this procedure to refer to this committee.

2.4 Responsibilities of Parties under this Market Procedure

The NSPSO is responsible for ensuring consistency of the Market Rules and of standards, codes and Market Procedures internally and with Legislation and Regulations, orders of the Board, the Transmission Tariff, the Standards of Conduct, all rates approved by the Board, and General Reliability Standards whether or not the matter of an order of the Board. The NSPSO is responsible to initiate all amendments, standards, codes and Market Procedures necessary to do this.

Any person may in accordance with this Market Procedure make a proposal to amend the Market Rules or to establish, adopt or amend a standard, code or Market Procedure.

The NSPSO is responsible for the administration of the process set out in this Market Procedure, including the necessary Publication and notification processes.

Members of the WMAC are responsible to those whose interests they represent (and not as an obligation under the Market Rules or this Market Procedure) for representing those interests in the WMAC and any associated stakeholder consultation processes. All stakeholders are responsible for the responsive and timely submission of comments on published proposals.

The NSPSO is responsible for making amendments to the Market Rules and for establishing, adopting or amending standards, codes and Market Procedures, or for rejecting such proposals. The NSPSO is responsible to give due consideration in such decision-making to the comments received from stakeholders.

The NSPSO is responsible for the maintenance and publication of all records as described in this Market Procedure.

2.5 Other Market Procedures

None at this time.

3 Process Description – Market Rules

3.1 General

3.1.1 Stakeholder Notification List

3.1.1.1 The NSPSO shall establish and maintain a list of persons who have requested e-mail notice of proposals to amend the Market Rules, standards, codes or Market Procedures; this is referred to as the “Market Rules stakeholder list.”

3.1.2 Identification and Initiation of Proposals

3.1.2.1 The NSPSO may make a proposal to amend the Market Rules on its own initiative, upon the advice of the Wholesale Market Advisory Committee or at the request of another person. (MR 2.4.2.2 (a))

3.1.2.2 Any person may request informal consultation with the NSPSO with respect to a contemplated proposal to amend the Market Rules, and the NSPSO may review a contemplated proposal, provide advice on the development of a proposal, or identify concerns raised by a contemplated proposal.

3.1.2.3 Any person or group of persons may, with or without prior consultation with the NSPSO, make a proposal to amend the Market Rules. (MR 2.4.2.2 (a))

3.1.2.4 The NSPSO or any other person making a proposal to amend the Market Rules shall make its proposal using form MPF-05-01, which includes provision for the proposer to request urgent treatment or to suggest designation as minor, material or special.

3.1.2.5 The NSPSO or any other person making a proposal to amend the Market Rules is invited in making its proposal to address the evaluation criteria set out in Appendix A of this Market Procedure.

3.1.2.6 The Board may issue an order directing amendment of the Market Rules as a result of certain conflicts (MR 2.4.4.3).

3.1.2.7 The Board may require the NSPSO to designate any proposed amendment as urgent (MR 2.4.2.2 (c)).

3.1.3 NSPSO Actions on Issue or Receipt of a Proposal

3.1.3.1 The NSPSO shall Publish each proposal to amend the Market Rules. (MR 2.4.2.2 (e))

3.1.3.2 The NSPSO shall assign a Market Rules Amendment Proposal (MRAP) number to the proposal.

3.1.3.3 The NSPSO shall give e-mail notice of the Publication of the proposal to persons on the Market Rules stakeholder list. (MR 2.4.2.2 (e))

3.1.4 Initial NSPSO Review, Classification and Clarification

3.1.4.1 The NSPSO shall within 5 Business Days consider each proposal to amend the Market Rules and shall designate it as urgent if so directed by the Board or if the NSPSO considers that it satisfies the criteria set out in sub-paragraph 2.4.2.2 (d) of the Market Rules. The procedure for urgent amendments is listed in section 3.3.

3.1.4.2 The NSPSO may consult with the proposer in order to secure clarification of a proposal or of its supporting argument, but shall not without proposer's consent delay classification or Publication of a proposal pending such clarification.

3.1.4.3 The NSPSO shall determine the level of stakeholder consultation appropriate to the proposal, taking account of any designation as urgent, materiality of the amendment, expected level of interest among stakeholders, and any view expressed by the proposer. For non-urgent rule amendments the stakeholder consultation may be designated as:

- a) Minor, meaning that the NSPSO expects that written comments from WMAC members and other stakeholders will adequately express concerns and allow for review; (MR 2.4.2.2 (f) (i))
- b) Material, meaning that the NSPSO expects that the opportunity for interactive WMAC discussion of the proposal and of written comments is necessary to provide thorough review and analysis; (MR 2.4.2.2 (f) (ii))
- c) Special, meaning that the NSPSO expects that special stakeholder consultations are warranted in addition to those under (b) above, or in respect of an urgent amendment.

