

801 SUPPLY SHORTFALL

1. Purpose

To define the procedures for the System Controller (SC) to follow and to specify measures to be taken by market participants involved in responding to a supply shortfall condition in Alberta in order to maintain system reliability.

2. Background

A supply shortfall is a condition when there is insufficient energy offered in the energy market to meet the Alberta Internal Load (AIL). Various events such as generation and/or transmission contingencies, energy market deficiencies, or unexpected demand levels in Alberta can result a supply shortfall. Supply shortfalls could ultimately require curtailment of firm loads in order to maintain system reliability. However, before curtailing firm loads, other measures may be undertaken as outlined in this OPP.

3. Policy

- Instructions for issuing energy emergency alerts and firm load directives are provided in [OPP 802](#).
- Instructions for determining the short term adequacy (STA) of available supply to meet the AIES demand requirements and requesting or directing available supply are provided in [OPP 705](#).
- The import load remedial action scheme (ILRAS) must be armed for the hours when it is anticipated by the SC that additional energy will be required above the amount made available from long lead time generating assets and Table 2 in [OPP 705](#). Criteria for use of energy from these generating assets are included in OPP 705 Short Term Adequacy Assessments. If all energy from these generating assets is anticipated to be required in the future hour, then the Alberta-BC import ATC will be revised and posted for that future hour up to the level that includes ILRAS loads as one of the factors for determining the import ATC. Details on ILRAS arming and corresponding Alberta-BC import ATC are included in [OPP 312](#).
- The minimum requirement for regulating reserve (refer to [OPP 401](#)) must be maintained under all circumstances, even if firm or non-price responsive load needs to be shed.
- If required, the SC may skip one or more steps in Table 1 when managing a supply shortfall in order to meet the Alberta Reliability Standard regarding control performance.
- If the SC does skip one or more steps in Table 1 when managing a supply shortfall, the SC must return to the skipped step(s) and reduce the requirements for energy from later steps if time and operating conditions permit.
- A market participant who voluntarily curtails load or increases energy supply must notify the SC when it can no longer continue to do so.
- Owners of electric distribution systems and retailers may receive an appeal from the SC to voluntarily curtail any non-essential or non-bid loads.

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- During normal system operating conditions generating assets will not exceed the maximum authorized MW (MAM) level that has been established to satisfy reactive power requirements; however during a supply shortfall event these levels may be permitted to be exceeded as per step 18 in [Table 1](#).
- When the SC gives permission for a generating asset to operate to a gross MW level above the MAM then the plant operator can operate the generating asset up to that level. This additional energy above MAM is not to be restated in the energy market.
- When the plant operator is notified by the SC that the energy supplied above MAM is no longer required, then the plant operator must return the generating asset to the energy market dispatch level.
- During a supply shortfall and in accordance with this procedure, valid e-tags submitted for the current or next scheduling hour for import energy that do not have a corresponding energy offer in the energy market merit order, must be approved by the SC up to the posted available transfer capability (ATC) limit.

4. Responsibilities

4.1 ISO

- The ISO must review and update this OPP as required.

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- The SC must follow this OPP when managing a supply shortfall or when a supply shortfall is anticipated.
- The SC must maintain the required amount of regulating reserves (refer to [OPP 401](#)) during a supply shortfall event.

4.2 Transmission Facility Owners (TFOs)

- TFOs must respond to SC directive to cancel transmission outages.

4.3 Owners of Electric Distribution Systems and Retailers

- Owners of electric distribution systems will make best efforts to achieve a 3% voltage reduction on their electric distribution systems when requested by the SC. Voltage will only be restored following notification by the owners of electric distribution systems to the SC.

4.4 Generation Facility Owners (GFOs)

- GFOs will make best efforts to reduce any non-essential station service loads when requested by the SC. Loads will only be restored following notification by the SC. Compliance with this request is on a voluntary basis.

