



Market Rule Amendment Proposal

PART 1 – MARKET RULE INFORMATION

Identification No.:	MR-00383		
Subject:	Emergency Preparedness Plans		
Title:	Market Participant Obligation Regarding an Emergency Preparedness Plan		
Nature of Proposal:	<input checked="" type="checkbox"/> Alteration	<input type="checkbox"/> Deletion	<input type="checkbox"/> Addition
Chapter:	5, 11	Appendix:	
Sections:	Ch 5, sections 10.3.6, 10.4.11, 11.2.3, 11.3.1, 11.3.5, 11.4.1, 11.4.3, 11.4.3.1, 11.4.3.2, 11.4.4.2, Ch 11 definitions		
Sub-sections proposed for amending:			

PART 2 – PROPOSAL HISTORY

Version	Reason for Issuing	Version Date
1.0	Draft for Technical Panel review	August 16, 2011
2.0	Draft for Technical Panel review	September 13, 2011
3.0	Submitted for Technical Panel Vote	October 11, 2011
4.0	Recommended by Technical Panel; Submitted for IESO Board Approval	October 18, 2011
Approved Amendment Publication Date:		
Approved Amendment Effective Date:		

PART 3 – EXPLANATION FOR PROPOSED AMENDMENT

Provide a brief description of the following:

- The reason for the proposed amendment and the impact on the *IESO-administered markets* if the amendment is not made.
- Alternative solutions considered.
- The proposed amendment, how the amendment addresses the above reason and impact of the proposed amendment on the *IESO-administered markets*.

Summary

It is proposed to amend the market rules to limit a market participant’s obligation to annually certify their emergency preparedness plan (EPP) to only restoration participants¹.

In addition, it is proposed to replace references to the retired “Electricity Emergency Priority – Policy” with references to the applicable market manual or to the “Ontario Electricity Emergency Plan.”

Background

Refer to MR-00383-Q00.

Discussion

Chapter 5, section 11 provides the market rules and framework regarding emergency preparedness and system restoration. Section 11.2 outlines the responsibilities of the IESO and market participants in regards to the Ontario Electricity Emergency Plan (OEEP). Section 11.3 outlines the responsibilities of the IESO and restoration participants in regards to the Ontario Power System Restoration Plan (OPSRP). Section 11.4.3 requires each market participant to review its EPP/restoration participant attachment (RPA) if applicable at least annually, and submit to the IESO a certification that no changes to its EPP/RPA are required, or submit revised EPP/RPAs if necessary. Section 11.4.1 specifies that the IESO review each plan submitted and provide a record of review outlining any necessary changes to be made.

In summary it is proposed to:

- Continue to have all market participants submit for IESO review an EPP during registration (11.2.3)
- Limit a market participant’s obligation to annually certify their EPP to only restoration participants (11.4.3)
- Continue to have all market participants ensure that the capability and reliability of its personnel, procedures and equipment are maintained per section 11.7.1
- Continue to have all market participants support and actively participate in the implementation

¹ Market Rules, Ch 11 definition: *restoration participant* means a *market participant* who has been identified by the *IESO* as having equipment or *facilities* that: (i) are directly connected to the *IESO-controlled grid* and (ii) affect the restoration process as set out in the *Ontario power system restoration plan*;

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and testing of its EPP, as directed by the IESO (sections 11.7.4 and 11.7.5).

Chapter 5Section 11.4:

It is proposed to amend section 11.4.3 to limit the market participant's obligation to annually certify that no changes to its EPP/RPA are required, or to submit revised EPPs/RPAs, if necessary, to only restoration participants. Chapter 11 of the market rules defines restoration participants as market participants identified by the IESO as having equipment or facilities that are directly connected to the IESO-controlled grid (ICG) and affect the restoration process as set out in the OPSRP. The criteria outlining which market participants are classified as restoration participants are found in section 2 of the OPSRP. As a result of restricting the annual review/certification process as noted above, the IESO's continual obligation to annually review each EPP is limited to only restoration participants.

Consequential to the above amendment, it is proposed to replace the defined term 'market participant' with the term 'restoration participant' in the following sections:

- Sections 11.4.3, 11.4.3.1 and 11.4.3.2 specify that restoration participants review their EPP and RPA at least annually, or as required, and submit to the IESO either a certification confirming no changes were required or otherwise a revised version of its EPP/RPA.

Sections 11.2.3, 11.3.1, 11.3.5, 11.4.4.2:

As a matter of clean-up, it is proposed to:

- Replace the phrase "not later than the market commencement date" in sections 11.2.3 and 11.3.5 regarding the required timing for submission of EPPs and RPA's to the IESO with "during registration to become a market participant."
- Replace the word "will" in section 11.3.1 with "with."
- Replace the italicized term "restoration plan market participant attachment" in section 11.4.4.2 with "restoration participant attachment."

