



PROCEDURE

Market Manual 4: Market Operations

Part 4.5: Market Suspension and Resumption

Issue 9.0

This procedure provides *market participants* with the information necessary to respond to market suspension, operate during the suspension and support the subsequent resumption of normal market operations.

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This *market manual* may contain a summary of a particular *market rule*. Where provided, the summary has been used because of the length of the *market rule* itself. The reader should be aware, however, that where a *market rule* is applicable, the obligation that needs to be met is as stated in the “Market Rules”. To the extent of any discrepancy or inconsistency between the provisions of a particular *market rule* and the summary, the provision of the *market rule* shall govern..

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Related Documents

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Reference (Paragraph and Section)	Description of Change
Section 1.1; Section 1.3.1; Section 1.3.2; Section 1.3.3; Section 1.4; Section 1.5; Figure 2-1; Table 3-1; Table 3-2; Appendix A; Appendix B.	<p>In accordance with MR-00253 and specifically for administrative pricing events resulting from a market suspension, establish market prices either on the basis of recent historical average market prices or on the basis of prices determined using market systems. Also, there would be no market schedule and, therefore, no congestion management settlement credits under the average pricing mechanism. Therefore, market participants can claim additional compensation if they follow dispatch instructions and they can demonstrate to the satisfaction of the IMO that the administered price does not cover their incremental costs. This provision of “10% of costs” would replace the current “margin of profit at such fixed percentage as may be <i>published</i> by the <i>IMO Board</i>”, and is intended to contribute to recovery of market participant fixed costs (e.g. capital and fixed OM&A) that are not covered by the administered prices. The amendments also include additional provisions of market suspension for contingencies in which the IMO-controlled grid breaks up into two or more electrical islands. This is a credible circumstance of market suspension not previously captured within the rules. Finally, the name of the “Market Suspension Additional Credit” form was changed to the “Additional Compensation during Administrative Pricing” form.</p>

Market Manuals

The “Market Manuals” consolidate the market procedures and associated forms, standards, and policies that define certain elements relating to the operation of the *IMO-administered markets*. Market procedures provide more detailed descriptions of the requirements for various activities than is specified in the “Market Rules”. Where there is a discrepancy between the requirements in a document within a *market manual* and the “Market Rules”, the “Market Rules” shall prevail. Standards and policies appended to, or referenced in, these procedures provide a supporting framework.

Market Procedures

The “Market Operations Manual” is Volume 4 of the “Market Manuals”, where this document forms “Part 4.5: Market Suspension and Resumption”.

A list of the other component parts of the “Market Operations Manual” is provided in “Part 4.0: Market Operations Overview”, in Section 2, “About This Manual”.

Structure of Market Procedures

Each market procedure is composed of the following sections:

1. “**Introduction**”, which contains general information about the procedure, including an overview, a description of the purpose and scope of the procedure, and information about roles and responsibilities of the parties involved in the procedure.
2. “**Procedural Work Flow**”, which contains a graphical representation of the steps and flow of information within the procedure.
3. “**Procedural Steps**”, which contains a table that describes each step and provides other detail related to each step.
4. “**Appendices**”, which may include such items as forms, standards, policies, and agreements.

Conventions

The *market manual* standard conventions are as defined in the “Market Manual Overview” document.

– End of Section –

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1. Introduction

1.1 Purpose

This procedure describes the activities undertaken by the *IMO*, including the *IMO Board*, *market participants* and other parties in response to the suspension of normal *market operations* within the *IMO-administered markets*. The procedure addresses:

- the declaration of a suspension of *market operations* and notification by the *IMO* that normal *market operations* are suspended;
- directing the operation of the *IMO-controlled grid* during market suspension;
- the subsequent resumption of normal *market operations*; and
- the production and publication of reports reviewing the events leading up to, and during, the market suspension.

1.2 Scope

This procedure is intended to provide *market participants* with a summary of the steps and interfaces between *market participants*, the *IMO*, and other parties relating to market suspension and resumption. The procedural work flows and steps described in this document serve as a roadmap and reflect the requirements set out in the “Market Rules” and applicable *IMO* policies and standards.

This procedure does not describe in detail the control actions that the *IMO* may take to operate the *IMO-controlled grid* during market suspension. See “Market Manual 7: System Operations Part 7.1” for details on actions that the *IMO* and *market participants* are required to undertake to maintain the *security* and *reliability* of the *IMO-controlled grid*.

This procedure does not address the system restoration procedures that are implemented in the event of a major blackout. See the “Ontario Power System Restoration Plan” for more details on this process.

The overview information in Section 1.3, below, is provided for context purposes only, highlighting the main actions that comprise the procedure, as set out in Section 2.

