**IESO Response to Stakeholder Comments on the Proposed Outage Management Process Redesign**

IESO received comments from the following members:

- Gerdau
- Goreway Station Partnership
- Great Lakes Power Transmission LP
- Iroquois Falls Power Corporation
- Kingston Cogen
- Northland Power
- Ontario Power Generation
- Portlands Energy Centre
- TransCanada

At the request from a number of respondents, the IESO has prepared a summary of stakeholder comments and IESO responses in table format below. Items 1 through 8 are based on the questions provided by the IESO to guide participant response. Item 9 addresses general comments received on the redesign proposal.

1. **The coverage periods within the mid-term and near-term processes were influenced by the feedback stakeholders provided on their outage practices. Given the results, are the timelines proposed for the mid-term and near-term process reasonable?**

| Member Comments | IESO Response |
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| • All members were in agreement with the coverage periods proposed for the near-term and mid-term processes. | • The IESO considers the proposed mid-term and near-term coverage periods approved. |
| • The 14 Day advance approval process should be retained within the near-term process proposal. | • The IESO has incorporated the features of the 14 day advance approval process in both the mid-term and near-term *Critical* processes.<br>• The IESO will consider an exception process for inclusion of non-*Critical* outages into the near-term *Critical* process.<br>• Additional submission allowances may |

| | | introduce undesirable complexity and increased resource requirements. |
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| • What will happen to the existing outage submission timelines (3 months for outages greater/equal to 5 days and 33 days for outages greater/equal to 4 hours in durations)? | | • These submission requirements support the existing 18 Month Outlook process and are currently under review. |
| • Concern that the mid-term process provides minimal certainty that an outage will proceed as planned as they are still subject to near-term approval.<br>• A three day revocation leaves little time to mitigate costs or pursue other options such as replacement energy. | | • The proposed mid-term process provides more certainty than the process in place today as potential conflicts are addressed much further in advance and approved outages receive a higher priority.<br>• Risks for revocation and recall exist at any time during the life cycle of an outage due to unforeseen changes in system conditions<br>• The near-term process will provide participants with revocation notice one day ahead of the current 14 day advance approval process (3 days vs. 2 days). |

2. **The Mid-Term process will provide coordination, assessment and reporting services for 'High-Impact' outages. A threshold for 'High Impact' will limit the volume of outages assessed in the Mid-Term process to those of particular significance to stakeholders and at a level that can be managed by the IESO from a resource perspective. Threshold examples include, but are not limited to minimum outage duration (>= 5 days), transmission voltage level (500 & 230 kV) and generation capacity (500 MW). How would you prefer to see this term defined?**

| Member Comments | IESO Response |
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| • All members support using a single or combination of threshold criteria to limit the volume of outages to be coordinated, assessed and reported on within the mid-term process. | • The IESO will propose threshold criteria at the next SE-109 meeting. |
| • Several members expressed concerns with the threshold examples being overly restrictive or discriminant and questioned how each threshold example was determined. | • The IESO would like to clarify that the threshold examples were only intended to provide context.<br>• The proposed thresholds will consider what is most equitable for all participants and what volume of outages can be accommodated based on IESO resource |

| | capability. |
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| • How will the threshold criteria impact the IESO's outage decisions? | • Threshold criteria will only be used to determine what volume of outages will be evaluated in the mid-term process. |

3. **It is recognized that a threshold for High Impact outages may discriminate against outages that do not meet the threshold but are still of particular significance to participants. The IESO will allow a certain number of outages that do not meet the threshold to be assessed in the Mid-Term process on a per facility and per coverage period basis. What is a reasonable number of non 'High Impact' outages that should be considered?**

| Member Comments | IESO Response |
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| • Recommend including between 1 and 3 outages not meeting the threshold criteria. All members agreed that the exception criteria should be on a per facility per coverage period basis. | • The IESO will consider the member comments when determining the total volume of outages that can be evaluated within the mid-term process based on IESO resource capability. This item will be addressed at the next SE-109 meeting |
| • Allow for exceptions beyond the pre-determined amount on a case by case basis given adequate justification (similar to the current 14 Day advance-approval process). | |