5. System Controller Procedures

5.1 Planning in anticipation of a supply shortfall

The SC must:

1. When it is anticipated that all supply in the energy market merit order will be dispatched, notify the AESO personnel as described in [OPP 1303](#) (confidential).

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2. If step 10 in [Table 1](#) is anticipated to be reached, cancel transmission maintenance to remove generation constraints or increase import ATC on the Alberta-BC and/or Alberta-Saskatchewan interconnection. Issue directives to TFOs to cancel transmission maintenance within Alberta and request BCTC or SPC to cancel transmission maintenance on their respective systems that reduce import ATC to Alberta.
3. Perform a STA assessment to determine if additional generating assets need to be directed to start; refer to [OPP 705](#).
4. If additional energy is anticipated to be required above the amount available from generating assets in the long-lead-time energy list and Table 2 in [OPP 705](#), then remove 0 MW override on ILRAS value on display #6975 and include ILRAS load as a factor to determine the maximum Alberta-BC import ATC in accordance with [OPP 304](#) and Table 1 in [OPP 312](#).
 - a. Re-post the import ATC to the level that is required to manage the supply shortfall event up to the maximum ATC limit for the future hour(s) when this energy is required.
 - b. Notify BCTC to have the new ATC posted on the OASIS site.
 - c. Issue a dispatch to AltaLink to arm the required ILRAS load according to the import levels and provide the time when the ILRAS loads are to be armed.
5. Carry out an assessment of supply shortfall by following through all steps listed in [Table 1](#) assuming imports at the ATC limit. If it is assessed that shedding of firm load is imminent, notify the AESO operations person on call at least 4 hours in advance to arrange for AESO Stakeholder Relations and Communications to issue a public appeal to reduce electrical energy consumption.
6. Allow for 1 hour notice if it is anticipated that the demand opportunity service (DOS) 1 hour loads will be curtailed (step 7 in [Table 1](#)).
7. Determine when export ATC on the BC and Saskatchewan interconnections are to be posted to 0 MW (step 6 in [Table 1](#)) so new export ATC levels can be posted 1 hour in advance.
8. If the SC reasonably anticipates an energy emergency alert 1 or 2 will be reached, notify the Vancouver Reliability Coordinator (VRC), British Columbia Transmission Corporation (BCTC), and SaskPower.
9. Allow for 1 hour notice if it is anticipated that the AESO Voluntary Load Curtailment Program (VLCP) loads will be dispatched off (step 24 in [Table 1](#)).

5.2 Managing a supply shortfall

The SC must follow the steps identified in [Table 1](#) under the column heading of “Supply Shortfall Management Instructions” when managing a supply shortfall event.

5.3 Returning to normal operation

As the available energy supply permits, the SC must follow the steps identified in [Table 1](#) under the column heading of “Return to Normal Instructions” in reverse order, starting from the last step completed in the adjacent column when managing a supply shortfall event.

5A. Effective Date

The specified amendments cited in Application No 1605243 for Operating Policy and Procedure will be effective 30 calendar days after the date to be determined by the Commission for, collectively, ISO rules consisting of G1 definitions, 6.3.5.1, 6.3.5.2, 6.3.6.2, 6.3.6.3 and Appendix 7 (collectively the “LLTD Rule”)

6. Figures and Tables

Table 1

Supply Shortfall Management

Step	Supply Shortfall Management Instructions	Return to Normal Instructions
1.	↓ When the short term adequacy program issues an alarm the SC must perform a short term adequacy assessment in accordance with OPP 705 .	↑ Take no action in this step.
2.	↓ Perform the planning steps as identified in Section 5.1 when anticipating a supply shortfall.	↑ If planning steps were performed, but the step in this table was not reached that required this action be taken, then undo the planning action that was taken by performing any of the following as required: <ul style="list-style-type: none"> • Permit transmission maintenance. • Cancel public appeal via Operations on-call person. • Restore DOS 1 hour loads. • Repost export ATC to normal levels. • Notify VRC, BCTC and SPC that an Energy Emergency Alert 1 was not reached. • Dispatch on VLCP loads.
3.	↓ Use all the resources in the energy market merit order to maintain the balance between supply and demand and dispatch assets offered into the ancillary service merit order to provide the required amount of operating reserve. Dispatch off Dispatch Down Service (DDS) with respect to directed long lead time energy (LLTE).	↑ Resume normal energy market dispatch. Dispatch on DDS with respect to directed LLTE.

