

**Stakeholder Comment Form**

**ISO Rules Process  
Proposed Level I Changes to Existing ISO Rule 6.6**

*NOTE: The ISO is asking market participants to give an initial indication of their support for, or opposition to, the specific ISO rule changes referenced below. Such an initial indication assists in the ISO's practical understanding of the receptivity of the industry to the proposed changes, and in that regard the ISO thanks in advance all market participants who choose to respond. With regard to the specific ISO rule changes and their implications, such responses are without prejudice to the rights of market participants under the Act, any regulations, or related decisions of the Commission.*

Date of Request for Comment: May 26, 2009  
Period of Consultation: May 26 through June 12, 2009

Comments From: EPCOR Utilities Inc.  
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<b>6.6 Pool Participant Non-Compliance with Energy Market Dispatch and Directives</b>	
<p>Definitions – for the purpose of this rule the terms below are defined as follows:</p> <p><b>“allowable dispatch variance” (ADV)</b> as measured from the <b>dispatch</b> quantity (MW), means for each <b>generating asset</b>:</p> <ul style="list-style-type: none"><li>(i) plus or minus five (5) <b>MW</b> for <b>generating assets</b> with a <b>maximum capability</b> of two hundred (200) <b>MW</b> or less, or</li><li>(ii) plus or minus ten (10) <b>MW</b> for <b>generating assets</b> with a <b>maximum capability</b> of greater than two hundred (200) <b>MW</b>.</li></ul> <p><b>“10 minute clock period”</b> means any one of the following six 10 minute periods in any hour:</p> <ul style="list-style-type: none"><li>ME:01 to ME:10</li><li>ME:11 to ME:20</li><li>ME:21 to ME:30</li><li>ME:31 to ME:40</li></ul>	<p><b>Support</b> <b>Oppose</b> <b>x No Comment</b></p>

<p>ME:41 to ME:50 ME:51 to ME:60</p> <p>where “ME” means minute ending.</p> <p>“operational deviation” means:</p> <ul style="list-style-type: none"> <li>(i) a <b>generating asset</b> is unable to comply with the <b>ramping</b> requirements set out in <b>rule 6.6.3(a)</b> or 6.6.3(b), or</li> <li>(ii) a <b>generating asset</b> operating in <b>steady state</b> varies outside its <b>ADV</b> due to <b>force majeure</b> or any other circumstances related to the operation of the <b>generating asset</b> which could reasonably be expected to affect the <b>available capability</b> or safety of the <b>generating asset</b>, third party facilities, contracts or arrangements, the environment, personnel working at the <b>generating asset</b> or the public.</li> </ul> <p>“<b>ramping</b>” means the state of operation that begins at the point in time an <b>energy market dispatch</b> has been issued for a <b>generating asset</b> and continues until the point in time the <b>generating asset</b> has reached the quantity (MW) specified in the <b>energy market dispatch</b>, plus or minus the <b>ADV</b> for that <b>generating asset</b>.</p> <p>“<b>steady state</b>” means the state of operation that begins the first <b>10 minute clock period</b> following the period in which a <b>generating asset’s</b> output has reached the quantity (MW) specified in an <b>energy market dispatch</b>, plus or minus the <b>ADV</b> for that <b>generating asset</b>.</p>	
<p><i>Reason for Stakeholder Positions:</i></p>	
<p><i>Alternate Proposal:</i></p>	

<p><b>6.6.1 Dispatch Compliance Responsibilities</b></p>	
<p>(a) A <b>pool participant</b> may only deliver energy to the <b>AIES</b> pursuant to a <b>dispatch</b> or a <b>directive</b> issued by the <b>system controller</b>.</p> <p>(b) Subject to the provisions of this <b>rule 6.6</b>, a <b>pool participant</b> must comply with and follow an <b>energy market dispatch</b>.</p>	<p><b>x Support – with reservations</b> <b>Oppose</b> <b>No Comment</b></p>

<p>(c) With regard to its responsibilities under <b>rule 6.6.1 e</b>), a <b>pool participant</b> must use all reasonable best efforts to cause any <b>generating assets</b> referenced in an <b>energy market dispatch</b> or <b>directive</b> to be operated to the quantity (<b>MW</b>) that is the subject of that <b>dispatch</b> or <b>directive</b>, using good electric operating practice.</p> <p>(d) The <b>pool participant</b> must coordinate its energy, <b>dispatch down service</b> and <b>ancillary services</b> submissions to ensure that it is able to comply with all <b>dispatches</b> related to those submissions.</p> <p>(e) The <b>pool participant</b> must meet its <b>energy market dispatch</b> or <b>directive</b> compliance responsibilities using a standard of practice attained by exercising the degree of knowledge, skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced person engaged in the same type of undertaking, including the design, implementation and use of a reasonable <b>energy market dispatch</b> or <b>directive</b> protocol together with personnel and software systems designed to detect and address errors or omissions in a timely fashion.</p>	
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***Reason for Stakeholder Positions:***