1.3 Overview of Market Suspension and Resumption

1.3.1 Declaring a Market Suspension

The *IMO* may suspend the operation of all or part of the *IMO-administered markets* where the *IMO* determines that one of the following events exists or is imminent and has substantially impaired its ability to operate the *IMO-administered markets* in accordance with the “Market Rules”:

- *market operations* cannot be continued in a normal manner due to a failure in the software, hardware or communications systems¹ that support *market operations*;
- a major blackout;
- the *IMO-controlled grid* breaks up into two or more electrical islands;
- an *emergency* situation requiring the *IMO* to evacuate its principal *control centre* and move to a backup *control centre*²; or
- a declaration of an *emergency* by the Premier of Ontario or a direction from the *Minister* to the *IMO* or to a *market participant* to implement an *emergency preparedness plan*.

However, the *IMO* shall not suspend *market operations* solely because:

- the *market price* has reached positive or negative *MMCP*; or
- some load has been *curtailed*.

The *IMO* is responsible for notifying *market participants* of a market suspension and, where possible, the expected duration of the suspension. In many cases, the market suspension will commence from the start of the next *dispatch interval* following the declaration of the market suspension by the *IMO*. This would apply where the *IMO* determines that the *market participants* have existing *dispatch instructions*, such as would be the case with a hardware, software or communications failures. The *IMO* uses System Status Reports, or other means, as appropriate, to notify *market participants* of its intention to suspend normal *market operations*.

The notification of market suspension issued by the *IMO* will detail whether the suspension will occur either immediately or at the start of the next *dispatch interval*. Where the *IMO* determines, for reasons of *reliability*³, that it is necessary to suspend *market operations*, the suspension will occur at the time that the *IMO* issues notification to *market participants*. Otherwise, market suspension will start from the next *dispatch interval* following the notification being issued by the *IMO*. The *IMO* may not declare a retroactive suspension of *market operations* as indicated in Section 13.4.3 of Chapter 7 in the “Market Rules”.

¹ This would include circumstances where a systems failure meant that a manual *dispatch* process was not viable.

² The expectation would be that an evacuation of the *control centre* would result in market suspension only where the backup *control centre* was not expected to be operational within 2 hours of the original evacuation.

³ This would also apply to major blackouts or as a result of the evacuation of the *IMO control centre*. During the interval between the evacuation and the establishment of control from the backup *control centre*, the *IMO* may hand over operational control of the *IMO-controlled grid* to an interim *emergency* system coordinator, as set out in “Market Manual 7: System Operations”.

The *IMO* will notify, as soon as practical, the *IMO Board*, the *OEB* and the relevant government authorities of a suspension of normal *market operations*. Following a suspension of *market operations*, the *IMO* will monitor the conditions which triggered the suspension of *market operations* to determine whether it is possible to resume normal *market operations*. Upon notification by the *IMO* that *market operations* have been suspended, the *IMO Board* may determine whether to continue the suspension or to resume normal *market operations* under such conditions as the *IMO Board* may specify. If the *IMO* determines that normal *market operations* can be resumed, the *IMO* notifies *market participants* of this decision, as set out in Section 1.3.3, and provide details of any special conditions that apply to the resumption of normal *market operations*.

1.3.2 System Operations during Market Suspension

After declaring a market suspension, the *IMO* will continue to operate the market and the *IMO-controlled grid* normally, to the extent practical, providing information and direction to *market participants* as required, and otherwise prescribe and apply administrative prices. The safety of personnel and equipment and the *reliability* of the *electricity system* remain the first priority of the *IMO* during market suspension.

The *IMO* provides timely information to *market participants* concerning the reasons for the suspension and efforts by the *IMO* to resume normal *market operations*, through System Status Reports. This activity is not addressed in Section 2 because it is undertaken by the *IMO* at regular intervals, as appropriate, for the duration of the market suspension.

Where normal *market operations* are suspended due to the failure of market systems, the *IMO* will seek to manage system operations through the *dispatch* process. In circumstances where administrative prices are required due to the suspension of the *real-time energy* or the *operating reserve market*, the *IMO* shall establish *market prices* either on the basis of recent historical average *market prices* or on the basis of prices determined using market systems.

See Appendix B for more details on the application of *administrative pricing*.

Depending on the duration of the market suspension, the *operating reserve* stacks may not be adequate. Under these conditions, the *IMO* may have to manually procure *operating reserve* outside ordinary market mechanisms. If under these conditions the *IMO* deems it necessary to procure any of the 3 classes of *operating reserve* outside of the ordinary market mechanisms, the *IMO* may seek to procure such *operating reserve* from those *market participants* which the *IMO* reasonably believes have adequate quantities of *operating reserve* available. Administrative pricing will be used for the manual procurement of *operating reserve* during market suspension.