4. **Another feature of the Mid-Term process will be to notify participants of outages that may impact their facility once they are confirmed (broader impacts resulting from system constraints). How would you prefer to receive this notification (for example via email, verbally or through your outage software)?**

| Member Comments | IESO Response |
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| • The majority of members prefer notifications be made via e-mail.<br>• The remaining members were indifferent to receiving notification via e-mail or outage software.<br>• No members prefer verbal notification. | • Members should recognize that a notification process will likely require automation.<br>• The IESO will reflect this feedback within the requirements for a new outage management solution. |
| • Notification of impactful outages should include an explanation of what the potential impact would be as not all market participants have the system | • The IESO will consider this feedback when developing requirements for a new outage management solution.<br>• In the absence of fulfilling such a |

| knowledge to be able to fully appreciate | requirement, the IESO would be available to address impacts upon request. |
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5. *Opportunity* **outage requests will allow participants to take advantage of a scheduling opportunity that would have otherwise been unavailable due to reliability concern or scheduling conflict.  For example, several generating units are forced from service presenting an opportunity for a transmission circuit that would have normally bottled that generation to be taken out-of-service.  Are you in agreement with this definition and the corresponding submission deadline?  If not, please explain.**

| Member Comments | IESO Response |
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| • All members were in agreement with the definition and timelines associated with *Opportunity* type outage requests. | • The IESO considers the proposed definition and submission timelines for *Opportunity* outages approved. <br> • It would be difficult to standardize criteria for *Opportunity* outages.  They would likely be considered on a case by case basis. |
| • How will market participants be informed of scheduling opportunities that allow for *Opportunity* outages to be requested? | • For new requests, the IESO expects that participants will use publicly available information to make decisions on whether a scheduling opportunity exists. The IESO will consider additional information vehicles to assist participants with identification. <br> • For previously rejected requests, the IESO will provide participants with scheduling opportunity recommendations at the time of rejection. <br> • The IESO would attempt to make available potential scheduling opportunity discussions upon participant request. |
| • What would happen to an approved *Opportunity* outage request if the outage that presented the scheduling opportunity in the first place was cancelled? | • The IESO will consider this scenario in finalizing the process design and discuss at the next SE-109 meeting. <br> • Treatment of the *Opportunity* outage would likely depend on whether the outage was already in progress or not. |

6. **Pre-approved outage requests will give participants scheduling flexibility for maintenance activities that are low impact from a reliability perspective (for example, protections, station service, radial transmission lines, customer load transformers etc.). There may be other restrictions such as minimum duration and minimum recall. Please provide examples of outages that you would prefer to see considered for pre-approval or notification-only.**

| Member Comments | IESO Response |
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| • The proposed criteria examples (15 minute recall times) for pre-approved outages may be too restrictive for generators with specific fuel types. | • The criteria examples were intended to provide context only. The IESO fully supports the pre-approval process and will continue to work with participants to help define the criteria through SE-109. |
| • Will the IESO allow for flexibility in allowing outages to be pre-approved that do not initially meet the submission criteria? | • The IESO does not anticipate assessing whether outages that fail the pre-approval criteria still be considered on a day to day basis.<br>• Flexibility will be given when sufficient evidence warrants expansion of the pre-approval criteria as a whole. |
| • Members recommend the following types of outages be included for pre-approvals:<br> ○ Transformation and switching equipment associated with a low tension bus<br> ○ Customer load transfers<br> ○ Auxiliary system outages representing a loss of redundancy<br> ○ Generator outages with short durations and recall times.<br> ○ Generator testing/de-ratings | • Pre-approvals are intended provide participants with scheduling flexibility for outages that have very low impact on system reliability and require little to no IESO assessment.<br>• It is unlikely that outages making a generating unit(s) unavailable would be considered for pre-approval, but may be available for generator de-ratings and testing (i.e. since the generating unit would be online and available for voltage support)<br>• The IESO fully supports the pre-approval process and will continue to work with participants to define the criteria through SE-109. |

