

# New Coding Scenario

Inter-Jurisdictional Trading Standing Committee  
November 10, 2009



- Recently the IESO has encountered a situation on the interties that was not considered in the original base cases for Intertie Coding
  - discussed through the Intertie Trading Standing Committee meetings on March 29<sup>th</sup> and June 1 2004.  
([http://www.ieso.ca/imoweb/consult/intertieTrading\\_sub.asp](http://www.ieso.ca/imoweb/consult/intertieTrading_sub.asp),  
[http://www.ieso.ca/imowebpub/200405/intertieTrading\\_2004Mar29\\_ISChangesTreatment.pdf](http://www.ieso.ca/imowebpub/200405/intertieTrading_2004Mar29_ISChangesTreatment.pdf))
- The major decision point in intertie coding is – If the pre-dispatch schedule knew about the curtailment and could be re-run what the outcome be considering only the practicality of what actions would be possible at the time.

# External curtailment causes an intertie limit violation

- An external entity curtails a transaction or a transaction fails due to participant behaviour, the IESO removes the transaction from the schedule and codes the transaction with TLRe, MrNh or OTH
- The curtailment of this transaction causes the intertie limit to be violated.
- The IESO will take immediate action to relieve the violation
  - on all interties (except Quebec) we are unable to constrain on another transaction and therefore must curtail a transaction
- This further transaction will be coded using TLRe

- *Principle 1* - The IESO will only intervene to alter PD generated transaction schedules for a given dispatch hour if:
  - in the IESO's opinion, as a result of changing conditions, the RT schedules will not have sufficient resources available to maintain the reliable operation of the IESO controlled grid; or
  - consistent with interconnection agreements and industry policy, requested to do so by another control area or reliability coordinator.
- Yes. IESO assesses that Real Time resources are not sufficient to maintain reliable operation. In this situation only an intertie transaction can maintain reliable operation

- *Principle 2* - IESO manual changes shall be consistent with the changes that would have occurred if the hour-ahead pre-dispatch sequences recognized the reliability concern.
- Yes. If PD sequence had known about the external problem before hour-ahead PD run, the bid or offer for the externally curtailed transaction would have been removed and the second transaction would not have been scheduled in either schedule due to the scheduling limits.

- *Principle 3* - To the extent practicable, the IESO shall limit manual intervention to an amount equal to the difference between the change in conditions and the RT capability of available internal resources to address that change.
- Yes. To the extent practicable the IESO will curtail the equal amount of MW in the opposing direction to respect the scheduling limit.

- *Principle 4* - The IESO shall, to the extent practicable, use the economic merit order of intertie transactions as the basis for determining which transactions to manually adjust.
- Yes. To the extent practicable the IESO will curtail using economic merit order.

- *Principle 5* - IESO manual intervention shall impact the same RT/PD schedule (constrained or unconstrained) that would have had insufficient resources as a result of the changing conditions, as noted in *P1*.
- Yes. The scheduling limits are seen in both the Market and Constrained Schedules, therefore the opposing transaction would not have been scheduled in either schedule.

- *Principle 6* - The MP whose transaction is affected by the IESO manual intervention shall be eligible for the same market compensation and be subject to the same risks as if the transaction was scheduled in the hour-ahead PD.
- Yes. The transaction remains eligible for the same compensation and exposed to the same risk as if it was evaluated in PD CS and PD MS.

- Questions?