Where *dispatch instructions* are not practical, the *IMO* will manage system operations through issuing market suspension advisory notices or other directions, as appropriate, to *market participants*⁴.

Where a *market participant* is unable to comply with a direction⁵ from the *IMO*, it must notify the *IMO* as soon as they become aware of the problem.

⁴ In these circumstances, the *IMO* would likely advise *market participants* of requirement to maintain current *dispatch* levels until advised otherwise.

⁵ This applies to all types of direction issued by the *IMO*, including *dispatch instructions*.

The *IMO* may compensate *market participants* for following *dispatch instructions* based on the *administrative price* established rather than on market-determined prices⁶. To the extent that the *administrative price* does not adequately compensate a *market participant* for the costs of complying with the *IMO's dispatch instructions*, the *IMO* shall provide additional compensation to the *market participant*. The *market participant* may apply for such additional credit on the "Additional Compensation during Administrative Pricing" form on the *IMO* Web site. See Appendix B for more details on this compensation regime relating to administrative pricing.

1.3.3 Market Resumption

Once the conditions that triggered the market suspension have been resolved, the *IMO* shall, subject to any decision or direction that the *IMO Board* may issue regarding suspension or resumption of *market operations*, notify *market participants* of the *dispatch hour* for which normal *market operations* will be resumed, along with any conditions that will apply to *market operations* at that time. The *IMO* will provide at least one hour notice of its intention to resume normal *market operations*. The *IMO* may, if circumstances warrant and in order to resume normal *market operations* as soon as possible, issue a market advisory declaring the end of the suspension prior to issuing the notice to the *IMO Board* that a suspension has been declared.

The *IMO* may issue a market advisory, through a System Status Report, announcing that it will accept *bids/offers* under the Short Notice Criteria (as set out in Appendix C of "Market Manual 4, Part 4.2: Submission of *Dispatch Data* in the Real-Time Energy and Operating Reserve Markets"). If so, *market participants* will have an opportunity to submit new *bids/offers* in time for market resumption. The *IMO* will then produce a pre-*dispatch* schedule.

Upon market resumption, the *IMO* will conduct a review of the events that led to the market suspension and that occurred during the suspension itself. If necessary, the *IMO* will obtain information from *market participants* regarding their actions immediately prior to and during the suspension.

The *IMO Board* is responsible for issuing a preliminary report within 10 *business days* of the suspension. The preliminary report is issued to *market participants*, the *OEB* and relevant government authorities and describes:

- the circumstances that triggered the suspension;
- the steps taken by the *IMO* during the period of suspension to ensure *reliable* operations and to remedy the cause of the suspension;
- the actions of the *market participants* during the suspension; and
- conclusions and recommendations for avoiding similar suspensions in the future.

Market participants will be given the opportunity to comment on the preliminary report. The *IMO Board* will review any comments received and provide a final report, as soon as practicable, to *market participants* and the public.

The *IMO Board* may direct affected *market participants* to implement corrective measures that it determines would avoid the recurrence of a suspension, as soon as practicable. Upon being directed

⁶ Administrative pricing may be applied in circumstances other than during a market suspension.

to undertake corrective measures, a *market participant* may apply for compensation from the *IMO* where compliance with the *IMO*'s direction resulted in costs or damages to the *market participant*.

1.4 Roles and Responsibilities

Responsibility for actions surrounding and during market suspension and resumption is shared among:

- ***Market participants***, who are responsible for:
 - complying with the *IMO*'s market suspension advisory notices and any other directions issued by the *IMO*;
 - upon resumption of normal *market operations*, resuming normal operations and interactions with the *IMO* pursuant to the "Market Rules";
 - complying with requests for information concerning their operation prior to and during market suspension and supporting the *IMO*'s analysis of the market suspension; and
 - if directed, implementing corrective measures as a result of the investigation into the market suspension;
- The ***IMO*** (and where applicable, the *IMO* as directed by the ***IMO Board***), which is responsible for:
 - issuing to *market participants* a market suspension notice, informing *market participants* of the nature and scope of the suspension and its expected duration, if known;
 - informing the *IMO Board*, the *OEB* and other government authorities of a market suspension;
 - restoring and maintaining *reliable* operation of the *electricity system* and restoring *market operations* as rapidly as practical, consistent with safety of persons and *facilities*;
 - endeavouring to continue use of normal market information, scheduling and pricing procedures to the extent practical during market suspension and prescribing and applying *administrative prices*;
 - providing timely information to *market participants* concerning the reasons for the suspension and efforts by the *IMO* to resume normal *market operations*;
 - issuing *dispatch instructions*, market suspension advisory notices or other directions to *market participants*, that will enable the *IMO* to continue *reliable* operations, continue non-suspended *market operations*, and resume normal *market operations* as soon as practical;
 - compensating a *market participant* for the costs of complying with *dispatch instructions* issued during a market suspension as described in Appendix B, Section B2;
 - monitoring the conditions which triggered the suspension of *market operations* to determine when normal *market operations* are possible;
 - issuing a market resumption notice declaring the end of the suspension and indicating the *dispatch hour* for which normal *market operations* are to resume, providing at least one hour advance notice;

