

Memorandum

Independent Electricity System Operator

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To: Technical Panel

From: Adam Cumming

Date: May 10, 2022

Re: MR-00470-R00 – Improving Awareness of System Operating Conditions

The IESO informs stakeholders of system operating conditions through advisory notices and operating states. Recent operating events during extreme weather have high-lighted opportunities to improve what the IESO communicates to stakeholders.

The IESO is proposing to replace the current advisory framework with a new framework consisting of three types of advisory notices: Alert (Situational awareness to give time for advanced preparations), Warning (Potential for future action may be needed) and Action (IESO and/or market participants are taking action).

In addition, the IESO is proposing to introduce a new operating state, the Conservative Operating State which would be declared when there is a need to minimize potential risk to the grid or if there is a need to enhance the grid's resiliency due to actual or forecasted stressed system operating conditions.

Stakeholder Feedback

During the April 19th Technical Panel meeting, Technical Panel members requested that additional clarifying language be added to the applicable market manual to define extreme hot and cold weather. The IESO has added the following clarification to the draft Market Manual 7 System Operations Part 7.1 IESO-Controlled Grid Operating Procedures:

Extreme hot weather: Southern Ontario temperature forecast \geq 35C or a humidex \geq 40C. Extreme cold weather: Southern Ontario temperature forecast \leq -20C or a wind chill \leq -30C; Northern Ontario temperature forecast \leq -30C or a wind chill \leq -40C.

References to Conservative Operating State have been added to Market Manual 7 System Operations Part 7.3 Outage Management.

The IESO had previously held a series of stakeholder sessions to discuss the proposed changes. Materials from these sessions including presentations and stakeholder feedback is available on the <u>Improving Awareness of System Operating Conditions webpage</u>.

Panel Action and Next Steps

The IESO recommends that the Technical Panel vote to recommend the proposed market rule amendment MR-00470-R00 to the IESO Board of Directors with a proposed effective date of June 27, 2022. These amendments will be applicable for the December 2022 pre-auction and obligation periods.

Accompanying Materials

- Market Rule Amendment Proposal Form MR-00470-R00
- Market Manual 7 System Operations Part 7.1 IESO-Controlled Grid Operating Procedures
- Market Manual 7 System Operations Part 7.3 Outage Management

Adam Cumming