3.1.4.4 The NSPSO shall within the 5 Business Days referred to in paragraph 3.1.4.1 Publish such determinations, in association with the Published proposal, and shall invite stakeholder comments. Except in the case of an urgent rule amendment the NSPSO shall indicate the date by which comments are required to be submitted in order to assure full consideration, and shall provide not less than 10 business days for such comments.

3.2 Non-urgent Amendments

3.2.1 Stakeholder Comments

3.2.1.1 Any person who wishes to comment on a proposal to amend the Market Rules should submit such comment to the NSPSO using form MPF-05-02.

- 3.2.1.2 The NSPSO shall forward all comments thus received to the members of the Wholesale Market Advisory Committee.
- 3.2.1.3 Any person who wishes to comment on a proposal to amend the Market Rules may also provide comments or otherwise communicate directly with a member (or members) of the Wholesale Market Advisory Committee.
- 3.2.1.4 Any person submitting a comment on a proposal is invited to relate their comments to the evaluation criteria set out in Appendix A of this Market Procedure.
- 3.2.1.5 The NSPSO shall Publish all written comments except for information agreed in advance to be confidential. (MR 2.4.2.2 (g))
- 3.2.1.6 In the event that a person wishes to supplement public comments with confidential information, they should first communicate with the NSPSO to secure confirmation that the material is appropriate to be treated as confidential.

3.2.2 Initial NSPSO Assessment

- 3.2.2.1 Except in respect of amendments proposed by the NSPSO, the NSPSO shall make an initial assessment of the impact of a proposed amendment, and shall Publish this initial assessment at the same time as it Publishes stakeholder comments.
- 3.2.2.2 In all cases the NSPSO shall make an initial assessment of any consequential amendments required to standards, codes or Market Procedures, and of any complementary amendments required to the Transmission Tariff, Standards of Conduct or other Board-approved documents.

3.2.3 Evolution of the Proposal

- 3.2.3.1 Proposers are encouraged to develop their proposals for amendment in a complete form, and may consult in advance with the NSPSO in order to achieve this.
- 3.2.3.2 It is recognized that one purpose of the review process is to identify and correct shortcomings in the proposal, however complete its initial submission. The process is therefore intended to accommodate such evolution of a proposal.
- 3.2.3.3 The NSPSO will therefore Publish any revisions to a proposal as they are made.
- 3.2.3.4 The NSPSO (for minor amendments) or the WMAC (for material and special amendments) shall determine whether such evolutionary changes are sufficient to warrant the invitation of additional stakeholder comment.

3.2.4 WMAC Review – Minor Amendments

- 3.2.4.1 Any member of the WMAC may request re-designation of a minor amendment to a material amendment, and the NSPSO shall give due regard to such request and may re-designate accordingly. If any two members of the WMAC request such re-designation, then the NSPSO shall re-designate accordingly.
- 3.2.4.2 Following receipt of stakeholder comments, and distribution of stakeholder comments and the initial NSPSO assessment to WMAC members, the NSPSO shall invite further written comment from WMAC members, with a submission window of at least 5 business days (unless waived by WMAC members).

3.2.5 WMAC Review – Material Amendments

- 3.2.5.1 Following receipt of stakeholder comments, and distribution of stakeholder comments and the initial NSPSO assessment to WMAC members, the NSPSO shall (unless waived by WMAC members) call a WMAC meeting or conference call in accordance with the procedures and processes established by the WMAC. As noted below under “coordination of proposals” it is expected that the NSPSO would seek to coordinate treatment of proposals in order to optimize the workload of the WMAC.
- 3.2.5.2 The NSPSO shall provide an opportunity for the proposer of an amendment to present the proposal to the WMAC.
- 3.2.5.3 It is preferred that the WMAC will achieve consensus on proposals for amendments, but WMAC consensus is not binding on the NSPSO nor is it a pre-requisite of subsequent NSPSO decision-making.
- 3.2.5.4 If required by any member of the WMAC, the NSPSO shall allow at least 5 Business Days following a WMAC meeting for the submission of further written comments. Such comments may include a formal statement of dissent from a WMAC majority view.

3.2.6 Special Amendments

- 3.2.6.1 The process for review of special amendments is specific to each amendment, and represents an enhancement of the process for material amendments. This may include a special stakeholder meeting or conference calls in conjunction with, or addition to a WMAC meeting.

3.2.7 Report on Proposal and Stakeholder Consultation

3.2.7.1 Following completion of the review processes described above, the NSPSO shall prepare and Publish a report comprising:

- a) a brief description of the proposed amendment;
- b) identification of any Board order to which the proposed amendment relates;
- c) a description of the consultation process;
- d) a summary of the NSPSO's initial assessment;
- e) a summary of stakeholder comments and of WMAC discussions including any dissenting opinions;
- f) the NSPSO's final assessment, including an evaluation against the criteria set out in Appendix A;
- g) identification of any changes to the Transmission Tariff, the Standards of Conduct, or any rate approved by the Board, to which the proposed amendment is related;
- h) a description of any consequential changes required to standards, codes or Market Procedures; and
- i) a description of the actions and time reasonably required by the NSPSO and Market Participants prior to the coming into effect of the amendment.

