



Market Rule Amendment Proposal

PART 1 – MARKET RULE INFORMATION

Identification No.:	MR-00397-R00		
Subject:	Reliability Standards		
Title:	Identification of Reliability Standards		
Nature of Proposal:	<input checked="" type="checkbox"/> Alteration	<input type="checkbox"/> Deletion	<input type="checkbox"/> Addition
Chapter:	5	Appendix:	N/A
Sections:	3.2		
Sub-sections proposed for amending:	3.2.5, 3.2.6, 3.2.7		

PART 2 – PROPOSAL HISTORY

Version	Reason for Issuing	Version Date
1.0	Draft for Technical Panel Review	September 11, 2012
2.0	Publish for Stakeholder Review and Comment	September 20, 2012
3.0	Submitted for Technical Panel Vote	October 11, 2012
4.0	Recommended by Technical Panel; Submitted for IESO Board Approval	October 16, 2012
5.0	Approved by IESO Board	November 29, 2012
Approved Amendment Publication Date:		November 29, 2012
Approved Amendment Effective Date:		December 21, 2012

PART 3 – EXPLANATION FOR PROPOSED AMENDMENT

Provide a brief description of the following:

- The reason for the proposed amendment and the impact on the *IESO-administered markets* if the amendment is not made.
- Alternative solutions considered.
- The proposed amendment, how the amendment addresses the above reason and impact of the proposed amendment on the *IESO-administered markets*.

Summary

It is proposed to modify the market rules to align the Identification of Reliability Standards with a process established by the IESO which provides market participants the ability to retrieve applicable reliability standards on a continual basis.

Background

Refer to MR-00397-Q00

Discussion

In 2012, the IESO updated the process for identifying reliability standards applicable to market participants. The process provides market participants with the ability to retrieve reliability standards that are applicable to them based on the facilities they own or operate, the functions they perform, and other attributes that make facilities or functions performed material to the reliability of the bulk power system. To facilitate this process the IESO has:

- Developed the “Applicability Criteria for Compliance with NERC Reliability Standards and NPCC Criteria;”
- Updated the mapping between Ontario market participant classes definitions and the NERC Functional Model Entity;
- Created a spreadsheet based mapping tool to assist market participants in obtaining a list of the standard requirements that apply to them based on the facilities they own or operate, the functions they perform, and other key attributes; and
- Produced the Bulk Electric System list to identify those market participants and associated facilities that are subject to compliance with NERC reliability standards and NPCC criteria.

Access to the above material can be found on the IESO website, [Ontario Reliability Compliance Program](#).

Market rule amendments are required to align a process established by the IESO with the Identification of Reliability Standards section outlined in chapter 5 of the market rules. The market rule amendments

PART 3 – EXPLANATION FOR PROPOSED AMENDMENT

will obligate the IESO to maintain the spreadsheet based mapping tool and enable the IESO to provide market participants that are subject to compliance¹ the ability to retrieve the applicable NERC Reliability Standards and NPCC Criteria based on the applicability criteria for compliance. Market participants can now utilize the newly developed spreadsheet based mapping tool to retrieve an up-to-date listing of the standards that apply to them. In turn the amendment will also remove the obligation for the IESO to consult with each market participant which is a process that is considered too onerous for the Reliability Compliance and Support group and is not consistent with best practices in other jurisdictions.

Key elements to the proposed market rule amendment are listed below:

Section 3.2.5 – The IESO will be obligated to maintain the spreadsheet based mapping tool and provide market participants the ability to retrieve the standard requirements that apply to them based on the applicability criteria. The applicability criteria is posted on the IESO website and the IESO intends to incorporate the criteria into Market Manual 2.19 “Applicability Criteria for Compliance with NERC Reliability Standards and NPCC Criteria”. The IESO will determine applicability for those market participants based on the facilities they own or operate, the functions they perform and any other attributes that affect applicability.

Sections 3.2.6 – The IESO will be obligated to inform market participants and to update the spreadsheet based mapping tool when any new or amended reliability standards come into effect. The IESO will provide market participants the ability to retrieve the new or amended reliability standards that are applicable to their elements or facilities.

Section 3.2.7 – There will be no changes made to section 3.2.7. This enables market participants to request a review of the IESO’s determination in section 3.2.5 and 3.2.6.

PART 4 – PROPOSED AMENDMENT

Chapter 5

3. Obligations and Responsibilities

Identification of Reliability Standards

3.2.5 The IESO shall, ~~in consultation with each market participant, advise the~~ maintain a mapping containing reliability standards applicable to each class of market participants, as per the applicability criteria, and provide market participants with

¹ [Applicability Criteria for Compliance with NERC Reliability Standards and NPCC Criteria](#)

- ~~the ability to retrieve of those~~ *reliability standards'* obligations or requirements that the *IESO* determines apply to that *market participant* ~~as of the date of the assessment~~. The *IESO* may revise its applicability determination under this section at any time on notice to the *market participant*. If required, the *IESO* shall consult with market participants to finalize reliability standards' obligations or requirements that apply to a market participant.
- 3.2.6 ~~The *IESO* shall inform market participants~~ When an amendment to a reliability standard is amended or a new reliability standard comes will come into effect in Ontario, the *IESO* shall, and update the mapping containing reliability standards applicable to each class of market participants to provide in consultation with each market participants with the ability to retrieve, advise the market participant ~~of the new or amended reliability standards' obligations or requirements that the *IESO* determines apply to that market participant as of the date of the assessment.~~ The *IESO* may revise its applicability determination under this section at any time on notice to the *market participant*.
- 3.2.7 A *market participant* may request the *IESO* review a determination under section 3.2.5 or 3.2.6 with respect to that *market participant*. The *IESO* shall, following consideration of any representations made by the *market participant*, determine whether the *reliability standards'* obligations or requirements apply to that *market participant*.

PART 5 – IESO BOARD DECISION RATIONALE

This amendment aligns the Identification of Reliability Standards with a process established by the IESO which provides market participants the ability to retrieve applicable reliability standards on a continual basis.