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Step	Supply Shortfall Management Instructions	Return to Normal Instructions
4.	<p style="text-align: center;">↓</p> <p>When all resources in the energy market merit order have been dispatched notify the AESO personnel in accordance with Table 1 in OPP 1303 (confidential) and issue the following message in ADAMS to all participants and enter it into the SC Shift Log and select the post to web option “A supply shortfall has commenced. Please confirm must offer volumes of available capability are accurate.”</p> <p>Put a comment in the Shift Log in the Additional Information field (to prevent the comment from being posted to the web), stating a request was issued to confirm must offer volumes of available capability are accurate.</p>	<p style="text-align: center;">↑</p> <p>Notify the AESO personnel that were previously notified that the supply shortfall event has ended and issue the following message in ADAMS to all participants and enter it into the SC Shift Log and select the post to web option: “The supply shortfall event is no longer in effect and normal operation has resumed.”</p>
5.	<p style="text-align: center;">↓</p> <p>Maximize the posted import ATC limit by confirming it is based on the lesser of:</p> <ul style="list-style-type: none"> a. The import limit specified in OPP 304. b. The total amount of Load Shed Service (LSS) currently available. Refer to Table 1 in OPP 312. <p>Notify BCTC if the posted import ATC limit is changed.</p>	<p style="text-align: center;">↑</p> <p>Take no action in this step.</p>
6.	<p style="text-align: center;">↓</p> <p>Reduce export ATC to zero on the interconnections with BC and Saskatchewan. If possible, re-post the export ATC 1 hour in advance.</p>	<p style="text-align: center;">↑</p> <p>Post BCTC and SaskPower import and export ATC to normal levels.</p>
7.	<p style="text-align: center;">↓</p> <p>Curtail 1-hour demand opportunity service (DOS) loads. These loads will take up to 1 hour to curtail. Use the list in the DOS program and follow procedures in OPP 901.</p>	<p style="text-align: center;">↑</p> <p>Restore DOS 1-hour loads. Use the list in the DOS program and follow procedures in OPP 901.</p>
8.	<p style="text-align: center;">↓</p> <p>Curtail 7-minute DOS loads. Use the list in the DOS program and follow procedures in OPP 901.</p>	<p style="text-align: center;">↑</p> <p>Restore DOS 7-minute loads. Use the list in the DOS program and follow procedures in OPP 901.</p>
9.	<p style="text-align: center;">↓</p> <p>Curtail DOS standard loads. Use the list in the DOS program and follow procedures in OPP 901.</p>	<p style="text-align: center;">↑</p> <p>Restore DOS standard loads. Use the list in the DOS program and follow procedures in OPP 901.</p>
10.	<p style="text-align: center;">↓</p> <p>Cancel transmission maintenance as necessary to remove generation constraints or increase import ATC on the Alberta-BC and/or Alberta-Saskatchewan interconnection(s) by issuing directives to TFOs and request BCTC and/or SPC to cancel transmission maintenance on their respective systems that reduce import ATC to Alberta.</p>	<p style="text-align: center;">↑</p> <p>Permit transmission maintenance to continue that was previously cancelled to remove generation constraints or increase import ATC.</p>