3.2.7.2 This report shall include as attachments the actual proposal, the stakeholder and WMAC member written comments and dissenting opinions, and any proposal revisions including the final form proposed for implementation.

3.2.7.3 This report shall be Published within 10 Business Days of concluding discussion by the WMAC (for material and special amendments only), or 5 Business Days of any deadline for submissions, whichever is later.

3.2.8 NSPSO Decision and Publication

3.2.8.1 Within 5 Business Days of the Publication of the report, the NSPSO shall use a sign-off sheet (form MPF-05-05) to record its decision with respect to a proposal to amend the Market Rules, and shall Publish this sign-off sheet. This sign-off sheet will generally make reference to the Published report for the supporting discussion of issues considered, opinions considered, and reasons for the conclusions reached. Any additional considerations may be included on, or as attachment to, the sign-off sheet.

3.2.8.2 When Publishing its decision, the NSPSO shall Publish the date on which any amendment shall come into effect, which date may be dependent on the coming into effect of a change to the Transmission Tariff or the Standards of

Conduct or a rate approved by the Board, and which date shall be not less than 30 days after the date of Publication. In the case of energy scheduling and dispatch process changes, it may be necessary to specify both the “day ahead” and the “dispatch day”, e.g., a rule amendment comes into effect for day-ahead processes on Friday 30th November in respect of energy scheduling and dispatch on Saturday 1st December. (MR 2.2.4.2 (i))

- 3.2.8.3 Before or within 1 Business Day following Publication of a decision, the NSPSO shall give e-mail notice of the Publication to persons on the Market Rules stakeholder list.

3.2.9 Coordination of Proposals

- 3.2.9.1 The NSPSO may coordinate the process with respect to a number of proposals. Such coordination may include deferral of review stages (but not of initial Publication or designation) for a period of up to three months in order to facilitate the work of the WMAC, as long as such deferral would not be materially harmful to the market or to an impacted Market Participant.

3.3 Urgent Amendments

3.3.1 Accelerated Consultation Process

- 3.3.1.1 The NSPSO may but is not required to undertake formal or informal consultation, including through the WMAC or directly with WMAC members or others, prior to making a decision on an urgent amendment to the Market Rules. (MR 2.2.4.2 (j))
- 3.3.1.2 The NSPSO shall determine the extent of any such consultations to be undertaken with respect to an urgent amendment of the Market Rules taking account of the potential damage of delay, the complexity of the proposed change, the impact on Market Participants and others, and the practicality of consultation.

3.3.2 Urgent Amendment Decision and Publication

- 3.3.2.1 The NSPSO shall use a sign-off sheet (form MPF-05-05) to record its decision with respect to a proposal for urgent amendment of the Market Rules, and shall Publish this sign-off sheet. In the absence of the formal report required for non-urgent amendments, the NSPSO shall use the sign-off sheet or an attachment to provide a summary of the reasons for the amendment and the reasons for its designation as urgent, together with indication of any consultations undertaken.
- 3.3.2.2 When Publishing its decision on an urgent amendment, the NSPSO shall Publish the date on which any amendment shall come into effect, which date shall not be before the day after Publication and issue of e-mail notice.

3.3.2.3 Before or within 1 Business Day following Publication of a decision, the NSPSO shall give e-mail notice of the Publication to persons on the Market Rules stakeholder list.

3.3.3 Post-implementation Review

3.3.3.1 Within 5 Business Days after the Publication of its decision on an urgent amendment to the Market Rules, the NSPSO shall initiate a review of the amendment. This review shall follow the same process as for a material or special amendment of the Market Rules as set out in sub-sections 3.1.3, 3.1.4, 3.2.1, and 3.2.5 to 3.2.9 above, and may result in any of:

- a) an additional amendment that revokes the original urgent amendment;
- b) an additional amendment that further amends the original urgent rule amendment; or
- c) confirmation of the original urgent rule amendment as implemented. (MR 2.2.4.2 (k))

3.4 Board Referrals and Orders

3.4.1 Orders of the Board to Amend Market Rules

3.4.1.1 The Board has the power to order an amendment to the Market Rules, including an amendment that would have the effect of canceling a previous amendment. (MR 2.4.4.2 & 3)

3.4.1.2 The Board's order may be specific with respect to the detail and timing of the amendment, in which case the NSPSO shall use the process for urgent amendments, with or without subsequent review in accordance with the order of the Board.

