

# ISO Rules

## Part 200 Markets

### Division 202 Non-Routine Market Conditions

#### Section 202.2 Short-Term Adequacy and Supply Shortfall



#### Applicability

- 1 Section 202.2 applies to:
  - (a) a **pool participant**;
  - (b) the **legal owner** of an **electric distribution system**; and
  - (b) the **ISO**.

#### Requirements

##### Short Term Adequacy Determinations and Supply Shortfall

2 If the **ISO** forecasts that the **interconnected electric system** will experience a state of supply shortfall, as evidenced by the **firm load** and minimum **regulating reserves** requirement exceeding the available supply and determined in accordance with the short term **adequacy** assessment conducted pursuant to subsection 3 of section 202.6 of the **ISO rules**, *Adequacy of Supply*, then the **ISO** must manage the state of supply shortfall in accordance with the provisions set out in subsections 3, 4 and 5 below.

##### Managing Supply Shortfall

- 3(1) The **ISO** must, if it forecasts a state of supply shortfall, issue a message to **pool participants** warning of an upcoming state of supply shortfall.
- (2) The **ISO** must, if a state of supply shortfall persists after issuing the message in subsection 3(1), attempt to manage the state of supply shortfall by issuing **directives** which may include **directives**:
  - (a) instructing available generating **source assets** to deliver energy, including **long lead time assets**;
  - (b) curtailing **demand opportunity service**; and
  - (c) maximizing the import capability of the **interties**.
- (3) The **ISO** must not issue a **directive** instructing a **long lead time asset** to start if the required start-up time of the **long lead time asset** is greater than the time the supply shortfall condition is expected to last.
- (4) The **ISO** must, once the **short term adequacy** assessment referred to in subsection 2 indicates there is an adequate supply of energy to meet **firm load** and minimum **regulating reserves** in subsequent **settlement intervals**, cancel **directives** that instructed **long lead time assets** to start.

##### Operating Exceptions During Supply Shortfall

- 4(1) The **ISO** may, during a state of supply shortfall, issue a **directive** to a **pool participant** instructing it to provide energy in excess of the **maximum capability** of the **source asset**.
- (2) The **ISO** must cancel a **directive** issued under subsection 4(1) when the energy provided above **maximum capability** is no longer required.
- (3) Notwithstanding any other provision of the **ISO rules** or **reliability standards**, the **ISO** may, if required to manage a state of supply shortfall, approve valid **e-tags** submitted for the current or next

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**settlement interval** for import energy that do not have a corresponding **offer**, up to the posted **available transfer capability** limit.

#### Firm Load Shed

**5(1)** The **ISO** may, if:

- (a) a state of supply shortfall persists; and
- (b) **firm load** and minimum **regulating reserve** cannot be met after completing the procedures in subsection 3(2)

issue **directives** to some or all **legal owners** of an **electric distribution system** instructing them to shed **firm load**.

**(2)** The **ISO** must allocate the shedding of **firm load** among the **legal owners** of **electric distribution systems** on a pro rata basis.

**(3)** The **legal owner** of an **electric distribution system** must develop and maintain a plan for shedding **firm load**.

**(4)** The **legal owner** of an **electric distribution system** must ensure that its plan for shedding **firm load** takes into account the following:

- (a) shedding of industrial and large commercial loads before residential loads;
- (b) **system operating limit** violations;
- (c) the need to maintain the integrity of **remedial action schemes** and the **under frequency load shedding** scheme;
- (d) public safety and environmental impact; and
- (e) **ISO** discretion to adjust curtailments as required to account for unforeseen circumstances.

#### Revision History

Effective	Description
2013-01-08	Initial Release
2013-09-24	Updated to clarify priority of industrial and commercial loads in load shedding
2013-12-20	Updated to reflect the move of the "short term adequacy assessment" from subsection 2(2) to section 202.6 of the ISO rules.