

**Terms and definitions to be amended for use in the Energy Market ISO rules:**

“**acceptable operational reason**” means, any ~~one~~ (1) or more of the following:

- (i) a circumstance related to the operation of a generating **source asset** ~~or load sink asset~~ which if it operated could reasonably be expected to affect the safety of the ~~source~~ asset, the environment, personnel working at the ~~source~~ asset or the public;
- (ii) re-positioning a generating **source asset** ~~assets or load sink asset~~, within the energy market due to the need to meet a **dispatch** given to that ~~source~~ asset from the **ISO** to serve the stand-by **operating reserves** market;
- (iii) re-positioning a generating **source asset** ~~or load sink asset~~ within the energy market to manage physical or operational constraints associated with the ~~source~~ asset;
- (iv) re-positioning a **pool asset** that is an import asset or an export asset within the energy market ~~to manage physical or operational constraints associated with an interconnection or a neighbouring balancing authority; if all or a portion of the requested transmission service cannot be procured, or the transmission service is curtailed by any transmission service provider other than the ISO~~
- (v) a circumstance directly resulting in the generating **source asset** ~~or load sink asset~~ not being capable of operation, which circumstance was solely caused by an occurrence of **force majeure**; ~~or~~
- (vi) re-positioning a generating **source asset** for electric energy that is:
  - (a) produced on the property of which a **person** is the owner or a tenant; and
  - (b) consumed solely by that **person** and solely on that property;
- (vii) re-positioning a generating **source asset** within the energy market in response to:
  - (a) a distribution constraint that causes a limitation to the normal economic merit operation of the generating **source asset**, or to the flow of electrical energy from the generating **source asset** from one part of the **electric distribution system** or an electric system within the service area of the City of Medicine Hat to the other; or
  - (b) a transmission outage that results in the generating **source asset** being electrically disconnected from the **transmission system** or an electric system within the service area of the City of Medicine Hat; or
- (viii) re-positioning a load **sink asset** within the energy market to reflect a **capacity commitment**.

“**adequacy**” means the ability of the **interconnected electric system** to supply the aggregate electrical demand and energy requirements of **market participants** receiving **system access service**, taking into account ~~delist outages, planned outages~~ and reasonably expected **delayed forced outages** and **automatic forced outages** of **system elements**.

“**allowable dispatch variance**” means:

- (i) for each generating **source asset**, other than a wind or solar **aggregated generating facility**, as measured from the **dispatch** quantity: ~~plus or minus the **dispatch tolerance**, in MW;~~
  - ~~(a) plus or minus five (5) MW for a generating **source asset** with a **maximum capability** of two hundred (200) MW or less; or~~
  - ~~(b) plus or minus ten (10) MW for a generating **source asset** with a **maximum capability** of greater than two hundred (200) MW;~~

- (ii) for each wind or solar **aggregated generating facility** ~~with a maximum capability of two hundred (200) MW or less:~~
  - a) ~~five (5) MW~~ the dispatch tolerance, in MW, greater than the **dispatch** quantity, and ~~five (5) MW~~ the dispatch tolerance, in MW, less than the potential **real power** capability, if the potential **real power** capability is less than the **dispatch** quantity; or
  - b) plus or minus ~~five (5)~~ the dispatch tolerance, in MW, from the **dispatch** ~~quantity,~~ if the potential **real power** capability is greater than or equal to the **dispatch quantity**; ~~and~~
- (iii) for each ~~wind or solar aggregated generating facility with~~ **load sink asset** that is providing a ~~maximum capability of~~ **firm consumption level**:
  - a) that receives a dispatch for 0 MW, there is no limit on consumption; or
  - a) b) that receives a dispatch for greater than two hundred (200) 0 MW, as measured between:
    - i. ten (10) the qualified baseline minus the dispatch quantity plus the dispatch tolerance, and
    - ii. 0 MW.
- (iv) for each **load sink asset** providing **guaranteed load reduction**:
  - a) that receives a dispatch for 0 MW, measured as no less than the available capability; or
  - b) that receives a dispatch that is greater than the dispatch quantity and ten (10) MW less than the potential 0 MW, as measured between:
    - i. the instantaneous amount of real power of the pool asset at the time of the dispatch plus the change in dispatch volume, plus the dispatch tolerance; and
    - ii. the available capability, if the potential real power capability is less than minus the dispatch quantity; or volume.
  - c) ~~plus or minus ten (10) MW from the dispatch quantity, if the potential real power capability is greater than or equal to the dispatch quantity.~~

“available capability” means:

- (i) for a generating **source asset** or load sink asset, the maximum MW that the **source asset** or load sink asset is physically capable of providing; or
- (ii) for an import **source asset**, the MW that the **pool participant** submits in an **offer**.

