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Market Manual 2: Market Administration

**Part 2.9: Directives for
Proposal (DFP)**

Issue 6.0

This procedure provides the steps for issuing and responding to Directives for Proposal (DFP).

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This *market manual* may contain a summary of a particular *market rule*. Where provided, the summary has been used because of the length of the *market rule* itself. The reader should be aware, however, that where a *market rule* is applicable, the obligation that needs to be met is as stated in the “Market Rules”. To the extent of any discrepancy or inconsistency between the provisions of a particular *market rule* and the summary, the provision of the *market rule* shall govern.

Document ID	MDP_PRO_0025
Document Name	Part 2.9: Directives for Proposal (DFP)
Issue	Issue 6.0
Reason for Issue	Issue released for Baseline 15.0.
Effective Date	March 8, 2006

Document Change History

Issue	Reason for Issue	Date
1.0	Unapproved version released for Baseline 3	June 19, 2000
2.0	Unapproved version released for Baseline 6.1	March 26, 2001
3.0	Issue released for Baseline 6.2	May 22, 2001
4.0	Issue released for Baseline 7.0	January 09, 2002
5.0	Issue released for Baseline 8.1	December 04, 2002
6.0	Issue released for Baseline 15.0	March 8, 2006

Related Documents

Document ID	Document Title

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Table of Changes

Reference (paragraph and section)	Description of Change
Throughout	Removed all references to Request for Proposals (RFP).
Throughout	Name and logo changed to IESO.
Throughout	Removed references to "Annual Report".
Section 1.2	Revised the Scope section.
Section 2.1	Consolidated information into a single work flow diagram

Market Manuals

The *Market Manuals* consolidate the market procedures and associated forms, standards, and policies that define certain elements relating to the operation of the *IESO-administered markets*. Market procedures provide more detailed descriptions of the requirements for various activities than is specified in the “Market Rules.” Where there is a discrepancy between the requirements in a document within a *market manual* and the “Market Rules”, the “Market Rules” shall prevail. Standards and policies appended to, or referenced in, these procedures provide a supporting framework.

Market Procedures

The “Market Administration Manual” is Volume 2 of the *market manuals*, where this document forms “Part 2.9: Directives for Proposal (DFP).”

A list of the other component parts of the “Market Administration Manual” is provided in “Part 2.0: Market Administration Overview”, in Section 2, ‘About This Manual’.

Structure of Market Procedures

Each market procedure is composed of the following sections:

1. **Introduction**, which contains general information about the procedure, including an overview, a description of the purpose and scope of the procedure, and information about roles and responsibilities of the parties involved in the procedure.
2. **Procedural Work Flow**, which contains a graphical representation of the steps and flow of information within the procedure.
3. **Procedural Steps**, which contains a table that describes each step and provides other details related to each step.
4. **Appendices**, which may include such items as forms, standards, policies, and agreements.

Conventions

The *market manual* standard conventions are as defined in the “Market Administration Manual, Part 2.0: Market Administration Overview” document.

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1. Introduction

1.1 Purpose

This procedure describes the activities required by the *IESO* and applicable *market participants* as identified in Section 1.5, “Roles and Responsibilities”, to respond to *IESO*-identified constraints during the preparation of *reliability* assessments (“Market Rules”, Chapter 5, Section 7). This process supports the *IESO*’s obligation to administer continuous processes to assess the *security* and *adequacy* of the *IESO-controlled grid*.

1.2 Scope

This procedure provides a summary of the steps and interfaces among the *IESO*, *transmitters*, the *OEB*, the *OPA*, and other governmental agencies regarding the issuing of, and responding to, directives to supply information to address *IESO*-identified constraints on the *IESO-controlled grid* (“Market Rules”, Chapter 5, Section 7.11). Procedural work flows and procedural steps described in this document will serve as a roadmap for *market participants* and the *IESO* and reflect the requirements set out in the *market rules* and applicable *IESO* policies and standards. The overview information in Section 1.3, below, is provided for context purposes only, highlighting the main actions that comprise the procedure as illustrated in Section 2 and described in Section 3.

This *market manual* does not address the process used by the *IESO* to identify the constraint or to implement a specific proposal to alleviate the constraint.

1.3 Overview

If the *IESO* identifies an adverse condition on the *IESO-controlled grid* that requires action to be initiated within the next twelve months in order to maintain the *reliability* of the *IESO-controlled grid*, the *IESO* may:

- Conduct and *publish* a *reliability* assessment in accordance with Section 7.3.1.5, Chapter 5 of the “Market Rules”; and
- Take any additional steps necessary to ensure that the *reliability* of the *IESO-controlled grid* is maintained (“Market Rules”, Chapter 5, Section 7.11.1).