3.4.1.3 The Board's order may require or permit the NSPSO to undertake normal stakeholder consultation processes and allow for the evolution of the specific amendment, in which case the NSPSO shall use the process for non-urgent amendments.

3.4.1.4 The Board's order may require the NSPSO to reconsider an amendment to the Market Rules, and may require consideration or weight be given to certain general or particular criteria, in which case the NSPSO shall undertake the normal stakeholder consultation processes for non-urgent amendments for the purpose of such reconsideration. (MR 2.4.4.2)

3.4.2 Appeals to the Board

3.4.2.1 A person may appeal to the Board in respect of any Market Rule amendment (MR 2.2.4.3 (c) and 2.4.4.4), using the process outlined in Appendix B.

3.4.3 Implementing the Results of Appeals to the Board

- 3.4.3.1 If ordered by the Board, the NSPSO shall stay the coming into effect of any non-urgent amendment to the Market Rules in accordance with the order of the Board. (MR 2.4.4.1 (a) & (c))
- 3.4.3.2 If ordered by the Board, the NSPSO shall cancel an amendment which has not yet come into effect.
- 3.4.3.3 If the Board orders cancellation of an amendment that has already come into effect, the NSPSO shall treat this as a further amendment to the Market Rules ordered in accordance with paragraph 3.4.1.1.
- 3.4.3.4 The NSPSO shall Publish any order of the Board and its own notice of the stay, cancellation or re-amendment of the Market Rules and shall give e-mail notice of such Publication to persons on the Market Rules stakeholder list.

3.5 Record Keeping

- 3.5.1.1 The NSPSO shall maintain a web-accessible database of every proposal to amend the Market Rules, including its Market Rules Amendment Proposal (MRAP) number, proposer, status, ongoing activity including any deadlines, and NSPSO contact in respect of all active proposals.
- 3.5.1.2 The web-accessible database should provide links to all relevant documentation, including proposals, comments, reports and decisions.

4 Process description – Standards, Codes and Market Procedures

4.1 Establishment and Adoption of Standards, Codes and Market Procedures

4.1.1 Initiation of New Standards, Codes and Market Procedures

4.1.1.1 In general it is expected that the NSPSO will be the initiator of new standards, codes and Market Procedures. In such cases, the NSPSO will exercise judgment as to the most appropriate time to formalize and Publish the notice of a proposal, recognizing the potential interest of stakeholders in conceptual as well as detailed discussions.

4.1.1.2 Any other person who identifies a need for a new standard, code or Market Procedure may request informal consultation with the NSPSO with respect to such need. The NSPSO may review this with the person, and may agree to initiate a document, may provide advice on the person's development of a proposal, or may identify concerns raised by the identified need.

4.1.1.3 In the event that a person, with or without the benefit of such informal consultation, wishes to propose the establishment or adoption of a standard, code or Market Procedure, they may make such a proposal using form MPF-05-03.

4.1.1.4 Such a person may alternatively seek to have a member of the WMAC raise the need as an item for discussion at the WMAC.

4.1.1.5 The NSPSO or any other person making a proposal to establish or adopt a standard, code or Market Procedure is invited in making its proposal to identify any relevant provisions of the Market Rules and General Reliability Standards and to address any relevant evaluation criteria for amendment of the Market Rules as set out in Appendix A of this Market Procedure.

4.1.1.6 Any person making a proposal for a new standard should seek to identify any suitable existing standard that can be adopted by the NSPSO consistent with the Market Rules and General Reliability Standards in preference to the establishment of an entirely new standard.

4.1.2 NSPSO Actions on Issue or Receipt of a Proposal

4.1.2.1 The NSPSO shall Publish each proposal. (MR 2.4.3.2 (e))

4.1.2.2 The NSPSO shall assign a Market Document Amendment Proposal (MDAP) number to the proposal.

4.1.2.3 In the event of an establishment or adoption that is a consequence of a proposed amendment to the Market Rules, the NSPSO may designate that all consultations be consolidated into the consultations on the proposed amendment to the Market Rules, in which case the NSPSO shall Publish this designation.

4.1.2.4 The NSPSO shall give e-mail notice of the Publication of the proposal to persons on the Market Rules stakeholder list. (MR 2.4.3.2 (e))

4.1.3 Consultation Process for Establishment and Adoption

4.1.3.1 Consultation processes for establishment or adoption of a new standard, code or Market Procedure are the same as for amendment, as described in sections 4.3 to 4.7 below.

4.1.4 Coming into Effect of a New Standard, Code or Market Procedure

4.1.4.1 The process for the coming into effect of a new standard, code or Market Procedure are the same as for amendment, as described in sections 4.3 to 4.7 below.

4.1.5 Application to Existing Facilities

4.1.5.1 It is to be expected that, on occasion, there may be a proposal for new standard to which existing facilities do not comply.