EPCOR strongly supports the explicit inclusion in the Rule of the standard that is expected of a pool participant without operating control of an asset. However, the “reasonable best efforts” standard set out in the rule is a standard which is not commonly referenced in the jurisprudence on the subject of strict liability and due diligence defences. It would be preferable to use a standard that is more commonly found in the jurisprudence

***Alternate Proposal:***

. A “reasonable efforts” standard would be more consistent with practices in the industry.

**6.6.2 Steady state Compliance**

<p>(a) During <b>steady state</b>, with reference to an <b>energy market dispatch</b> issued to a <b>pool participant</b> the average quantity (<b>MW</b>) delivered by a <b>generating asset</b> in any <b>10 minute clock period</b> must not vary from the <b>energy market dispatch</b> quantity (<b>MW</b>) by more than the <b>ADV</b>.</p> <p>(b) A <b>pool participant</b> that is supplying <b>regulating reserve</b> from a <b>generating asset</b> must ensure that the quantity (<b>MW</b>) delivered in any <b>10 minute clock period</b> is:</p> <p>(i) not less than the <b>energy market dispatch</b> quantity (<b>MW</b>) minus the <b>ADV</b> and</p> <p>(ii) not greater than the <b>energy market dispatch</b> quantity (<b>MW</b>) plus the <b>regulation reserve</b> plus the</p>	<p><b>Support</b>  <b>Oppose</b>  <input checked="" type="checkbox"/> <b>No Comment</b></p>
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<b>ADV.</b>	
<b><i>Reason for Stakeholder Positions:</i></b>	
<b><i>Alternate Proposal:</i></b>	

<b>6.6.3 Ramping Compliance</b>	
<p>(a) In accordance with an <b>energy market dispatch</b> issued to a <b>pool participant</b>, the output of a <b>generating asset</b> which is the subject of the <b>energy market dispatch</b> and is <b>ramping</b> must be changed in a sustained manner towards the quantity (<b>MW</b>) indicated in that <b>energy market dispatch</b> within ten (10) minutes of the time specified in the <b>energy market dispatch</b>.</p> <p>(b) a <b>generating asset</b> must reach <b>steady state</b> in:</p> <p style="padding-left: 20px;">(i) no longer than the period of time calculated as follows:</p> <p style="padding-left: 40px;">(A) divide the incremental <b>energy market dispatch</b> quantity (<b>MW</b>) by the <b>ramp rate</b> submitted by the <b>pool participant</b> in the <b>Energy Trading System</b>;</p> <p style="padding-left: 40px;">(B) add forty percent (40%) of the time calculated in <b>rule 6.6.3(b)(i)(A)</b> or five (5) minutes whichever is greater;</p> <p style="padding-left: 40px;">(C) add the ten (10) minutes referred to in <b>rule 6.6.3 (a)</b>;</p> <p style="padding-left: 20px;">and</p> <p style="padding-left: 20px;">(ii) no sooner than the period of time calculated as follows:</p> <p style="padding-left: 40px;">(A) divide the incremental <b>energy market dispatch</b> quantity (<b>MW</b>) by the <b>ramp rate</b> submitted by the <b>pool participant</b> in the <b>Energy Trading System</b>;</p> <p style="padding-left: 40px;">(B) subtract forty (40%) of the time calculated in <b>rule 6.6.3(b)(ii)(A)</b> or five (5) minutes whichever is greater.</p>	<p><b>x Support</b>  <b>Oppose</b>  <b>No Comment</b></p>

<i>Reason for Stakeholder Positions:</i>	
EPCOR supports the explicit recognition in the Rule of the difficulties of accurate compliance with a dispatch or directive while a unit is ramping to the dispatched or directed level. It might be helpful for the AEOS to post an example of how they would perform the calculation contemplated by this section of the Rule.	
<i>Alternate Proposal:</i>	