Section 11.4.1:

In addition to the amendments made in sections 11.2.3 and 11.4.3, it is proposed to amend section 11.4.1 to include cross references to 11.2.3 and 11.4.3 for completeness of the proposed amendment

Chapter 5, sections 10.3.6, 10.4.11, Chapter 11 definitions:

In 2005, the "Electricity Emergency Priority - Policy" (EPPP) was incorporated into the OEEP and has since been retired. Accordingly, it is proposed to:

- Replace the reference to the EPPP in section 10.3.6 with a reference to the OEEP regarding the IESO's obligation to maintain, publish and revise mitigating measures to load management

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activities that are undertaken for the purpose of controlling demand;

- Replace the reference to the EEPP in section 10.4.11 with reference to the applicable market manual (Market Manual 7: System Operations – Part 7.1 System Operating Procedures) regarding the IESO’s obligation to maintain, publish and revise mitigating measures to load management activities that are undertaken for the purpose of shedding load during under-frequency conditions; and
- Delete the definition of the EEPP in Chapter 11.

PART 4 – PROPOSED AMENDMENT**Chapter 5****10.3 Demand Control Initiated by the IESO in an Emergency Operating State**

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10.3.6 The *IESO* shall maintain, *publish* and revise as required, following appropriate consultations with *market participants*, the ~~*Electricity Emergency Priorities – Policy*~~ *Ontario Electricity Emergency Plan* regarding exclusions to load management activities that are undertaken for the purpose of controlling *demand*.

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10.4 Under-Frequency Load Shedding

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10.4.11 The *IESO* shall, maintain, *publish* and revise as required, following appropriate consultations with *market participants*, the ~~*Electricity Emergency Priorities – Policy*~~ *applicable market manual* regarding exclusions to load management activities that are undertaken for the purpose of shedding load during under-frequency conditions.

11.2 Emergency Preparedness Plans and Ontario Electricity Emergency Plan

- 11.2.1 The *IESO* shall develop and maintain, in consultation with all relevant *market participants*, the *Ontario electricity emergency plan* describing the responsibilities of, and coordinating the actions of, *market participants* and the *IESO* for the purpose of alleviating the effects of an *emergency* on the *electricity system*, having regard to the mitigation of the impact of an *emergency* on public health and safety as identified in each *market participant's emergency preparedness plan*.
- 11.2.2 The *IESO* shall file with the *Minister* the *Ontario electricity emergency plan* and such other emergency plans as the *Minister* may require pursuant to subsection 39(1) of the *Electricity Act, 1998*.
- 11.2.3 In order to assist the *IESO* in fulfilling its responsibilities under section 39 of the *Electricity Act, 1998*, each *market participant* shall prepare and submit to the *IESO* an *emergency preparedness plan* and such other *emergency preparedness-related information* as the *IESO* considers necessary. Each *market participant* shall ensure that its *emergency preparedness plan* complies with section 11.2.4 and is submitted to the *IESO* ~~not later than the market commencement date~~ during registration to become a market participant, or at such later times as the *IESO* shall specify.
- 11.2.4 Each *market participant* shall ensure that its *emergency preparedness plan*:
- 11.2.4.1 describes such planning, testing, information, communication and other elements designated by the *IESO*;
 - 11.2.4.2 complies with such *emergency planning criteria* as may be designated by the *IESO*;
 - 11.2.4.3 complies with all relevant *reliability standards*;
 - 11.2.4.4 is consistent with the *emergency planning and preparedness procedures* established by relevant government authorities;
 - 11.2.4.5 indicates the manner in which the impact of an *emergency* on public health and safety will be mitigated;
 - 11.2.4.6 indicates the manner in which the *market participant* will minimize the cutting and expedite the restoration of critical loads and priority loads during short and prolonged *emergencies*; and
 - 11.2.4.7 is submitted with a statement certified by an officer or equivalent of the *market participant* stating that the *emergency preparedness plan* is a true and complete copy as at the date of the certification.

11.3 Ontario Power System Restoration Plan and Restoration Participant Attachments

- 11.3.1 The *IESO* shall develop and maintain, in consultation ~~will with~~ all relevant *market participants*, the *Ontario power system restoration plan* for restoring the *security* of the *IESO-controlled grid* following a major *contingency event* or *emergency* as required by all applicable *reliability standards* and considered prudent by the *IESO* for Ontario.
- 11.3.2 The *Ontario power system restoration plan* shall cover each of the planning, testing, information, load reduction, load restoration, communication and other elements described in section 10 and section 11 and such other elements as the *IESO* deems necessary to implement effective system restoration.
- 11.3.3 The *Ontario power system restoration plan* shall include, but not be limited to:
- 11.3.3.1 plans for managing major disturbances on the *IESO-controlled grid* that blackout all or a portion of the *IESO-controlled grid*;
 - 11.3.3.2 plans for the testing and verification of *emergency preparedness* facilities and procedures; and
 - 11.3.3.3 descriptions of the roles of the *IESO* and various restoration participants in the Ontario power system restoration plan.
- 11.3.4 The *IESO* shall file with the *Minister* the *Ontario power system restoration plan* and such other restoration documentation as the *Minister* may require under subsection 39(1) of the *Electricity Act, 1998*.
- 11.3.5 Each *restoration participant* shall prepare and submit to the *IESO* a *restoration participant attachment* to the *Ontario power system restoration plan* and such other system restoration-related information as the *IESO* considers necessary. Each *restoration participant* shall ensure that its *restoration participant attachment* complies with section 11.3.6 and is submitted to the *IESO* ~~not later than the market commencement date~~ during registration to become a market participant, or at such later times as the *IESO* shall specify.