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11.	↓	<p>If there are non-dispatched external reserves (ER) on the BC interconnection, then maximize the use of external reserves in accordance with the following formula: $ER \leq CRO - \text{Net Imports from BC} + \text{Armed ILRAS} + \text{LSS}$ where:</p> <ul style="list-style-type: none"> • ER is the dispatched amount (MW) of external reserves. • CRO is the contingency reserve obligation for the purpose of NWPP reserve sharing group (refer to OPP 405). • LSS is the total of the contracted LSS loads that are on-line. • Armed ILRAS is the amount (MW) of load armed for ILRAS as per OPP 312 if planning step 4 in Section 5.1 was performed to arm ILRAS, otherwise use 0 MW. 	↑	<p>Dispatch to the normal level of external supplemental and external spinning reserves, refer to OPP 403.</p>
12.	↓	<p>If the duration of the supply shortfall is expected to be less than 1 hour, then issue directives for dispatched contingency reserves that are in excess of the contingency reserve requirement.</p>	↑	<p>Cancel directives issued for contingency reserves and return to normal dispatch priorities in the ancillary service merit order.</p>
13.	↓	<p>If the duration of the supply shortfall is expected to be less than 1 hour, then dispatch up supplemental loads with standby supply that is offered in the ancillary service merit order and repeat step 12 if dispatches are made.</p>	↑	<p>Take no action in this step.</p>

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Step	Supply Shortfall Management Instructions	Return to Normal Instructions
14.	<p style="text-align: center;">↓</p> <p>Issue directives for out of market LLTE from generators that were previously directed to start. Perform steps a to d below when all available out of market LLTE has been directed or step b to d below if no LLTE was directed</p> <p>a. Make a note in the Shift Log identifying the time and amount of out of market LLTE that was directed, but do not post it to the WEB.</p> <p>b. Request the VRC to declare an Energy Emergency Alert 1 for the AIES.</p> <p>c. If the VRC agrees to the request, then follow procedures in OPP 802 to issue an Energy Emergency Alert 1 and make the required notifications.</p> <p>d. Request the AESO operations person on call to notify Stakeholder Relations and Communications in accordance with Table 1 in OPP 1303 (confidential).</p>	<p style="text-align: center;">↑</p> <p>If the STA assessment requires the LLTE to be on-line again, direct the assets to their minimum stable load level; otherwise perform the following:</p> <p>a. Cancel directives for out of market LLTE. If minimum run times have not been met then these generators will reduce their output to their minimum stable load level until their minimum run time has been achieved and then they will go off line.</p> <p>b. Make a note in the shift log identifying the time when directives are cancelled for LLTE, but do not post it to the WEB.</p> <p>c. When all directives for LLTE have been cancelled issue the following message in ADAMS to all participants: "Directives have been cancelled for out of market long lead time energy."</p> <p>d. Request the VRC to downgrade the alert for the AIES to an Energy Emergency Alert 0.</p> <p>e. If the VRC agrees to the request, then follow procedures in OPP 802 to issue an Energy Emergency Alert 0 and make the required notifications.</p>
15.	<p style="text-align: center;">↓</p> <p>Take no action in this step. Note: If planning step 4 in Section 5.1 was performed to arm ILRAS, then this is the step that was anticipated to be reached to require the use of ILRAS to increase import ATC on the AB-BC interconnection.</p>	<p style="text-align: center;">↑</p> <p>Cancel dispatch for arming ILRAS and provide the time when the ILRAS loads are to be disarmed. Determine and post the AB-BC import ATC with only available LSS and put a 0 MW override on the ILRAS value on display #6975</p>
16.	<p style="text-align: center;">↓</p> <p>Consider a public appeal if conditions warrant it (step 5 of Section 5.1).</p>	<p style="text-align: center;">↑</p> <p>If a public appeal was made, then request the AESO operations on-call person to terminate the public appeal to reduce energy demand.</p>
17.	<p style="text-align: center;">↓</p> <p>Request the wire service providers (WSPs) identified in Table 2 (confidential) to institute a 3% distribution voltage reduction.</p>	<p style="text-align: center;">↑</p> <p>Notify the WSPs identified in Table 2 (confidential) that the 3% reduction in distribution voltage is no longer required.</p>