4.1.5.2 It is the responsibility of Market Participants to identify any such circumstances during the stakeholding of a new standard proposed for establishment or adoption, and to notify the NSPSO accordingly.

4.1.5.3 The NSPSO shall evaluate if a different standard can be applied to all or some existing facilities than is required of new facilities, without jeopardy to the reliability of the Bulk Electricity Supply System or any Zone thereof.

4.1.5.4 To the extent that the NSPSO considers that different requirements should be applicable to existing as opposed to new Facilities, then it shall incorporate into the relevant standard the different requirements and the basis for their application. Such basis for application may include time limits.

4.1.5.5 The consideration of any new requirements being made applicable to existing Facilities will clearly be a major part of the stakeholding of any new standard.

4.2 Amendment of Standards, Codes and Market Procedures

4.2.1 Initiation of Amendments to Standards, Codes and Market Procedures

- 4.2.1.1 The NSPSO may make a proposal to amend a standard, code or Market Procedure on its own initiative, upon the advice of the Wholesale Market Advisory Committee or at the request of another person. (MR 2.4.3.2 (a))
- 4.2.1.2 Any person may request informal consultation with the NSPSO with respect to a contemplated proposal to amend a standard, code or Market Procedure, and the NSPSO may review a contemplated proposal, provide advice on the development of a proposal, or identify concerns raised by a contemplated proposal.
- 4.2.1.3 Any person or group of persons may, with or without prior consultation with the NSPSO, make a proposal to amend a standard, code or Market Procedure. (MR 2.4.3.2 (a))
- 4.2.1.4 The NSPSO or any other person making a proposal to amend a standard, code or Market Procedure shall make its proposal using form MPF-05-03, which includes provision for the proposer to request urgent treatment or to suggest designation as minor or material.
- 4.2.1.5 The NSPSO or any other person making a proposal to amend a standard, code or Market Procedure is invited in making its proposal to identify any relevant provisions of the Market Rules and General Reliability Standards and to address any relevant evaluation criteria for amendment of the Market rules as set out in Appendix A of this Market Procedure.
- 4.2.1.6 The Board may issue an order directing amendment of a standard, code or Market Procedure as a result of certain conflicts (MR 2.4.4.3).

4.2.2 NSPSO Actions on Issue or Receipt of a Proposal

- 4.2.2.1 The NSPSO shall Publish each proposal to amend a standard, code or Market Procedure. (MR 2.4.3.2 (e))
- 4.2.2.2 The NSPSO shall assign a Market Documentation Amendment Proposal (MDAP) number to the proposal.
- 4.2.2.3 In the event of an amendment that is consequential on a proposal to amend the Market Rules, the NSPSO may designate that all consultations be consolidated into the consultations on the proposed amendment to the Market Rules, in which case the NSPSO shall Publish this designation.
- 4.2.2.4 The NSPSO shall give e-mail notice of the Publication of the proposal to persons on the Market Rules stakeholder list. (MR 2.4.3.2 (e))

4.3 Stakeholder Review Processes (New and Amended Documents)

4.3.1 Initial NSPSO Review, Classification and Clarification

- 4.3.1.1 The NSPSO shall within 5 Business Days consider each proposal to establish, adopt or amend a standard, code or Market Procedure and shall designate it as urgent if the NSPSO considers that it satisfies the criteria set out in subparagraph 2.4.3.2 (d) of the Market Rules.
- 4.3.1.2 The NSPSO may consult with the proposer in order to secure clarification of a proposal or of its supporting argument, but shall not without proposer's consent delay classification or Publication of a proposal pending such clarification.
- 4.3.1.3 The NSPSO shall determine the level of stakeholder consultation appropriate to the proposal, taking account of any designation as urgent, materiality of the amendment, expected level of interest among stakeholders, and any view expressed by the proposer. For non-urgent amendments the stakeholder consultation may be designated as:
- a) Minor, meaning that the NSPSO expects that written comments from stakeholders including WMAC members will adequately express concerns and allow for review; (MR 2.4.3.2 (f)(i)). Such written comments may be followed up or supplemented by informal consultation between the NSPSO and particular stakeholders.
 - b) Material, meaning that the NSPSO expects that the opportunity for interactive WMAC discussion of the proposal and of written comments is necessary to provide thorough review and analysis; (MR 2.4.3.2 (f)(ii))
- 4.3.1.4 All proposals for the establishment or adoption of a standard, code or Market Procedure shall be classified as material. Proposals for an amendment may be classified as either minor or material.
- 4.3.1.5 The NSPSO shall within the 5 Business Days referred to in paragraph 4.3.1.1 Publish such determinations, in association with the Published proposal, and shall invite stakeholder comments. Except in the case of an urgent rule amendment the NSPSO shall indicate the date by which comments are required to be submitted in order to assure full consideration and shall provide not less than 10 business days for such comments.