7. **The Mid-Term process will require a reporting vehicle to provide the IESO and participants with assessment results to guide decisions in both the near term process and future mid-term process cycles. What format, content and delivery mechanism would**

**you prefer to see in such a report?  Would you prefer it reside within the 18 month outlook or as a separate vehicle?**

| Member Comments | IESO Response |
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| • The majority of members prefer a separate reporting vehicle from the 18 Month Outlook with as much relevant information as the IESO can provide.<br>• The remaining members indicated either report would suffice. | • The IESO will consider the majority preference in finalizing the redesigned outage management proposal. |

8.  **Given the higher priorities of this initiative – the project objectives (enhance reliability, outage services and process efficiency) and a timely outage management software solution replacement, the IESO would prefer to retain the existing cost recovery mechanisms for revoked or recalled outages in the proposed near-term redesign as per Section 6.7 of the Market Rules.  Do you support this recommendation?  If not, please explain.**

| Member Comments | IESO Response |
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| • The majority of members were in agreement with the IESO's recommendation to retain the existing cost recovery mechanism.<br>• Consideration should be given to provide cost-recovery for mid-term approvals that are revoked once re-assessed in the near-term process (similar to the current 14 Day advance-approval process).<br>• One member questioned whether cost-recovery could be managed after-the-fact rather than having several requirements for the mechanism during the outage submission and assessment process. | • The IESO will consider incorporating cost recovery mechanisms in the mid-term process or whether or not the process can be managed after-the-fact. |

9.  **Additional Comments/Questions**

| Member Comments | IESO Response |
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| • A transition period and sufficient training should be provided on the redesigned process and solution(s). | • The IESO supports this recommendation and will develop a transitioning plan for the redesigned process and supporting |

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| | solution(s). |
| • Some flexibility should be given to changing the start and end times of an outage beyond what was approved in the mid-term process without affecting time-stamp and mid-term approval. | • Offering this flexibility may inhibit desirable planning behaviour and will likely re-introduce outage conflicts intentionally avoided in the mid-term process.<br>• The IESO will consider how moderate expansion of outage duration could be achieved between the mid-term and near-term processes and discussed at the next SE-109 meeting. |
| • Is the mid-term process mandatory (will a lack of confirmation reject an outage?) | • The mid-term process is not mandatory; however lack of confirmation will result in a lower priority time-stamp. |
| • Revoking mid-term approvals and resetting time-stamp for changes beyond a reduction in duration may encourage participants to initially inflate the length of their outage, only to reduce the duration as the near term approaches in order to protect priority and time stamp. | • The IESO considered this risk, however such behaviour could theoretically place inflated outages at a higher risk of being rejected as they would likely overlap with multiple competing outages.<br>• Other ISOs reported limited evidence of such behaviour as pressure from participants with competing outages drives more accurate planning activities. |
| • Proposed process appears to be driven by adequate alignment with potential software solutions rather than taking participant feedback into consideration.<br>• SE-109 should be given more time to adequately incorporate participant feedback. | • The IESO will seek a new software solution that provide for flexibility in changing business rules.<br>• The IESO is committed to designing a process that will meet the objectives and design principles of this initiative.<br>• The IESO will seek an outage management software replacement that enables a process design supported by participants.<br>• The IESO has and will continue to engage stakeholders and consider their input into the process design in a timely manner. |
| • Concern the cost implications of aligning participant software with that of the IESO is not being adequately considered. | • The IESO needs to understand the impact and will seek feedback from participants on estimated cost vs. benefit. |
| • Participants should be given a list of equipment considered as *Critical* in order | • The IESO agrees with this recommendation and will consider |

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| to support the near-term process for handling these outages. | implementation in a confidential manner. |
| • Table-top scenario sessions would provide participants with a better understanding of the redesigned process and ease market rule and manual development. | • The IESO will consult with SE-109 members on this recommendation at the next SE-109 meeting. |