- issuing preliminary and final reports detailing the circumstances that triggered suspension of *market operations*, the steps taken by the *IMO* to ensure *reliable* operations and remedy the causes of the suspension, the actions taken by *market participants* during the suspension, and any conclusions or recommendations for avoiding similar suspensions in the future; and
- if the *IMO Board* determines that corrective measures by *market participants* are warranted to avoid the recurrence of a suspension of *market operations*, directing affected *market participants* to implement corrective measures and compensating them for doing so, where applicable.

1.5 Contact Information

As part of the participant authorization and registration process, *applicants* are able to identify a range of contacts within their organization that address specific areas of *market operations*. For Market Suspension and Resumption, this contact will most likely be the *Real-Time Market Manager*, *Dispatch Centre-High Priority* or the *Dispatch Centre-Normal Priority Market Contact Type* as indicated in the PLC (MP Contacts screens). If a *market participant* has not identified a specific contact, the *IMO* will seek to contact the Main Contact that is established during the participant authorization process. The *IMO* will seek to contact these individuals for activities within this procedure, unless alternative arrangements have been established between the *IMO* and the *market participant*. For more information on PLC and the Participant Authorization Process see “Market Entry, Maintenance and Exit, Part 1.1 – Participant Authorization Maintenance and Exit”.

If the *market participant* wishes to contact the *IMO*, the *market participant* can contact the *IMO* Help Centre via email at helpcentre@theimo.com or via telephone, mail or courier to the numbers and addresses given on the *IMO*'s Web site (www.theimo.com - or click on 'Have a question?' to go to the 'Contacting the IMO' page). If the *IMO* Help Centre is closed, telephone messages or emails may be left in relevant voice or electronic *IMO* mail boxes, which will be answered as soon as possible by Help Centre staff.

A standard form that participants must complete for additional compensation above the *administrative price* is listed in Appendix A. This form is available for downloading on the *IMO* Web site. This form as well as the accompanying supporting documentation must be transmitted to the *IMO* via fax, mail or courier. The appropriate addresses and numbers are located on the *IMO* Web site or on the form. All correspondence relating to this procedure shall identify the subject: **Market Assessment & Compliance Division – Request for Additional Compensation.**

– End of Section –

2. Procedural Work Flow

The diagrams in this section represent the flow of work and information related to the market suspension and resumption procedure between the *IMO*, *market participants* and other parties involved in the procedure.

The steps illustrated in diagrams are described in detail in Section 3.

Table 2–1: Legend for Work Flow Diagrams

Legend	Description
Oval	An event that triggers task or that completes task. Trigger events and completion events are numbered sequentially within procedure (01 to 99)
Task Box	Shows reference number, party responsible for performing task (if “other party”), and task name or brief summary of task. Reference number (e.g., 1A.02) indicates procedure number within current “Market Manual” (1), sub-procedure identifier (if applicable) (A), and task number (02)
Solid horizontal line	Shows information flow between the <i>IMO</i> and external parties
Solid vertical line	Shows linkage between tasks
Broken line	Links trigger events and completion events to preceding or succeeding task

2.1 Market Suspension

The *IMO* may suspend the operation of all or part of the *IMO-administered markets* for the reasons specified in Section 1.3.1. After declaring a market suspension, the *IMO* will, subject to any decision or direction that the *IMO Board* may issue regarding suspension or resumption of *market operations*, continue to operate the market normally to the extent practical, providing information and direction to *market participants* as required, until it determines that normal *market operations* can be resumed.

The steps shown in Figure 2–1 are described in detail in Section 3.1, Table 3-1.

