

Enabling Capacity Exports

Technical Panel
June 26, 2018

Agenda

1. Recap
2. Stakeholder engagement update
3. Transmission Outages - Overview of proposed market rule and market manual changes
4. Next steps

Recap

- Market rule amendments are proposed to implement design features not yet in place and to specify certain IESO and market participant rights and obligations
- At May 22nd TP, presentation walked Panel members through design elements, overview of proposed market rule changes (R00/R01) and corresponding manual content
- Provided for informational purposes and discussion the following amendment proposals:
 - MR-00420-R00: Capacity Exports in the IESO-Administered Markets;
 - MR-00420-R01: Capacity Exports and Settlements
 - Indicated that the proposed amendments related to transmission outage management (R02) may be brought to the Panel following further stakeholder discussion
- Today's focus – Transmission Outages

Stakeholder Engagement Update

- Minutes and responses to stakeholder questions for the April 16th stakeholder engagement meeting have been posted
- Discussions were held with stakeholders with regards to the transmission outages market rules
- Discussions internally and with stakeholders on MR-00420-R00: Capacity Exports in the IESO-Administered Markets led to a refinement of proposed section 20.4.2 of Chapter 7

Transmission Outages: Chapter 5

- Amendments related to transmission outages that render an externally committed generation unit unable to deliver electricity through its connection point(s) to the grid
- All system operators have the authority to reject or revoke planned transmission outages where they may pose a reliability risk
 - Where capacity in one jurisdiction is temporarily committed to serve the reliability of another jurisdiction, a system operator relies in part on the availability of capacity in another control area for its own reliability
 - As such, system operators assess the impact of planned outages affecting committed external capacity

Transmission Outages: Chapter 5

- The proposed market rule would allow the IESO to reject or revoke planned outages which would render a generator unable to deliver electricity through its connection point(s) to the grid if:
 - The generator is committed to an external jurisdiction through a capacity export
 - The external jurisdiction has determined that its area faces a resource adequacy shortfall in the planning timeframe if the outage proceeds as scheduled, and
 - The market participant can demonstrate that it has communicated with the transmitter as outlined in the appropriate market manual, including discussing rescheduling the outage

Transmission Outages: Chapter 5

- The proposed market rule does not cover
 - Forced outages
 - Urgent outages
 - Recalling a planned outage after it has started
 - Planned outages to equipment which constrains a capacity resource
- If the planned outage is required for a reason related to Ontario reliability and cannot be rescheduled, the IESO will not reject or revoke the outage
 - The IESO will work with Hydro One to define the criteria by which the reliability requirement can be demonstrated

Transmission Outages: Chapter 5

- The need to use this rule is expected to be rare
 - It applies only to planned outages to equipment that connects a resource to the grid when the external jurisdiction to which a resource has been committed determines that the outage would result in an adequacy shortfall for the external area
 - The IESO conducts outage reviews as part of the capacity request review process and rejects outage requests if a combination of generator and transmission outages renders the resource unavailable more than 5% of peak hours over the proposed commitment period
 - Communications with the transmitter will be required prior to submitting a capacity export request, once a resource has been committed to an external jurisdiction, and if the external jurisdiction requests that the outage be rescheduled

Market Manual References and Content

	Section	Market Rule Content	Market Manual Content
Chapter 5	6.4.4A.3 & 6.4.9.3.2	Market participant obligation to demonstrate to the IESO that it has made best efforts to reschedule the planned outage with the transmitter	Description of how market participants can demonstrate that they have communicated with the transmitter, including steps taken in an attempt to reschedule the planned outage with the transmitter

Market Manual Content

- Requirement for communication by the market participant with the transmitter, including:
 - Consulting with the transmitter prior to submitting a capacity export request to the IESO
 - Notifying the transmitter when a new commitment to provide capacity to an external jurisdiction occurs
 - Requesting that the outage be rescheduled as requested by the external control area, prior to advising the IESO
- Will include criteria (to be determined) by which a planned outage may be declared a reliability need for Ontario, and therefore not rescheduled

Steps

- May 22 – Information item – reviewed proposal (R00/R01) - complete
- June 26nd TP – Vote to post for stakeholder comment (R00/R01/R02)
- August 14th TP – Vote to recommend to IESO Board (R00/R01/R02)

