

## Set 1 and Set 2 Capacity Market Terms and Definitions

### Set 2 Terms and definitions to be added for use in the Capacity 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*.

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

“**firm consumption level**” means that a load asset will consume a maximum volume of energy in MW during supply shortfall in an **obligation period**.

“**guaranteed load reduction**” means that a load asset will reduce consumption by a volume of energy in MW.

“**uniform capacity value**” means a uniform measure, in MW, of an asset’s ability to provide **capacity**.

“**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) 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]

### Set 1 Terms and definitions to be added for use in the Capacity Market ISO rules:

“**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 one 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 an **offer** that has cleared in a **base auction** or a **rebalancing auction**.

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

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

- (i) any person that supplies, generates, transmits, distributed, 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.

~~“**incremental capacity**” means additional **capacity** that will result from retrofitting an asset in a manner that will increase the **maximum capability** of the asset, where the retrofit has not been completed.~~

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

- (i) that has not had an **offer** clear in a **base auction** or **rebalancing auction**; and
- (ii) in the case of a **generating unit** or **aggregated generating facility**, that has not completed energization and **commissioning** prior to the **obligation period**.

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

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

~~“**refurbished capacity**” means **capacity** from an asset that will undergo retrofitting, where such retrofit has not been completed and will result in either:~~

- ~~(i) additional **capacity** that will significantly increase the **maximum capability** of the asset; or~~
- ~~(ii) significant monetary investment for the retrofit.~~