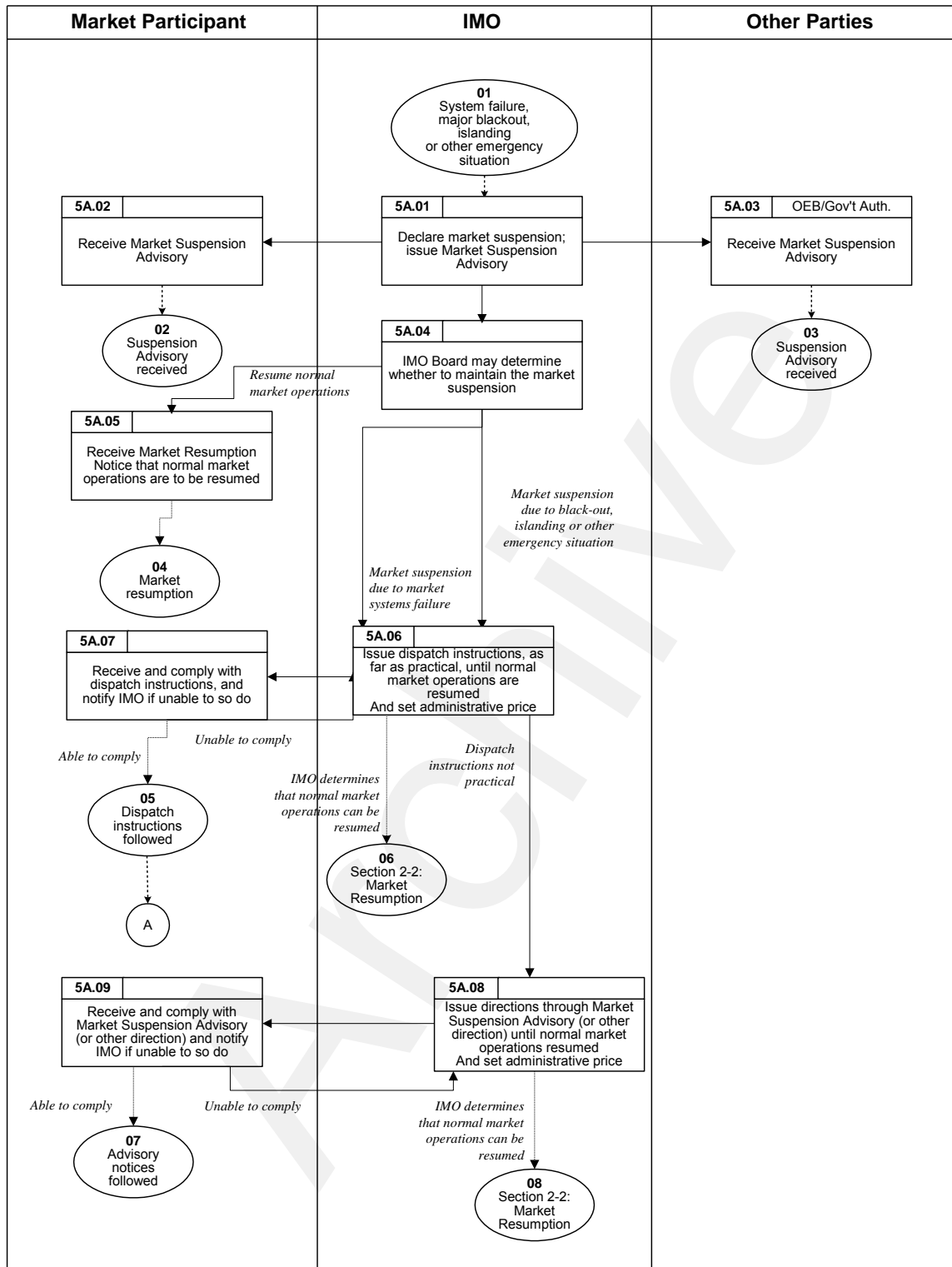


Figure 2–1: Work Flow for Market Suspension

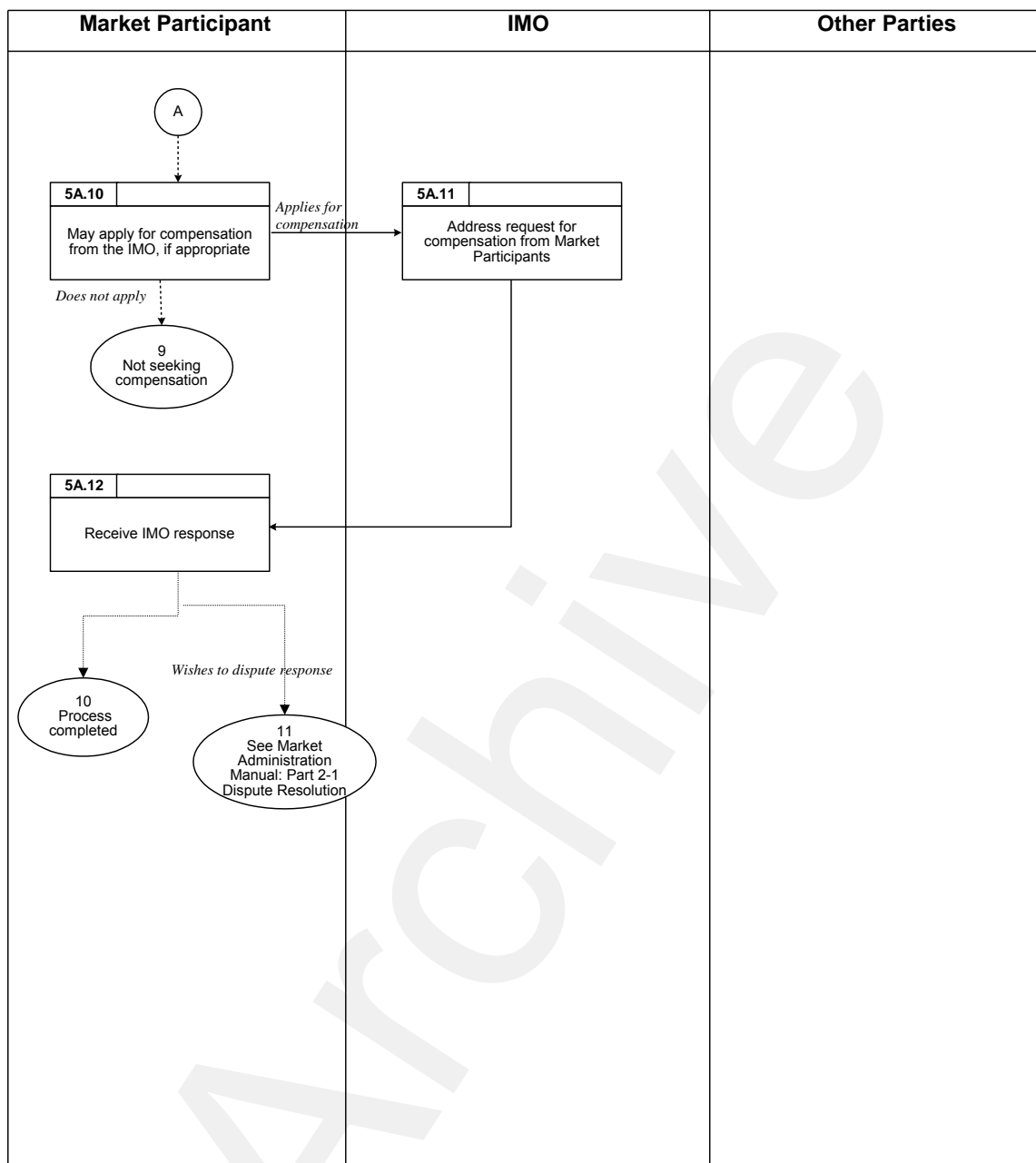


Figure 2-1: Work Flow for Market Suspension (continued)

2.2 Market Resumption

Once the conditions that triggered the market suspension have been resolved, the *IMO* notifies *market participants* of the *dispatch hour* for which normal *market operations* will be resumed, along with any conditions that will apply to *market operations* at that time. Upon market resumption, the *IMO* will conduct a review of the events that lead to the market suspension and that occurred during the suspension itself, and will *publish* a report on the market suspension.

The steps shown in Figure 2–2 are described in detail in Section 3.2, Table 3-2.

