

# ISO Rules

## Part 200 Markets

### Division 202 Non-Routine Conditions in the Markets

#### Section 202.6 Adequacy of Supply



#### Applicability

- 1 Section 202.6 applies to:
  - (a) the **ISO**.

#### Requirements

##### Supply Adequacy Forecast

- 2 The **ISO** must forecast supply **adequacy** in accordance with a prescribed methodology.

##### Real-time Adequacy Assessments

- 3 The **ISO** must assess and report on the short-term **adequacy** of supply by, at a minimum, completing a real-time **adequacy** assessment.

##### Long Term Adequacy Metrics and Reporting

- 4 The **ISO** must report on the following **long term adequacy** metrics on a quarterly basis:
  - (a) a metric listing Alberta electrical generation projects and retirements;
  - (b) a 5-year forecast reserve margin metric;
  - (c) a supply cushion metric which provides a 2-year forecast of available daily generation capacity and peak demand; and
  - (d) a 2-year probability of supply **adequacy** shortfall metric.

##### Publications and Provision of Notice

- 5(1) The AESO must publish:
  - (a) the forecasts and reports set out in subsections 2, 3, and 4; and
  - (b) details of the calculations and methodologies underlying the forecasts and reports referenced in subsection 5(1)(a).
- (2) The **ISO** must:
  - (a) give 60 **days**' notice of any proposed changes to the calculations and methodologies referenced in subsection 5(1)(b); and
  - (b) provide an opportunity for **market participants** to provide feedback on the proposed changes.

##### Long Term Adequacy Threshold Determination and Use

- 6(1) The **ISO** must, for the 2-year probability of supply **adequacy** shortfall metric model set out in subsection 4(d), use a **long term adequacy** threshold which:
  - (a) represents the equivalent impact of the probability of having a system supply shortfall occur once every 10 years; and
  - (b) is calculated as the 1 hour average **Alberta internal load** for a year divided by 5;

being the level which, if exceeded, would indicate a need for the **ISO** to consider taking preventative action.

- (2) The **ISO** must, using the 2-year probability of supply **adequacy** shortfall metric, estimate on a

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quarterly basis the expected total system MWh not served in a subsequent 2-year period.

**(3)** The **ISO** must, if the estimated total system MWh not served exceeds the **long term adequacy** threshold established at the time, undertake further studies to verify the likely cause, magnitude, and timing of the potential **adequacy** issue.

#### Long Term Adequacy Threshold Actions

**7(1)** The **ISO** may, if the **long term adequacy** threshold is exceeded and the **ISO** deems that a potential **adequacy** issue requires preventative action, procure services to address the potential **adequacy** issue, including:

- (a) load shed;
- (b) self-supply and back-up generation that would not otherwise be available to participate in the energy market; or
- (c) emergency portable generation.

**(2)** The **ISO** must, prior to procuring services in accordance with subsection 7(1), publish a report on the potential **adequacy** issues requiring preventative action.

#### Revision History

Date	Description
2023-01-01	Revised subsection 2 by adding a reference to a prescribed methodology; subsection 3 by removing the detailed calculations for short-term adequacy assessments; added requirements in subsection 5 to publish forecasts, assessments, and associated calculations and methodologies, and to provide notice of potential changes and opportunity for feedback; added a requirement in subsection 7 to publish a report on potential adequacy issues requiring preventative action; and other minor administrative amendments, including amendments to align with the AESOs drafting principles
2018-09-01	Revised references to “wind aggregated generating facilities” to “aggregated generating facilities”; replaced “wind” with “wind and solar generation”; administrative revisions.
2014-10-01	Amendment to the short term adequacy assessments calculation to include the ISO’s spinning reserve requirement.
2013-12-20	Initial release