11.4 Review and Audit

- 11.4.1 The *IESO* shall review each *emergency preparedness plan* and each *restoration participant attachment* submitted to it, in accordance with sections 11.2.3 and 11.4.3, and shall prepare and provide to the relevant *market participant* or

restoration participant a record of review indicating the changes, if any, required to be made and the date by which the revised *emergency preparedness plan* or *restoration participant attachment* must be submitted with the *IESO*.

- 11.4.2 Each *market participant* shall make such changes to its *emergency preparedness plan* or *restoration participant attachment* as may be required by the record of review and shall submit to the *IESO* a revised *emergency preparedness plan* or *restoration participant attachment* within the time specified in the record of review or within such other period as may be agreed with the *IESO*.
- 11.4.3 Each ~~market~~*restoration* *participant* shall review its *emergency preparedness plan* and *restoration participant attachment* at least annually, or as required, and shall, following such review, submit to the *IESO*:
- 11.4.3.1 a statement certified by an officer or equivalent of the ~~market~~*restoration* *participant* confirming that the review has not required any change to be made to its *emergency preparedness plan* or its *restoration participant attachment*; or
- 11.4.3.2 a revised version of its *emergency preparedness plan* or *restoration participant attachment*, amended as may be required by the results of the review, together with a statement certified by an officer or equivalent of the ~~market~~*restoration* *participant* identifying such amendments, as the case may be. Each ~~market~~*restoration* *participant* shall ensure that any revised *emergency preparedness plan* or *restoration participant attachment* prepared and submitted pursuant to this section 11.4.3 complies with section 11.2.4 or 11.3.6, respectively.
- 11.4.4 When directed by the *IESO*, the *market participant* shall have an independent audit of its *emergency preparedness plan* and/or *restoration participant attachment* conducted. The independent audit may be conducted by, without limitation, the *market participant*'s internal auditors or before a peer review team having diverse membership or industry *emergency preparedness* expertise. The cost of conducting such an audit shall be borne by the *market participant*. Each *market participant* shall, following such audit, submit to the *IESO* a copy of the audit report, together with:
- 11.4.4.1 a statement certified by an officer or equivalent of the *market participant* confirming that the audit has not required any change to be made to its *emergency preparedness plan* or its *restoration participant attachment*; or
- 11.4.4.2 a revised version of its *emergency preparedness plan* or *restoration participant attachment*, amended as may be required by the results of the audit, together with a statement certified by an officer or equivalent of the *market participant* identifying such amendments, as the case may be. Each *market participant* shall ensure that any revised

emergency preparedness plan or restoration ~~plan~~ market participant attachment prepared and submitted pursuant to this section 11.4.4 complies with section 11.2.4 or 11.3.6, respectively.

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11.7 Testing

- 11.7.1 Each *market participant* shall ensure that the capability and reliability of its personnel, procedures, and equipment are maintained to the extent necessary to fulfill its obligations under its *emergency preparedness plan* and its *restoration participant attachment*.
- 11.7.2 The *IESO* shall develop, schedule, implement and conduct such tests as are provided for in the *Ontario electricity emergency plan* and the *Ontario power system restoration plan*.
- 11.7.3 [Intentionally left blank]
- 11.7.4 Each *market participant* shall support and actively participate, at its own expense and as directed by the *IESO*, in the implementation and testing of its *emergency preparedness plan*, its *restoration participant attachment*, the *Ontario electricity emergency plan*, the *Ontario power system restoration plan* and voice communications facilities.
- 11.7.5 The *IESO* shall schedule the tests referred to in section 11.7.4 at an appropriate time of the year and time of day, in consideration of the needs of *market participants* and of the desire to minimize their costs relating to such tests. To the extent practicable, such tests of the *restoration participant attachment* shall be scheduled in a manner consistent with the *outage* coordination process described in section 6.

Chapter 11

1. Definitions

~~*Electricity Emergency Priorities—Policy means the policy of that name developed, and revised from time to time, by the IESO;*~~

PART 5 – IESO BOARD DECISION RATIONALE

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