4.4 Non-urgent Establishment, Adoption and Amendment

4.4.1 Stakeholder Comments

- 4.4.1.1 Any person who wishes to comment on a proposal for establishment, adoption or amendment of a standard, code or Market Procedure should submit such comment to the NSPSO using form MPF-05-04.
- 4.4.1.2 The NSPSO shall forward all comments thus received to the members of the Wholesale Market Advisory Committee.
- 4.4.1.3 Any person submitting a comment on a proposal is invited to relate their comments to any relevant Market Rules and General Reliability Standards and to the evaluation criteria set out in Appendix A of this Market Procedure.
- 4.4.1.4 The NSPSO shall Publish all written comments except for information agreed in advance to be confidential.
- 4.4.1.5 In the event that a person wishes to supplement public comments with confidential information, they should first communicate with the NSPSO to secure confirmation that the material is appropriate to be treated as confidential.

4.4.2 Initial NSPSO Assessment

- 4.4.2.1 Except in respect of an establishment, adoption or amendment proposed by the NSPSO, the NSPSO shall make an initial assessment of the impact of a proposed establishment, adoption or amendment, and shall Publish this initial assessment at the same time as it Publishes stakeholder comments.

4.4.3 Evolution of the Proposal

- 4.4.3.1 Subject to the qualifications in paragraph 4.1.1.1 above, proposers are encouraged to develop their proposals for establishment, adoption or amendment in a complete form, and may consult in advance with the NSPSO in order to achieve this.
- 4.4.3.2 It is recognized that one purpose of the review process is to identify and correct shortcomings in the proposal, however complete its initial submission. The process is therefore intended to accommodate such evolution of a proposal.
- 4.4.3.3 The NSPSO will therefore Publish any revisions to a proposal as they are made.
- 4.4.3.4 The NSPSO shall determine whether such evolutionary changes are sufficient to warrant the invitation of additional stakeholder comment.

4.4.4 WMAC Review – Minor Amendments

- 4.4.4.1 Any member of the WMAC may request re-designation of a minor amendment to a material amendment, and the NSPSO shall give due regard to such request and may re-designate accordingly. If any two members of the WMAC request such re-designation, then the NSPSO shall re-designate accordingly.
- 4.4.4.2 Following receipt of stakeholder comments, and distribution of stakeholder comments and the initial NSPSO assessment to WMAC members, the NSPSO may invite further written comment from WMAC members, with a submission window of at least 5 business days.

4.4.5 WMAC Review – Establishment, Adoption and Material Amendments

- 4.4.5.1 Following receipt of stakeholder comments, and distribution of stakeholder comments and the initial NSPSO assessment to WMAC members, the NSPSO shall invite further written comment from WMAC members, with a submission window of at least 5 business days. The NSPSO may call a WMAC meeting or conference call in accordance with the procedures and processes established by the WMAC. As noted below under “coordination of proposals” it is expected that the NSPSO would seek to coordinate treatment of proposals in order to optimize the workload of the WMAC.
- 4.4.5.2 The NSPSO may provide an opportunity for the proposer of an amendment to present the proposal to the WMAC.
- 4.4.5.3 The NSPSO may also undertake additional consultations with particular stakeholders or through a meeting with multiple stakeholders.
- 4.4.5.4 It is preferred that the WMAC members making comments on a proposal will achieve consensus on such a proposal, but WMAC consensus is not binding on the NSPSO nor is it a pre-requisite of subsequent NSPSO decision-making.

4.4.6 Report on Proposal and Stakeholder Consultation

- 4.4.6.1 Following completion of the review processes described above, the NSPSO shall prepare and Publish a brief report comprising:
- a) a brief description of the proposed establishment, adoption or amendment;
 - b) identification of any Board order, Market Rule amendment, or change to the Transmission Tariff or Standards of Conduct or rate approved by the Board, to which the proposed amendment relates;
 - c) a description of the consultation process;
 - d) a summary of the NSPSO’s initial assessment;

- e) a summary of stakeholder comments and of any WMAC discussions including any dissenting opinions;
- f) the NSPSO's final assessment, including an evaluation against the criteria set out in Appendix A; and
- g) a description of the actions and time reasonably required by the NSPSO and Market Participants (e.g. to make changes in IT systems) prior to the coming into effect of the amendment.

4.4.6.2 This report shall include as attachments the actual proposal, the stakeholder and WMSC member written comments and dissenting opinions, and any proposal revisions including the final form proposed for implementation.

4.4.6.3 This report in respect of any minor consultation process should be the minimum necessary to establish the necessary record.

4.4.6.4 The report shall be Published within 10 Business Days of concluding discussion by the WMAC (for material amendments only), or 5 Business Days of any deadline for submissions, whichever is later.