If the *IESO* does not believe that *market participants* have or will voluntarily put forward reasonable commitments for technically feasible options to alleviate the condition, the *IESO* may direct the *transmitter(s)* in the relevant location(s) to promptly prepare a detailed proposal for the enhancement of the *IESO-controlled grid*. The *transmitter(s)* must submit the proposal to the *OEB*, the *OPA*, and other governmental agencies having authority to approve the proposal, in the form of an application for approval of the enhancement. The *IESO* must notify the *OEB* and the *OPA* of its identification of

the adverse condition (“Market Rules”, Chapter 5, Section 7.11.2) regardless of whether it issues a DFP to the *transmitter*. .

If the *IESO* identifies an adverse condition on the *IESO-controlled grid* that does not require action to be initiated within the next twelve months, the *IESO*:

- Shall notify the *OEB* and the *OPA* of its determination; and
- May provide support to the *OPA* in the *OPA*'s assessment of options that may be available for *market participants* or others to remove or alleviate the condition (“Market Rules”, Chapter 5, Section 7.11.3).

Any DFP issued by the *IESO* to a *transmitter* will contain detailed instructions on the required information and format, as well as the required timelines for the *transmitter's* response .

No *market participant* is precluded from submitting an application to the *OEB* or any other governmental authority for a project, or from otherwise advancing its option as a preferred alternative. Also, nothing in this procedure is intended to limit the right of any *market participant* to file voluntarily for approval of a proposal to invest in *facilities* on the *integrated power system* that are not the subject of specific recommendations made by the *IESO*. A *market participant* interested in sponsoring a new or modified *connection* to the *IESO-controlled grid* may submit a *request for connection assessment* in accordance with Section 6.1.6, Chapter 4 of the “Market Rules”.

1.4 Roles and Responsibilities for Issuing and Responding to a DFP

The *IESO*:

- may issue a DFP to transmitters (“Market Rules”, Chapter 5, Section 7.11.2); and
- shall notify the *OEB* and the *OPA* of the existence of the transmission constraint whether or not a DFP is issued (“Market Rules”, Chapter 5, Section 7.11.2).

Transmitters are responsible for preparing proposals in response to the DFP (“Market Rules”, Chapter 5, Section 7.11.2) and submitting their proposals to the *OEB*, *OPA*, and other governmental agencies having authority to approve the proposal.

1.5 Contact Information

As part of the *market participant* authorization and registration process, applicants are able to identify a range of contacts within their organization that address specific areas of market operations. For requests for proposals and directives for proposals, the *IESO* Procurement Specialist will seek to contact the Main Contact in PLC that is established during the participant authorization process. The *IESO* Procurement Specialist will seek to contact this individual for activities within this procedure.

Any DFP issued by the *IESO* will contain detailed instructions regarding the information content and format, the method of communication between the *IESO* and *transmitters*, as well as the required timelines for the response to be submitted by *transmitters* to the *OEB*, *OPA*, and other governmental agencies having authority to approve the proposal.

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2. Procedural Work Flow

Figure 2–1 represents the flow of work and information related to the DFPs among the *IESO*, *transmitters*, the *OEB*, the *OPA* and other parties.

Table 2–1: Legend for Work Flow Diagrams

Legend	Description
Oval	An event that triggers task or that completes task. Trigger events and completion events are numbered sequentially within procedure (01 to 99)
Task Box	Shows reference number, party responsible for performing task (if “other party”), and task name or brief summary of task. Reference number (e.g., 1A.02) indicates procedure number within current <i>market manual</i> (1), subprocedure identifier (if applicable) (A), and task number (02)
Solid horizontal line	Shows information flow between the <i>IESO</i> and external parties
Solid vertical line	Shows linkage between tasks
Broken line	Links trigger events and completion events to preceding or succeeding task

2.1 Issuing and Responding to a DFP for Transmitters to Alleviate Adverse Conditions

Figure 2–1 represents the flow of work and information related to issuing and responding to a DFP for *transmitter(s)* to alleviate adverse conditions.

The *IESO* assesses any adverse condition to determine if action is required within the next twelve months in order to maintain the *reliability* of the *IESO-controlled grid*.

If the *IESO* identifies an adverse condition on the *IESO-controlled grid* that does not require action to be initiated within the next twelve month, the *IESO* must notify the *OEB* and *OPA* of its determination and may provide support to the *OPA* in the *OPA*'s assessment of options that may be available for *market participants* or others to remove or alleviate the condition.

If the *IESO* identifies an adverse condition on the *IESO-controlled grid* that requires action to be initiated within the next twelve months and the *IESO* does not believe technically feasible options will be put forward voluntarily by *market participants*, the *IESO* may issue a DFP to relevant *transmitter(s)* to direct it/them to promptly prepare a detailed proposal for the enhancement of the *IESO-controlled grid*. The *IESO* must notify the *OEB* and the *OPA* of the adverse condition (“Market Rules”, Chapter 5, Section 7.11.2).