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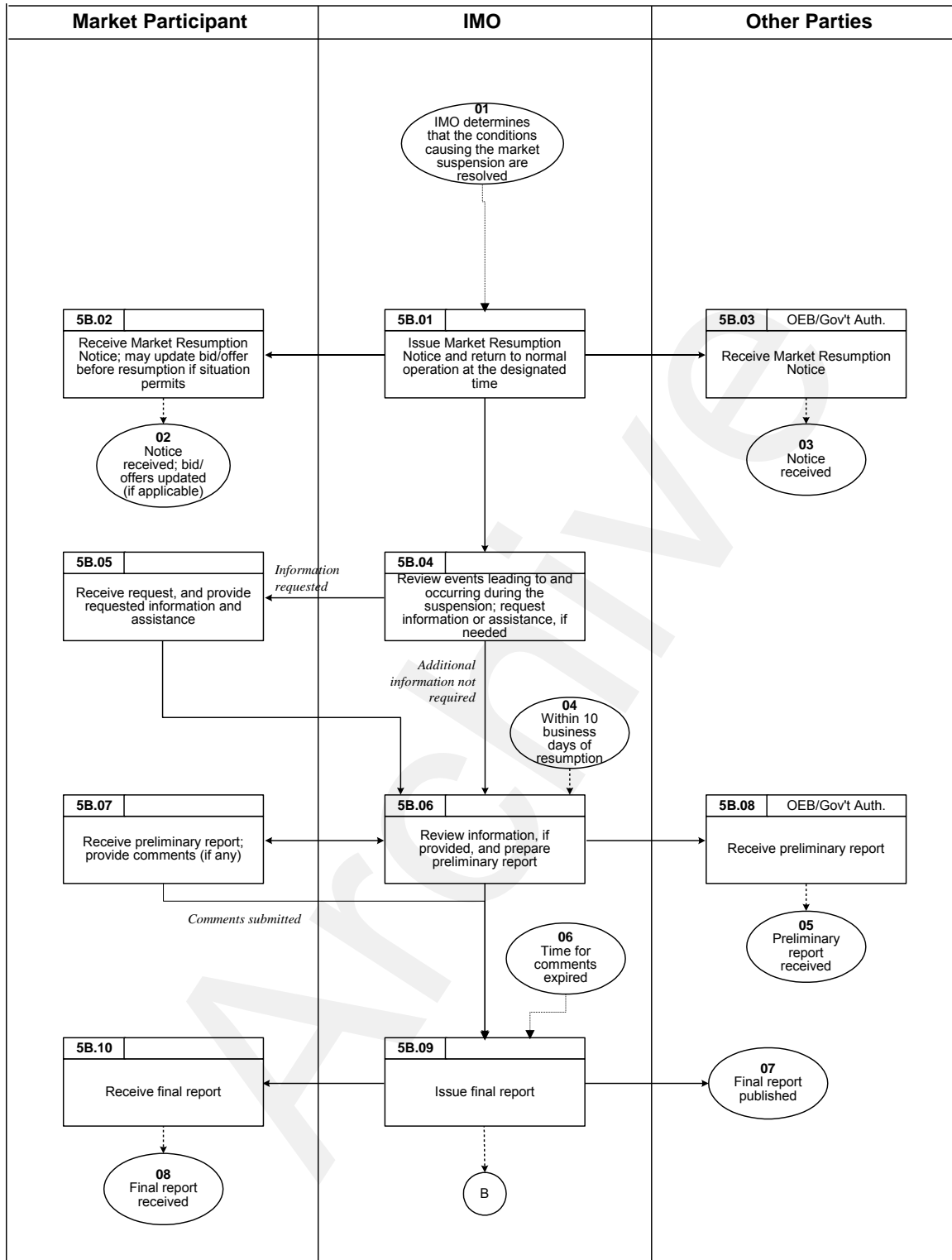