“bid” means:

- (i) in respect of a **pool asset** in a **settlement interval**, a **pool participant** submission to purchase:
  - (i) ~~a)~~ electric energy and includes all of the operating blocks the pool participant uses for that submission; or
  - (ii) operating reserves from applicable Alberta markets; or
- (ii) in respect of an asset in a rebalancing auction, a capacity market participant’s submission to buy back all or a portion of its capacity commitment, and includes all of the capacity blocks the capacity market participant uses for that submission.

“constraint effective factor” means a ratio, based on the results of load flow studies conducted by the ISO, of the change in the flow of electric energy through a **transmission market constraint** to a change in energy production, energy consumption or an electric energy flow across an **interconnection**.

“**downstream constraint side**” means, in relation to the transmission elements that comprise the **transmission market constraint**, those elements of the **interconnected electric system** more proximate to the load or consumption side of the **transmission market constraint** than to the supply side of the **transmission market constraint**.

“**flexible block**” means:

- (i) an **operating block** in an energy **offer or bid** for which the **ISO** may issue a **dispatch** for full or partial ~~amounts of MW;~~ or
- (ii) a **capacity block** in an **offer or bid** for **capacity** that the **ISO** may partially or fully clear in a **base auction or rebalancing auction**.

“**incremental generation costs**” means, where the **ISO** has issued a **directive**:

- (i) for energy from a **long lead time asset**; or
- (ii) to cancel, in the case of a generating **source asset**, any one (1) or more of a **planned outage**, a **delist outage**, a **delayed forced outage** or an **automatic forced outage**, requiring that a **long lead time asset** or a generating **source asset**, be made available to, or to actually, operate, exchange electric energy or provide **ancillary services**, those reasonable costs incurred that are reasonably attributed to compliance with the **directive** and which would have been avoided but for the **directive**, and include:
- (iii) in the case of compliance with a **directive** for energy from a **long lead time asset**:
  - (a) the actual costs of all variable charges from Rate STS of the **ISO tariff**, including any applicable **loss factors** charge or credit;
  - (b) variable operational and maintenance charges;
  - (c) fuel costs to start and run the **long lead time asset** or the generating **source asset**; and
  - (d) other related reasonable costs;
- (iv) in the case of compliance with a **directive** canceling a **planned outage**, a **delist outage**, a **delayed forced outage** or an **automatic forced outage** for a generating **source asset**, those costs incurred:
  - (a) to plan, prepare for and execute the outage, from initial planning and inception to the date of the **directive** canceling the outage;
  - (b) subsequent to the date of the **directive** cancelling the outage and in accordance with **good electric industry practice**;
  - (c) for re-scheduling personnel, equipment and other materials required for the performance of the work originally to be completed or performed pursuant to the cancelled outage;
  - (d) in the form of verified damages or liquidated claims dollar amounts or claimed by third parties pursuant or related to:
    - (A) any third party contract terms and conditions for performing repair, retrofit, upgrade or maintenance work on or directly related to the **source asset** during the outage, which third party work has been cancelled or otherwise cannot be performed due to the outage cancellation; and
    - (B) any third party market or hedging transactions directly related to participation in the energy or **ancillary services** market by the **source asset** which is the subject of the **directive**; and
  - (e) as other related reasonable costs.

“inflexible block” means:

- (i) an **operating block** in an energy **offer or bid** for which the **ISO** may issue a **dispatch** for only the full amount of MW in the **operating block**; or
- (ii) a **capacity block** in an **offer or bid** for **capacity** that the **ISO** may not partially clear in a **base auction or rebalancing auction**.

“maximum capability” means:

- (i) for a **generating unit** or **aggregated generating facility**, the maximum MW that it is physically capable of providing under optimal operating conditions while complying with all applicable **ISO rules** and terms and conditions of the **ISO tariff**; ~~or~~
- (ii) for a **source asset** that is an import asset, the ~~available capability~~ maximum MW that it is permitted to import into Alberta; or
- (iii) for a load **sink asset**, the **capacity** that a load **sink asset** is capable of providing during an **obligation period**.

