

# ISO Rules

## Part 200 Markets

### Division 204 Operating Reserves Market

#### Section 204.2 Issuing Dispatches for Dispatch Down Service



**External Consultation Draft**  
**October 22, 2018**

#### Applicability

1 Section 204.2 applies to:

- (a) the **ISO**

when procuring **dispatch down service**.

#### Requirements

##### Eligibility

2 The **ISO** must not issue a **dispatch** for **dispatch down service** to a **source asset** if:

- (a) **transmission must-run** is already in use in the area in which the **source asset** is located unless such **transmission must-run** is in use solely for voltage and reactive support;
- (b) the **dispatch** would cause **transmission must-run** to be required in the area in which the **source asset** is located; or
- (c) the **dispatch** would be in an area where ~~one~~(1) or more **source assets** have been constrained down, meaning they have received **directives** to reduce production to a lower MW output than the **in merit** MW output level.

#### Conditions for Dispatch Down Service

3(1) The **ISO** must issue a **dispatch** instructing a **source asset** to reduce energy delivery for any **operating block** that is **in merit** if that **source asset** is the subject of an **offer for dispatch down service** which is eligible to receive a **dispatch** under subsection 2 and ~~one~~(1) or both of the following conditions exist:

- (a) with respect to a **dispatch** for the provision of **dispatch down service** that is issued in response to **transmission must-run** conditions:
  - (i) the system marginal price is less than or equal to the **transmission must-run** reference price;
  - (ii) a **source asset** has received a **dispatch** or **directive** for **transmission must-run**; and
  - (iii) the calculation in subsection 5(1) results in a positive number;
- (b) with respect to a **dispatch** for the provision of **dispatch down service** that is issued in response to a **directive** for energy from a **long lead time asset**:
  - (i) a **pool participant** has received a **directive** for energy from a **long lead time asset**;
  - (ii) a **long lead time asset** is delivering its energy in accordance with such **directive**; and
  - (iii) **dispatches** have not been issued for all of the **operating blocks** that are **in merit** in the energy market for the current **settlement interval**.

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#### Equally-Priced with the Transmission Must-Run Reference Price

**4** The ISO must, if an **operating block** in an **offer** or **bid** for MW in the energy market is priced equally with the transmission must-run reference price, consider such energy **operating block** to be **in merit** before issuing **dispatches** for **dispatch down service**.

#### MW in Response to a Transmission Must-Run Condition

**5(1)** The ISO must calculate the MW to include in a **dispatch** for the provision of **dispatch down service** that is issued in response to a **transmission must-run** condition as follows:

MW of out of merit energy for **transmission must-run**;

plus

MW of out of merit energy issued a **directive** for energy from a **long lead time asset**;

minus

MW of energy included in a **directive** instructing the **source asset** to reduce energy production.

**(2)** Notwithstanding subsection 5(1), the ISO must not deduct the quantity of energy included in a **directive** instructing a **source asset** to reduce energy production if the system is in a state of **supply surplus**.

#### MW in Response to a Directive for Energy from a Long Lead Time Asset

**6** The ISO must calculate the MW to include in a **dispatch** for the provision of **dispatch down service** that is issued in response to a **directive** for energy from a **long lead time asset** as follows:

MW of out of merit energy issued a **directive** for energy from a **long lead time asset**;

minus

MW in a constrained down **directive**.

#### Issuing Dispatches for Lesser Quantities of Dispatch Down Service

**7** Notwithstanding subsections 5 and 6, the ISO may issue a **dispatch** for **dispatch down service** in a quantity less than the MW determined in such subsections during the following periods:

- (a) the period of time from when the ISO has issued **dispatches** for **operating blocks** with **offer** prices up to the transmission must-run reference price, instructing **source assets** to terminate the provision of **dispatch down service** but prior to issuing **dispatches** for **operating blocks** that are greater than the transmission must-run reference price; and
- (b) the period of time from when the ISO has issued **dispatches** for **operating blocks** with **offer** prices down to the transmission must-run reference price instructing **source assets** to provide **dispatch down service**.

#### Terminating Dispatch Down Service

**8(1)** The ISO must, in the case of a **source asset** that has received a **dispatch** for termination of the provision of **dispatch down service** in response to a **transmission must-run** condition, issue a

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**dispatch** instructing the **source asset** to deliver energy prior to issuing a **dispatch** for any **operating block** with an **offer** price that is greater than the **transmission must-run** reference price.

(2) The **ISO** must, in the case of a **source asset** that has received a **dispatch** for termination of the provision of **dispatch down service** in response to a **directive** for energy from a **long lead time asset**, issue a **dispatch** instructing the **source asset** to deliver energy following the issuance of a **dispatch** for the highest priced **operating block** that is **in merit** for the current **settlement interval**.

#### Revision History

Effective	Description
<del>2013-01-08</del> <del>xxxx-xx-xx</del>	<del>Initial release</del> Amended to include transmission must-run before reference price.
2014-03-27	Amended subsection 2(a) and 3(1)(a)(iii) to correct inadvertent errors made during the Transition of Authoritative Document project.
<del>2013-01-08</del>	<del>Initial release</del>