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18.	↓	<p>Call the plant operators for the generators listed in Table 3 (confidential) in sequential order, to give permission to supply additional MWs up to the gross MW level identified in Table 3. If the SC assesses that system conditions do not permit the use of MWs above MAM from an asset, then the SC will skip the asset and go to the next asset in the list. Use the following script:</p> <p>“This is “<i>your name</i>”, System Controller from the Alberta Electric System Operator. The AIES is in a supply shortfall and “<i>name & number of generator</i>” is permitted to supply additional energy up to a gross output level of “<i>XXX MWs</i>”. Supply of this additional energy is at your discretion, and does not require an energy market restatement or an energy market dispatch.”</p>	↑	<p>Call the plant operator(s) that were previously permitted to supply additional MWs up to the gross MW level identified in Table 3 (confidential). Make the calls in the reverse order as in Table 3 and use the following script:</p> <p>“This is “<i>your name</i>”, System Controller from the Alberta Electric System Operator. <i>The AIES is returning to normal operation.</i> You are no longer permitted to supply additional energy above your energy market dispatch. “<i>Name & number of generator</i>” is required to return to the energy market dispatch level.”</p>
19.	↓	<p>Issue ancillary service directives for supplemental and excess spinning reserves, except for external reserves.</p>	↑	<p>Cancel ancillary service directives for supplemental and excess spinning reserves.</p>
20.	↓	<p>If ILRAS load has not been armed for the current hour, then arm additional ILRAS load to increase Alberta-BC import ATC for the current hour, refer to step 4 in Section 5.1. Post the revised AB-BC import ATC.</p>	↑	
21.	↓	<p>If import ATC is available permit mid-hour interchange transactions with interruptible energy and or interruptible transmission service from importers on the BC and Saskatchewan interconnections up to the posted import ATC limit and issue the following message in ADAMS to all participants:</p> <p>“The AESO will accept mid-hour interchange transactions with interruptible energy and or interruptible transmission service from importers up to the import ATC limit. Valid e-tags submitted for import energy that have not been dispatched will be approved by the SC up to the ATC limit.”</p>	↑	<p>Terminate interruptible imports on the Alberta-BC and Alberta-Saskatchewan interconnections and issue the following message in ADAMS to all participants:</p> <p>“Interchange transactions with interruptible energy or interruptible transmission service from importers will no longer be accepted.”</p> <p>As applicable, put a comment in the shift log in the Additional Information field (to prevent the comment from being posted to the web), stating the interchange transactions with interruptible energy or interruptible transmission service from Importers has been terminated.</p>
22.	↓	<p>Request the plant or generation operator identified in Table 4 (confidential) to reduce non-essential station service loads.</p>	↑	<p>Restore non-essential station service loads as identified in Table 4 (confidential).</p>
23.	↓	<p>Dispatch off the AESO Voluntary Load Curtailment Program (VLCP) loads as identified in Table 5 (confidential). At least 1 hour notice is required. Log this in the shift log, but do not post it on the web.</p>	↑	<p>Dispatch on the AESO VLCP loads as identified in Table 5 (confidential). Log this in the shift log, but do not post it on the web.</p>