The steps illustrated in the diagram are described in detail in Section 3.1, Table 3–1.

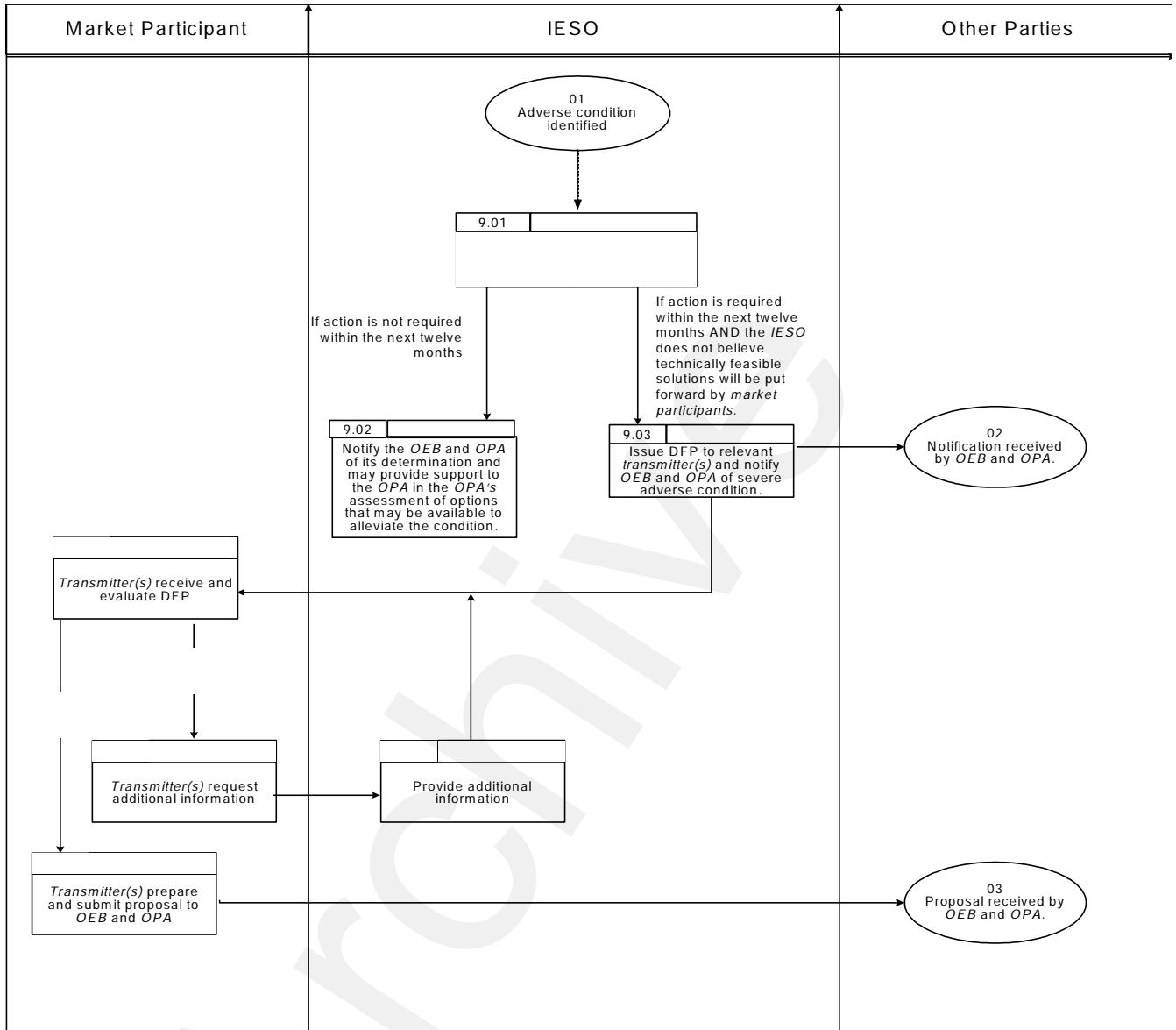


Figure 2–1: Work Flow for Issuing and Responding to a DFP for *Transmitters* to Alleviate Adverse Conditions

– End of Section –

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3. Procedural Steps

This section contains detail on the tasks (steps) that comprise the Requests Directives for Proposal (DFP) procedure.

The tables contain seven columns, as follows:

Ref

The numerical reference to the task.

Task Name

The task name as identified in Section 2.

Task Detail

Detail about the task.

When

A list of all the events that can trigger commencement of the task.

Resulting Information

A list of the information flows that may or must result from the task.

Method

The format and method for each information flow are specified.

