

Feedback Form

Awareness of System Operating Conditions – January 27, 2022

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Following the January 27 engagement webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the items discussed during the webinar. The webinar presentation and recording can be accessed from the [engagement web page](#).

Please submit feedback to engagement@ieso.ca by February 17, 2022. If you wish to provide confidential feedback, please submit as a separate document, marked “Confidential”. Otherwise, to promote transparency, feedback that is not marked “Confidential” will be posted on the engagement webpage.

Market Rule

Topic	Feedback
Do you have any comments or feedback on the proposed changes?	Comments below for sections: Market Rules Chapter 5 Section 2.5.1, Market Rules Chapter 5 Section 6.4.9.1

Market Manual

Topic	Feedback
Do you have any comments or feedback on the proposed changes?	Comments below for sections: Market Manual 7.1 Section 2.3, Market Manual 7.1 Section 2.3.2, Market Manual 7.4 Section 2.4.1 and Market Manual 7.4 Section 2.4.3

General Comments/Feedback

1.0 Time Bound of Conservative Operating State (Market Rules Chapter 5 Section 2.5.1)

The criteria that are weather and supply related listed in the revised Market Rules Chapter 5 Section 2.5.1 are broadly defined as “forecasted” and “expected” in addition to “being present”. The terms of “forecasted” and “expected” indicates possibility, not actuality, of adverse conditions to the system. Actions required by the IESO and Market Participants during actual adverse events are fully addressed through the declaration of the Emergency Operating State (current Market Rules Chapter 5 Section 2.3) and High-Risk Operating State (current Market Rules Chapter 5 Section 2.4).

Given that the Conservative Operating State can be triggered by an IESO forecast of conditions, and forecast generally become more accurate as an event approaches, there should be some time bound for the process. Without a time bound (e.g. one day ahead), the IESO could incorrectly forecast an extreme weather event many days in advance and reject/ revoke / recall outages unnecessarily.

1.1 How far in advance can the IESO declare a conservative operating state?

2.0 Triggers of Conservative Operating State and Subsequent Actions (Market Rules Chapter 5 Sections 2.5.1 and 6.4.9.1; Market Manual 7.1 Section 2.3.2; Market Manual 7.4 Section 2.4.3)

The triggers in the proposed Market Rules Chapter 5 Section 2.5.1 refer to “forecasted” or “expected” conditions, therefore the ability of the IESO to reject / revoke / recall outages based on the possibility that a Conservative Operating State “is reasonably likely to occur” (in the proposed Market Rules Chapter 5 Section 6.4.9.1) is too

broad and could be unnecessarily burdensome to Market Participants. According to the proposed amendment, the IESO could declare a Conservative Operating State and reject / revoke / recall outages because it feels it is reasonably likely that the IESO may forecast extreme weather. *OPG feels that in order to reject / revoke / recall outages, the threat of these contingencies should be immediate, and not just reasonably expected in the forecast.*

3.0 Outage Planning (Market Rules Chapter 5 Section 6.4.9.1; Market Manual 7.1 Section 2.3 and Section 2.3.2; Market Manual 7.4 Sections 2.4.1 and 2.4.3)

The ability to reject/ revoke / recall outages is an unreasonable requirement given that the Conservative Operating State is on the same security level as the Normal Operating State (proposed Market Manual 7.1 Section 2.3 and Market Manual 7.4 Section 2.4.1). During the Normal Operating State, there is no action to reject / revoke / recall outages. If the Conservative Operating State and Normal Operating State are on the same security level, there should be alignment of Market Participant actions for the two states.

There is already an existing framework where the IESO can take action to address grid reliability in anticipation of adverse events, see current Market Rules Chapter 5 Section 6.4.9.1. This requirement should not be repeated in the Conservative Operating State (Market Rules Chapter 5 Section 6.4.9.1; Market Manual 7.1 Section 2.3.2; Market Manual 7.4 Section 2.4.3).

If the intent of the Conservative Operating State is to warn Market Participants of potential adverse conditions, the rejection / revocation / recall of outages should not be included in the Conservative Operating State. The IESO already reserves the right to revoke advance approval of planned outages if either an Emergency Operating State or a High-Risk Operating State is occurring or “is reasonably likely to occur” (current Market Rule Chapter 5 Section 6.4.9.1), invalidating the need to take the same action during Conservative Operating State.

4.0 IT Triggers (Market Rules Chapter 5 Section 2.5.1)

The IT-related triggers listed in the proposed Market Rules Chapter 5 Section 2.5.1 affect real-time market participation but do not put the grid at risk (presented in the April 22, 2021 Stakeholder Engagement presentation, slide #16). If a Conservative Operating State is triggered based on IT-related criteria listed in the April 22, 2021 presentation, current proposed revisions to the Market Rules and Market Manuals would allow for the rejection / revocation / recall of outages (as per proposed Market Rule Chapter 5 Section 6.4.9.1; Market Manual 7.1 Section 2.3.2; Market Manual 7.4 Section 2.4.3). This is unreasonable based on the risk level (i.e. no risk) to the grid. The IESO should either defined a separate operating state that would only be triggered by IT-related issues, which would give Market Participants better clarification of the adverse conditions, and/or remove the ability to reject / revoke / recall outages from the Conservative Operating State.

- 4.1 Can the IESO define situations where there are IT issues that would trigger a Conservative Operating State but would not trigger the declaration of the Emergency or High-Risk Operating State?
- 4.2 What are the differences between the IT-related triggers listed in the proposed Market Rules Chapter 5 Section 2.5.1 and the IT-related triggers listed in the April 22, 2021 Stakeholder Engagement presentation slide #17?

In the last bullet point for Conservative Operating State triggers in the proposed Market Rules Chapter 5 Section 2.5.1, there is a mention of "...system applications or tools that impact system *security*."

- 4.3 In this situation, should the Emergency or High-Risk Operating State be declared instead due to a change in system *security* (as it would diverge from the system *security* level for the Conservative and Normal Operating States defined in the proposed Market Manual 7.1 Section 2.3 and Market Manual 7.4 Section 2.4.1)?