

# Market Manual Changes for Operations of Capacity Based Demand Response

Demand Response Working Group  
August 6, 2014



- Overview
- Market Manuals for Capacity Based Demand Response Operations
  - Dispatch Data and Offers
  - Timing and Operation
  - Emergency Operating State Control Actions
- Questions

- Notification and activation of Capacity Based Demand Response (CBDR) will be consistent with the business rules for DR3
  - \$200/MWh price trigger for at least four consecutive hours
- Market Manuals will outline how CBDR resources:
  - are offered into the market tools,
  - submit non-performance events,
  - are notified and activated, and
  - are utilized under an emergency operating state

Market Rule	Section	Concept	Applicable Market Manual
Chapter 7 (System Operations and Physical Markets)	17.4.2 17.4.3 17.4.4 17.4.5 17.4.6 17.4.7 17.4.8 17.4.9	DR Operation, including: <ul style="list-style-type: none"> <li>• Offers in Market Tools</li> <li>• Standby Notification</li> <li>• Confirmation</li> <li>• Activation</li> <li>• Curtailment</li> <li>• Performance Exemptions</li> <li>• Planned and Forced Non-Performance Events</li> </ul>	MM 4.2 - Submission of Dispatch Data in the Real-Time Energy and Operating Reserve Markets
		Demand Response as an Emergency Operating State Control Action	MM 7.4 – IESO Controlled Grid Operating Policies

- Market Manual 4.2 is titled “Submission of Dispatch Data in the Real-Time Energy and Operating Reserve Markets”
- Purpose:
  - provides *market participants* with the information necessary for submitting *dispatch data* in the real-time *energy* and *operating reserve* markets.
  - describes the steps followed by the *IESO* for processing *dispatch data* and changes and its subsequent publication of the System Status Report and *pre-dispatch schedule* (and notification to scheduled *market participants*).
- Two new Sections to be added:
  - Subsection Under 1.3.4 - Offers for Capacity Based Demand Response
  - 1.3.8 Timing and Operation for Capacity Based Demand Response

- The offer prices will be set to the active price trigger, which will be defined in the market manual
- The offer quantity associated with demand response resources will be based on the total monthly DR capacity of the aggregated projects in each region net any MW reductions due to non-performance events submitted to the IESO
- Planned and Forced Non-Performance Event submission requirements and timelines will be consistent with DR3 program

- Offers will be entered into the market tools per CBDR resource for the first run of pre-dispatch in day-ahead HE 16
- Offers will be removed from the market tools for a DR resource after:
  - the standby notification window, if no notification is sent; or
  - the resource receives an activation; or
  - 3 hours prior to the start of an activation period.

- Operational timelines will be consistent with the DR3 program for Standby Notifications, Confirmations and Activations
- A participant is deemed to have confirmed if no confirmation is received by the IESO
- Curtailment must:
  - not also be applied to any other demand reduction program or service
  - be curtailed unless such activation would cause the loss of life or injury, cause equipment damage, or cause a violation of any applicable law.
- The Performance Exemption conditions will be consistent with DR3 program
- The “Not Fully Available for Curtailment” conditions will be consistent with DR3 program



- Market Manual 7.4 is titled “IESO-Controlled Grid Operating Policies”
- Purpose:
  - contains the *IESO* policies and standards for reliable operation of the *IESO-controlled grid*
  - Contains the Emergency Operating State Control Actions (EOSCA) list which reflects the hierarchy of control actions available to the IESO leading up to and during an “*emergency operating state*”
- Stand-by notification and activation steps will be added to the EOSCA list under Appendix E
- Operational timelines under the EOSCA list will be consistent with the DR3 program for Standby Notifications, Confirmations and Activations

Q1. Are there any operational areas of the program rules that have not been reflected in the proposed changes?

Q2. Are there any comments or concerns for the proposed changes to the market manuals?

Feedback can be submitted to  
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