

## Draft Version

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### **Terms and definitions to be added for use in the Capacity Market ISO rules: “avoidable costs”**

means the costs that are not incurred if an asset was temporarily delisted for the **obligation period** or a portion of the **obligation period**.

“**base auction**” means the first auction for **capacity** for an **obligation period**.

“**capacity**” as defined in the **Act**, with respect to the capacity market means the ability to supply electric energy or reduce electric energy consumption as measured in MW.

“**capacity block**” means 1 of the price and quantity pairs the **ISO** allocates to an asset for a **base auction** or **rebalancing auction** for the purposes of submitting an **offer** or **bid** in the capacity market.

“**capacity commitment**” means an obligation to deliver, during an **obligation period**, a volume of electric energy expressed as a positive integer, corresponding to the volume of **capacity** that cleared in a **base auction** or a **rebalancing auction** net of a **bid** that cleared in a **rebalancing auction**.

“**capacity market participant**” means a **person** registered with the **ISO** to transact **capacity** in the capacity market in accordance with Section 201.10 of the **ISO rules**, *Capacity Market Participant Registration*.

“**capacity payment**” means the monthly payment owed to a **capacity market participant** in respect of an asset based on the **uniform capacity value** cleared and the clearing prices of the **base auction** and **rebalancing auction** for an **obligation period**, calculated in accordance with Section 103.10 of the **ISO rules**, *Capacity Payment Calculation*.

“**delist outage**” means a derate or an outage for a **source asset** or load **sink asset** associated with a temporary delist referred to in Section 206.9 of the **ISO rules**, *Delisting*.

[Note, the defined term “delist outage” was posted with the EAS definitions as well]

“**electricity market participant**” as defined in the **Act**, means

- (i) any person that supplies, generates, transmits, distributes, trades, exchanges, purchases or sells electricity, electric energy, electricity services or ancillary services, or
- (ii) any broker, brokerage or forward exchange that trades or facilitates the trading of electricity, electric energy, electricity services or ancillary services.

“**firm consumption level**” means a reduction in consumption of electric energy to a maximum volume that is provided by a load asset during an **obligation period**.

“**guaranteed load reduction**” means a reduction in consumption of electric energy by a volume that is provided by a load asset during an **obligation period**.

“**long-term firm transmission**” means transmission service to the Alberta Border from a neighbouring jurisdiction that:

- (i) has the highest transmission service reservation priority over the applicable **intertie** relative to other types of transmission service reservations; and

- (ii) is for a term of 1 or more years.

“**measurement point**” means, for the purpose of financial settlement with the ISO, either:

- (iii) a real measurement point where active energy and reactive energy are physically measured; or
- (iv) a virtual measurement point where active energy and reactive energy are deemed to have been measured from an algorithmical manipulation of the active energy and reactive energy interval data of 1 or more real measurement points.

“**new capacity**” means **capacity** from an asset:

- (i) that has not completed energization or **commissioning** prior to a **base auction** or **rebalancing auction** and has not cleared a previous **base auction** or **rebalancing auction**;
- (ii) in the case of a **generating unit** or **aggregated generating facility**, that has completed energization and **commissioning** after November 1, 2019 and has not cleared a **base auction** or **rebalancing auction**;
- (iii) in the case of an asset that was permanently delisted and re-entered the market, has been designated by the **ISO** in accordance with Section 206.1 of the **ISO rules**, *Qualification of Capacity*;
- (iv) in the case of an import asset or load asset, that has not cleared in a previous **base auction** or **rebalancing auction**.

“**obligation period**” means a 12-month period running continuously from November 1 to, and including, October 31 of the following year.

“**rebalancing auction**” means an auction for **capacity** conducted after a **base auction** for the same **obligation period**.

“**resource adequacy standard**” means the minimum level of expected unserved energy established by Government of Alberta in regulation.

“**transmission market constraint**” means an exceedance of a reliability limit on 1 or more **system elements** of the **transmission system**, where:

- (i) the **ISO** must take action to prevent or mitigate the exceedance; and
- (ii) the action results in an impact to the normal economic merit operation of generation, load, or **interchange transactions**,

excluding a circumstance where the capability limits referenced in Section 303.2 of the **ISO rules**, *Available Transfer Capability* are exceeded.

[Note, the defined term “transmission market constraint” was posted with the EAS definitions as well]

“**uniform capacity value**” means a fungible measure in MW, expressed as a positive integer, of an asset’s ability to provide **capacity** calculated in accordance with Section 206.3 of the **ISO rules**, *Uniform Capacity Value Determination*.