Completion Events

A list of all the circumstances in which the task should be deemed finished.

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3.1 Issuing and Responding to a DFP for Transmitters to Alleviate Adverse Conditions

Table 3–1 depicts the steps and information related to issuing and responding to a DFP for *transmitters* to alleviate adverse conditions.

The steps shown in the table are illustrated in Section 2.1, Figure 2–1.

Table 3–1: Procedural Steps for Issuing and Responding to a DFP for Transmitters to Alleviate Adverse Conditions

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
9.01	Assess the urgency of the constraint.	The <i>IESO</i> assesses the urgency of the constraint and determines if action is required to be initiated within the next twelve months.	As required.		<i>IESO</i> internal process.	Determination rendered as to the urgency of the constraint.
9.02	<i>IESO</i> to Notify the <i>OEB</i> and <i>OPA</i> of its determination and may provide support to the <i>OPA</i> in the <i>OPA</i> 's assessment of options that may be available to alleviate the constraint.	The <i>IESO</i> notifies the <i>OEB</i> and <i>OPA</i> of an adverse condition on the <i>IESO</i> -controlled grid that does not require action to be initiated within the next twelve months. The <i>IESO</i> may provide support to the <i>OPA</i> in the <i>OPA</i> 's assessment of options that may be available for <i>market participants</i> or others to remove or alleviate the constraint.	Following Step 9.01. If action is not required within the next twelve months.		<i>IESO</i> internal process.	<i>OEB</i> and <i>OPA</i> notified of severe adverse condition

Table 3–1: Procedural Steps for Issuing and Responding to a DFP for Transmitters to Alleviate Adverse Conditions

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
9.03	<i>IESO</i> may Issue DFP to relevant <i>transmitter(s)</i> and shall notify the <i>OEB</i> and <i>OPA</i> of adverse condition.	The <i>IESO</i> notifies the <i>OEB</i> and the <i>OPA</i> of its identification of the adverse condition. The <i>IESO</i> may direct the <i>transmitter(s)</i> in the relevant location(s) to promptly prepare a detailed proposal for the enhancement of the <i>IESO</i> -controlled grid.	Following Step 9.01. If action is deemed to be required within the next twelve months and the <i>IESO</i> does not believe technically feasible options will be put forward voluntarily by market participants.	Directive for Proposal (DFP) and Notification of Severe Adverse Condition (NSAC).	Via the <i>IESO</i> Procurement Specialist.	<i>OEB</i> and <i>OAP</i> notified by <i>IESO</i> of adverse condition; and <i>IESO</i> may issue DFP to relevant <i>transmitter(s)</i> .
9.04	<i>Transmitter(s)</i> receive and evaluate DFP.	The <i>transmitter(s)</i> receives and evaluates the DFP to determine an appropriate set of solutions to alleviate the identified constraint, as well as the need for additional information.	Following Step 9.03 or 9.06 if additional information is required.	Range of potential solutions.	Internal <i>transmitter</i> process.	Range of solutions to be proposed and any information required from the <i>IESO</i> identified by the <i>transmitter</i> .
9.05	<i>Transmitter(s)</i> request additional information.	The <i>transmitter</i> requests the <i>IESO</i> to provide additional information to clarify the DFP, if required.	Following Step 9.04, and within the timeframe defined by the <i>IESO</i> in the DFP.	Information request to <i>IESO</i> contact person identified in the DFP.	As specified in DFP, via the <i>IESO</i> Procurement Specialist.	Request for additional information received by the <i>IESO</i> .
9.06	<i>IESO</i> provides additional information.	The <i>IESO</i> supplies the additional information requested by the <i>transmitter</i> in Step 9.05	Following Step 9.05 and within an acceptable time to the <i>transmitter</i> , given the timeframe defined by the <i>IESO</i> in the DFP.	Requested information, in a form suitable for the <i>transmitter</i> .	As specified in DFP, via the <i>IESO</i> Procurement Specialist.	Requested additional information received by the <i>transmitter</i> .
9.07	<i>Transmitter(s)</i> prepare and submit proposal.	The <i>transmitter</i> prepares a proposal based on the information provided in the DFP and any additional information provided by the <i>IESO</i> in Step 9.06.	Following Steps 9.04 and within the timeframe defined by the <i>IESO</i> in the DFP.	Proposed Solution to DFP.	Internal <i>transmitter</i> process. As specified in DFP, via the <i>IESO</i> Procurement Specialist.	<i>Transmitter</i> proposal received by the <i>OEB</i> , <i>OAP</i> and other governmental agencies having authority to approve the proposal.

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References

Document ID	Document Title
MDP_RUL_0002	Market Rules
MDP_MAN_0002	Market Manual 2: Market Administration, Part 2.0: Market Administration Overview

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