4.4.6.5 In the case of an establishment, adoption or amendment that is consequential on an amendment to the Market Rules, this report may be subsumed into the corresponding report on the proposed amendment to the Market Rules.

4.4.7 NSPSO Decision and Publication

4.4.7.1 Within 5 Business days of the Publication of the report, the NSPSO shall use a sign-off sheet (form MPF-05-05) to record its decision with respect to a proposal to establish, adopt or amend a standard, code or Market Procedure, and shall Publish this sign-off sheet. This sign-off sheet will generally make reference to the Published report for the supporting discussion of issues considered, opinions considered, and reasons for the conclusions reached. Any additional considerations may be included on, or as attachment to, the sign-off sheet.

4.4.7.2 When Publishing its decision, the NSPSO shall Publish the date on which any amendment shall come into effect, with due consideration to the actions and time reasonably required by the NSPSO and Market Participants due to the changes in requirements or processes. In the case of energy scheduling and dispatch process changes, it may be necessary to specify both the "day ahead" and the "dispatch day", e.g. a rule amendment comes into effect for day-ahead processes on Friday 30th November in respect of energy scheduling and dispatch on Saturday 1st December (MR 2.2.3.2 (g))

4.4.7.3 Before or within 1 Business Day following Publication of a decision, the NSPSO shall give e-mail notice of the Publication to persons on the Market Rules stakeholder list.

4.4.8 Coordination of Proposals

- 4.4.8.1 The NSPSO may coordinate the process with respect to a number of proposals. Such coordination may include deferral of review stages (but not of initial Publication or designation) for a period of up to three months in order to facilitate the work of the WMAC, as long as such deferral would not be materially harmful to the market or to an impacted Market Participant.

4.5 Urgent Establishment, Adoption or Amendment

4.5.1 Accelerated Consultation Process

- 4.5.1.1 The NSPSO may but is not required to undertake formal or informal consultation, including through the WMAC or directly with WMAC members or others, prior to making a decision on an urgent establishment, adoption or amendment to a standard, code or Market Procedure.
- 4.5.1.2 The NSPSO shall determine the extent of any such consultations to be undertaken with respect to an urgent establishment, adoption or amendment taking account of the potential damage of delay, the complexity of the proposed change, the impact on Market Participants and others, and the practicality of consultation.

4.5.2 Urgent Amendment Decision and Publication

- 4.5.2.1 The NSPSO shall use a sign-off sheet (form MPF-05-05) to record its decision on an urgent establishment adoption or amendment of a standard, code or Market Procedure together with the date on which it shall come into effect and shall Publish this sign-off sheet. In the absence of the formal report required for non-urgent amendments, the NSPSO shall use the sign-off sheet or an attachment to provide a summary of the reasons for the establishment, adoption or amendment and the reasons for its designation as urgent, together with indication of any consultations undertaken.
- 4.5.2.2 When Publishing its decision on an urgent amendment, the NSPSO shall Publish the date on which any amendment shall come into effect, which date shall not be before the day after Publication and issue of e-mail notice.
- 4.5.2.3 Before or within 1 Business Day following Publication of a decision, the NSPSO shall give e-mail notice of the Publication to persons on the Market Rules stakeholder list.

4.5.3 Post-implementation Review

- 4.5.3.1 The NSPSO may but is not required to undertake a review of a decision on an urgent establishment, adoption or amendment to a standard, code or Market procedure.

4.5.3.2 Any such review that the NSPSO does undertake should follow the same process as for the non-urgent establishment, adoption or amendment of a standard, code or Market procedure as set out in sections 4.3 and 4.4 above, and may result in any of:

- a) an additional amendment that revokes the original urgent action;
- b) an additional amendment that further amends the original urgent action;
or
- c) confirmation of the original urgent action as implemented.

4.6 Board Referrals and Orders

4.6.1 Orders of the Board to Amend Standards, Codes or Market Procedures

4.6.1.1 The Board has the power to order an amendment to a standard, code or Market Procedure, including an amendment that would have the effect of canceling a standard, code or Market Procedure or of canceling a previous amendment thereto. (MR 2.4.4.2 & 3)

4.6.1.2 The Board's order may be specific with respect to the detail and timing of the amendment, in which case the NSPSO shall use the process for urgent amendments, with or without subsequent review in accordance with the order of the Board.

4.6.1.3 The Board's order may require or permit the NSPSO to undertake normal stakeholder consultation processes and allow for the evolution of the specific amendment, in which case the NSPSO shall use the process for non-urgent amendments.

4.6.1.4 The Board's order may require the NSPSO to reconsider the establishment, adoption or amendment of a standard, code or Market Procedure, and may require consideration or weight be given to certain general or particular criteria, in which case the NSPSO shall undertake the normal stakeholder consultation processes for non-urgent amendments for the purpose of such reconsideration. (MR 2.4.4.2)

4.6.2 Appeals to the Board

4.6.2.1 A person may appeal to the Board in respect of the establishment, adoption or amendment of any standard, code or Market Procedure (MR 2.4.4.4) by following the process in Appendix B.