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24.	↓ If ATC is constrained down because of the lack of LSS and ILRAS load offers, then disregard this constraint and increase the posted Alberta-BC interconnection import ATC up to the limit as if all available LSS and ILRAS loads are in service. Refer to OPP 304 and OPP 312 . Notify BCTC if there is a change to the posted import ATC limit. If additional ATC is available, then issue the following message in ADAMS to all participants: "Import ATC on the Alberta-BC interconnection has been increased for the current hour. Valid e-tags submitted for import energy that have not been dispatched will be approved by the SC up to the ATC limit."	↑ Post the Alberta-BC interconnection import ATC to the limit that reflects the available LSS and ILRAS loads.
25.	↓ Issue directives to curtail all remaining LSS loads. Check the telemetered LSS volumes on Ranger display 6975/HIMP and curtail LSS load if the volume is non-zero. Refer to confidential appendix in OPP 312 for LSS contact information.	↑ Cancel load curtailments directives issued to LSS loads.
26.	↓ Dispatch on external supplemental and external spinning reserves with standby supply types that are offered into the ancillary service merit order, to an amount no greater than the difference between the net interchange schedule on the Alberta-BC interconnection and the posted ATC import limit.	↑ Dispatch off external supplemental and excess external spinning reserves with standby supply types.
27.	↓ If external supplemental and spinning reserves were dispatched, then issue an ancillary service directive(s) for external supplemental and excess external spinning reserves to increase the net interchange schedule on the Alberta-BC interconnection to a level not greater than the posted import ATC limit.	↑ Cancel the ancillary service directive for external spinning and external supplemental reserves.
28.	↓ Issue ancillary service directives for spinning reserves. a. Request the VRC to declare an Energy Emergency Alert 2 for the Alberta balancing authority. b. If the VRC agrees to the request, then follow procedures in OPP 802 to issue an Energy Emergency Alert 2 and make the required notifications.	↑ Cancel the ancillary service directive for spinning reserves. a. Request the VRC to downgrade the alert for the AIES to an Energy Emergency Alert 1. b. If the VRC agrees to the request, then follow procedures in OPP 802 to issue an Energy Emergency Alert 1 and make the required notifications.
29.	↓ If there is available capacity (i.e., surplus ATC) on the interconnections, request emergency energy from BCTC and SaskPower. Follow the procedures in OPP 803 and OPP 807 .	↑ Terminate emergency energy from SaskPower and BCTC.

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Step	Supply Shortfall Management Instructions		Return to Normal Instructions	
30.	↓	Issue a firm load directive to curtail load. Refer to OPP 802 . a. Request the VRC to declare an Energy Emergency Alert 3 for the Alberta balancing authority. b. If the VRC agrees to the request, then follow procedures in OPP 802 to issue an Energy Emergency Alert 3 and make the required notifications. c. If 100 MW or more of firm load was curtailed, complete and submit a NERC Preliminary Disturbance Report within 24 hours.	↑	Restore firm load by following the procedures in OPP 802 . a. Request the VRC to downgrade the alert for the AIES to an Energy Emergency Alert 2. b. If the VRC agrees to the request, then follow procedures in OPP 802 to issue an Energy Emergency Alert 2 and make the required notifications.

The following tables contain confidential information.

To view the tables, click the link below and then provide the password.

[View OPP 801 tables](#)

Table 2

3% Distribution voltage reduction

Confidential – see link above for access

Table 3

Gross MW levels permitted above MAM

Confidential – see link above for access

Table 4

Non-essential station service loads

Confidential – see link above for access

Table 5

Voluntary Load Curtailment Program (VLCP) loads

Confidential – see link above for access

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7. Revision History

Issued	Description
2010-03-03	Supersedes 2009-02-19
2009-02-19	Supersedes 2008-11-13
2008-11-13	Supersedes 2008-05-30
2007-12-03	Supersedes 2007-03-15
2007-03-15	Approved for interim implementation; supersedes 2007-01-17
2007-01-17	Approved for interim implementation; supersedes 2006-12-15
2006-12-15	Approved for interim implementation; supersedes 2005-07-27
2005-07-27	Supersedes 2005-03-30
2005-03-30	Supersedes 2004-12-22
2004-12-22	Approved for interim implementation 2004-12-21; supersedes 2004-03-03
2004-03-03	Supersedes 2003-07-28
2003-07-28	Revised to ISO Operating Policies and Procedures