“offer” means:

- (i) in respect of a **pool asset** in a **settlement interval**, a **pool participant** submission to sell, updated to reflect Section 203.5 of the **ISO rules**, *Energy Market Mitigation*, as applicable:

  - (i)a) electric energy or **dispatch down service** and includes all of the **operating blocks** the **pool participant** uses for that submission; or
  - (i)b) **operating reserves** to applicable Alberta markets; or

- (ii) in respect of an asset in a **base auction or rebalancing auction**, a **capacity market participant’s** submission to sell **uniform capacity value** and includes all of the **capacity blocks** the **capacity market participant** uses for that submission;

“offer control information” means the identity of any ~~market participant~~ person who has ultimate control and determination of the price and quantity of **offers** or **bids** as applicable.

“operational deviation” means:

- (i) a generating **source asset** or load sink asset is unable to comply with the ramping requirements set out in ~~section 4 of subsection~~ Section 203.4 of the **ISO rules**, *Delivery Requirements for Energy*, or
- (ii) a generating **source asset** or load sink asset operating in ~~generating asset~~ steady state varies outside its **allowable dispatch variance**, due to **force majeure** or any other circumstances related to the operation of the generating **source asset** or load sink asset which could reasonably be expected to affect the **available capability** or safety of the generating **source asset**, load sink asset, third party facilities, contracts or arrangements, the environment, personnel working at the generating **source asset**, load sink asset or the public.

“planned outage” means the full or partial unavailability of a facility which is anticipated as part of a **legal owner’s** regular maintenance, including for the purposes of construction, **commissioning** or testing, and occurs as a result of a deliberate manual action, but excludes a **delist outage**.

“ramp rate” means the rate at which a **pool asset** is able to change its level of production or consumption, in MW per minute, in response to a **dispatch** or **directive**.

“**ramping**” means changing the production of a generating **source asset** or consumption of a load sink asset, and begins at the effective time specified in the most current **dispatch** and continues until the time the generating source asset or load sink asset has reached the MW specified in the **dispatch**, plus or minus the **allowable dispatch variance** for that generating source asset or load sink asset.

“**generating asset steady state**” means the state of operation that begins the first **10 minute clock period** following the period in which a generating **source asset**’s output or a load sink asset’s consumption has reached the MW specified in an energy market **dispatch**, plus or minus the **allowable dispatch variance** for that generating **source asset** or load sink asset.

“**transmission constraint rebalancing**” means the delivery of energy from a **pool asset** on the **downstream constraint side** of a **transmission market constraint** in response to that portion of an energy market **dispatch** it receives to restore the energy balance on the **interconnected electric system** due to measures taken to mitigate a **transmission market constraint**.

“**upstream constraint side**” means, in relation to the transmission elements that comprise the **transmission market constraint**, those elements of the **interconnected electric system** more proximate to the supply side of the **transmission market constraint** than to the load or consumption side of the **transmission market constraint**.

#### **Terms and definitions to be added for use in the Energy Market ISO rules:**

“**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*.

“**dispatch tolerance**” means:

- (i) 1 MW for each **pool asset** with a **maximum capability** less than 5 MW;
- (ii) 5 MW for each **pool asset** with a **maximum capability** greater than or equal to 5 MW and less than or equal to 200 MW; or
- (iii) 10 MW for each **pool asset** with a **maximum capability** greater than 200 MW.

“**supply obligation**” means a **person’s** fixed price physical and financial obligations in a **settlement interval**, in MW, that have the net effect of reducing the **person’s** exposure to the **pool price** by the amount of the obligation in that **settlement interval**.

“**transmission market constraint**” means an exceedance of a reliability limit on 1 or more 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.

**Terms and definitions to be removed for use in the Energy Market ISO rules:**

“**transmission constraint**” means a limitation imposed by one (1) or more transmission elements to normal economic merit operation of generation, load and **interchange transactions** or to the flow of electrical energy from one part of the **interconnected electric system** to the other.

[replaced with “**transmission market constraint**”]

“**long term adequacy (LTA)**” means the ability of future electric system energy supply to meet expected aggregate electrical demand requirements over several years.

[replaced with **resource adequacy standard**]