<b>6.6.4 Operational deviation Energy Market Dispatch Relief</b>	
<p>(a) With respect to an <b>energy market dispatch</b>, in the event that a <b>generating asset</b> experiences an <b>operational deviation</b>, the <b>pool participant</b> must verbally inform the <b>system controller</b> as soon as practical of the occurrence of the <b>operational deviation</b> and provide a description of the cause if known.</p> <p>(b) The <b>pool participant</b> must inform the <b>system controller</b> by telephone of the information required under <b>rules 6.6.4 (a)</b> on a recorded line on the <b>ISO</b> voice recording system.</p> <p>(c) Unless otherwise instructed by the <b>system controller</b>, the <b>generating asset’s available capability</b> must be restated in accordance with <b>rule 3.5.4.2</b> by the end of the next full <b>10 minute clock period</b> after which the <b>operational deviation</b> occurred if the <b>operational deviation</b> extends for that period or longer.</p>	<p><b>x Support</b>  <b>Oppose</b>  <b>No Comment</b></p>
<i>Reason for Stakeholder Positions:</i>	
While EPCOR supports the bulk of this section of the rule, it is unreasonable to require a pool participant to notify the system controller “on a recorded line on the ISO voice recording system”. A pool participant should only be obligated to contact the system controller at the telephone number provided by the ISO for these purposes. The availability or not of the ISO voice recording system is not something over which a pool participant has control.	
<i>Alternate Proposal:</i>	

<b>6.6.5 Exceptions to Non-Compliance</b>	
Notwithstanding the provisions set out in <b>rules 6.6.2, 6.6.3 and 6.6.4</b> , a <b>pool participant</b> will not be considered to be non-compliant with an <b>energy market dispatch</b> for a <b>generating asset</b> if the <b>pool participant</b> has met its responsibilities as set out in <b>rule 6.6.1</b> and if one or more of the following	<p><b>x Support with</b>  <b>reservations</b></p>

<p>circumstances occur:</p> <ul style="list-style-type: none"> <li>(a) The <b>generating asset</b> is <b>ramping</b> into position to provide <b>operating reserves</b> in response to an <b>operating reserve dispatch</b> in the fifteen (15) minutes before the time indicated in that <b>dispatch</b>;</li> <li>(b) The <b>generating asset</b> is operating below the <b>minimum stable generation</b> level indicated in the <b>Energy Trading System</b>, but only if that <b>generating asset</b> is: <ul style="list-style-type: none"> <li>(i) coming on line and its <b>available capability</b> submitted to the <b>ISO</b> is equal to its <b>minimum stable generation</b> and it has received an <b>energy market dispatch</b> for that quantity (<b>MW</b>);</li> <li>(ii) going off line and its <b>available capability</b> submitted to the <b>ISO</b> is equal to zero (0) and it has received an <b>energy market dispatch</b> for that quantity (<b>MW</b>);</li> <li>(iii) unable to follow the <b>ramp rate</b> submitted by the <b>pool participant</b> in the <b>Energy Trading System</b> when its output is being increased to its <b>minimum stable generation</b> and a verbal plan has been submitted to the <b>system controller</b> indicating the proposal for <b>ramping to minimum stable generation</b>, which verbal plan must be updated for deviations of greater than thirty (30) minutes or fifty (50) <b>MW</b>; or</li> <li>(iv) stopped at an output level not identified in the verbal plan referenced in iii) above, but which is below <b>minimum stable generation</b> for more than fifteen (15) minutes for an operational reason and has restated its <b>available capability</b> accordingly.</li> </ul> </li> <li>(c) The <b>generating asset</b> is responding to abnormal frequency through automatic governor action;</li> <li>(d) An <b>operational deviation</b> has occurred and the <b>pool participant</b> has complied with <b>rule 6.6.4</b>; or</li> <li>(e) Energy delivered to the <b>AIES</b> from a <b>generating asset</b> while it is being tested or <b>commissioned</b> or both, but only if the <b>pool participant</b> has complied with the <b>ISO Operating Policies and Procedures</b> and has received approval from the <b>system controller</b>.</li> </ul>	<p><b>Oppose No Comment</b></p>
<p><b><i>Reason for Stakeholder Positions:</i></b></p>	
<p>EPCOR strongly supports explicit recognition in the Rule of the defence that for practical operational reasons a generating unit may not be in compliance with the requirements of the Rule. There is a conflict between section 6.6.5(e) of the rule and OPP 603, which addresses testing and commissioning. OPP 603 imposes the requirement for testing and commissioning on the “market participant” and</p>	

is aimed primarily at the plant operator, not the pool participant. It is untenable to impose this requirement on the “pool participant” through this Rule. The consequences for non-compliance with OPP 603 should be provided in that OPP, rather than this rule, since they reference different responsible entities.

***Alternate Proposal:***

The phrase “but only if the pool participant has complied with the ISO Operating Policies and Procedures and has received approval from the system controller” should be deleted from Section 6.6.5(e).

**Other Comments:**

Please return this form with your comments by June 12, 2009, to:

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