4.6.3 Implementing the Results of Appeals to the Board

4.6.3.1 If ordered by the Board, the NSPSO shall stay the coming into effect of the non-urgent establishment, adoption or amendment of a standard, code or Market

Procedure which has not yet come into effect, in accordance with the order of the Board. (MR 2.4.4.1 (b) & (d))

- 4.6.3.2 If ordered by the Board, the NSPSO shall cancel the non-urgent establishment, adoption or amendment of a standard, code or Market Procedure which has not yet come into effect.
- 4.6.3.3 If the Board orders cancellation of the establishment, adoption or amendment that has already come into effect, the NSPSO shall treat this as a further amendment to the relevant standard, code or Market Procedure ordered in accordance with paragraph 4.6.1.1.
- 4.6.3.4 The NSPSO shall Publish any order of the Board and its own notice of the stay, cancellation or re-amendment of a standard, code or Market procedure and shall give e-mail notice of such Publication to persons on the Market Rules stakeholder list.

4.7 Record Keeping

- 4.7.1.1 The NSPSO shall maintain a web-accessible database of every proposal to amend a standard, code or Market Procedure, including its Market Document Amendment Proposal (MDAP) number, proposer, status, ongoing activity including any deadlines, and NSPSO contact in respect of all active proposals.
- 4.7.1.2 The web-accessible database should provide links to all relevant documentation, including proposals, comments, reports and decisions.

MP 05 - APPENDIX A,**Criteria for evaluation of proposals for amendment to Market Rules and or proposals for the establishment, adoption or amendment of a standard, code or Market Procedure.**

- A.1, No amendment to Market Rules and or establishment, adoption or amendment of a standard, code or Market Procedure shall be in conflict at the time of its coming into effect with:
- a) Legislation and Regulations;
 - b) an order of the Board, including with respect to General Reliability Standards;
 - c) the Transmission Tariff;
 - d) the Standards of Conduct; or
 - e) any rate approved by the Board.
- A.2, No establishment, adoption or amendment of a standard, code or Market Procedure shall be in conflict at the time of its coming into effect with the Market Rules.
- A.3, Any amendment to Market Rules and or establishment, adoption or amendment of a standard, code or Market Procedure shall be consistent at the time of its coming into effect with the object of the wholesale electricity market as set out in MR 1.1.2.1, namely:
- The design object of the wholesale electricity market is the promotion of economical supply through competitive opportunity amongst eligible participants within the context of a safe reliable Nova Scotia electricity system.*
- A.4, In order to assist in the evaluation of any proposal against the object of the market the following particular sub-criteria are identified. It is recognized that losses against one or more sub-criteria may be acceptable if offset by gains against one or more other sub-criteria. These sub-criteria are intended to cover the wide range of issues that may be relevant to fulfilling the object of the market, but they are not necessarily exclusive of other considerations in all cases. Against each of the sub-criteria, the proposal should be assessed for enhancement, neutrality, or loss with respect to the operation of the Bulk Electricity Supply System:
- a) safety;
 - b) reliability;

- c) system efficiency;
- d) removing barriers to competitive opportunity;
- e) fairness;
- f) non-discrimination;
- g) transparency of NSPSO and market processes, while respecting Market Participant confidentiality;
- h) process efficiency (and thus minimizing NSPSO and Market Participant process costs);
- i) consistency; and
- j) clarity.

**MP 05 - APPENDIX B,
Process of Appeal to the Nova Scotia Utility and Review Board.**

A.1, Appeals to the Board should be made in writing specifying;

1. The specific Market Rule amendment being appealed.

OR:

2. The specific standard, code, or Market Procedure whose establishment, adoption, or amendment is being appealed.

A.2, The written appeal should explain why the complainant feels the Market Rule, standard, code, or Market Procedure is inappropriate or in error, the nature of the relief sought, and provide such other information as the complainant feels is relevant. The complaint should be submitted to:

Regulatory Affairs Officer/Clerk of the Board

Nova Scotia Utility And Review Board

3rd Floor, Summit Place

1601 Lr. Water Street

Box 1692, Unit "M"

Halifax, NS B3J 3S3

uarb.board@gov.ns.ca

Upon receipt of the complaint the Board will determine the appropriate process required and communicate it to all parties.

Forms

- MPF-05-01 Proposal to amend the Market Rules
- MPF-05-02 Stakeholder comments on a proposal to amend the Market Rules
- MPF-05-03 Proposal to establish, adopt or amend a standard, code or Market Procedure
- MPF-05-04 Stakeholder comments on proposal to establish adopt or amend a standard, code or Market Procedure
- MPF-05-05 Sign-off sheet