Figure 2-2: Work Flow for Market Resumption

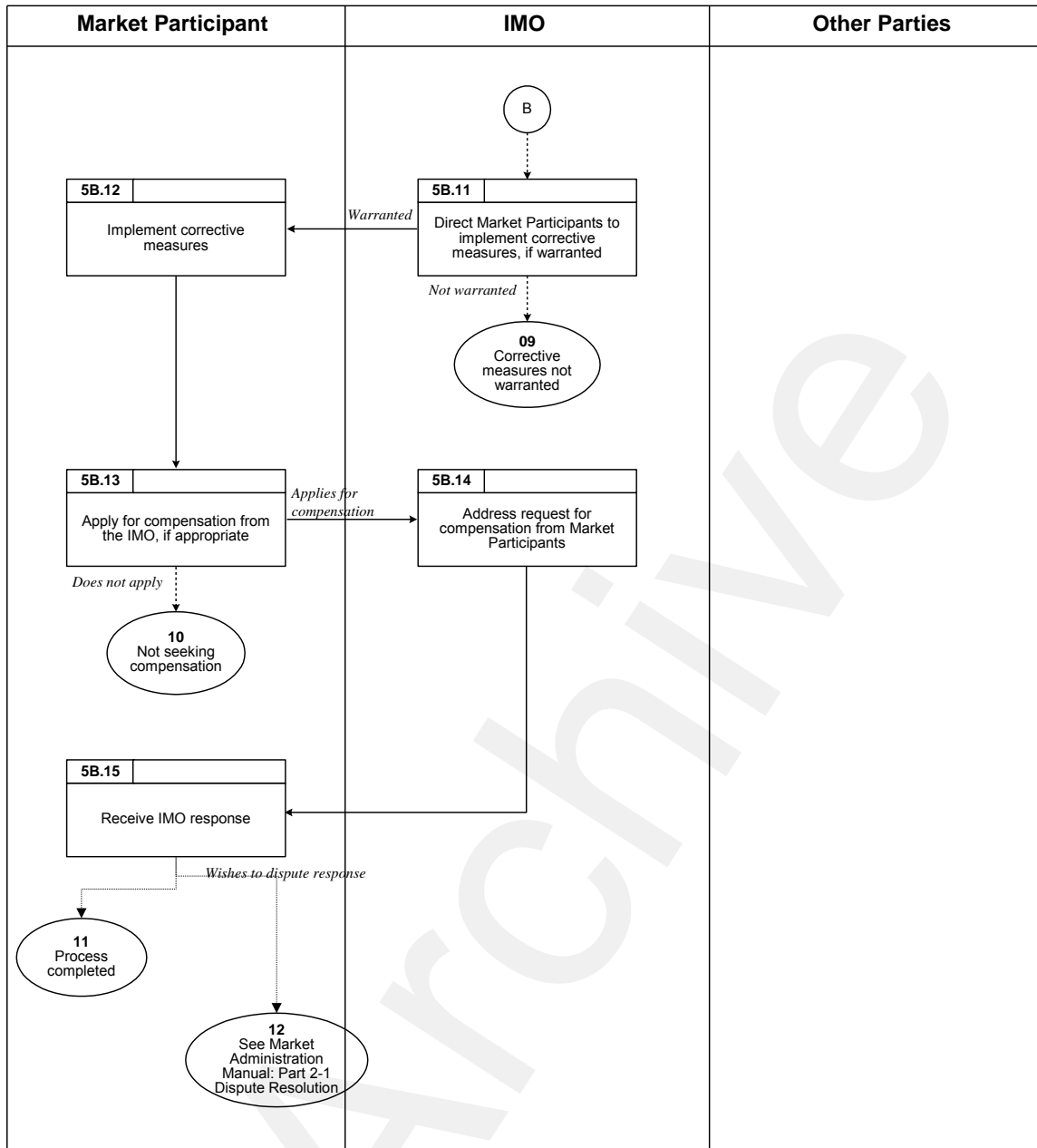


Figure 2–2: Work Flow for Market Resumption (continued)

– End of Section –

3. Procedural Steps

This section contains detail on the tasks (steps) that comprise the Market Suspension and Resumption procedure.

The tables contains seven columns, as follows:

Ref

The numerical reference to the task.

Task Name

The task name as identified in Section 2.

Task Detail

Detail about the task.

When

A list of all the events that can trigger commencement of the task.

Resulting Information

A list of the information flows that may or must result from the task.

Method

The format and method for each information flow are specified.

Completion Events

A list of all the circumstances in which the task should be deemed finished

3.1 Market Suspension

The *IMO* may suspend the operation of all or part of the *IMO-administered markets* for the reasons specified in Section 1.3.1. After declaring a market suspension, the *IMO* will continue to operate the market normally to the extent practical, providing information and direction to *market participants* as required, until it determines normal *market operations* can be resumed.

The steps shown in the following table are illustrated in Section 2.1, Figure 2–1.

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Table 3-1: Procedural Steps for Market Suspension

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
5A.01	Declare market suspension and issue Market Suspension Advisory.	<p>Where the <i>IMO</i> determines that <i>market operations</i> should be suspended in accordance with the “Market Rules” and declares a suspension of <i>market operations</i>.</p> <p>The <i>IMO</i> notifies <i>market participants</i> by issuing a Market Suspension Advisory and notifies, as soon as practical, the <i>IMO Board</i>, the <i>OEB</i> and relevant government authorities of the market suspension – this may occur after the <i>IMO</i> notifies <i>market participants</i>.</p>	<p>Following the occurrence of:</p> <ul style="list-style-type: none"> • a Market system failure;⁷ • a major blackout; • the <i>IMO</i>-controlled grid breaks up into two or more electrical islands; • an <i>emergency</i> condition requiring evacuation of the <i>IMO</i>’s principal control center; • a declaration of an <i>emergency</i> condition by the Premier of Ontario; or • a direction from the <i>Minister</i> to the <i>IMO</i> or a <i>market participant</i> to implement an <i>emergency preparedness plan</i>. 	<p>Market Suspension Advisory, including:</p> <ul style="list-style-type: none"> • whether the suspension is immediate or at the start of the next <i>dispatch</i>; • the nature and scope of the suspension; and • the expected duration, if known. 	<p><i>Market participant</i> Interface (MPI), if available; otherwise email, fax and/or telephone, as determined by the <i>IMO</i> to ensure timely notification.</p> <p>Market Suspension Advisories are issued as part of the System Status Report.</p> <p>See MOS “Participant Graphical User Interface (GUI) User Guide” for more information on the MPI.</p>	Market Suspension Advisory issued.

⁷ A failure in the software, hardware or communications systems that support *market operations*.

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
5A.02	Receive Market Suspension Advisory.	<i>Market participants</i> receive notice of market suspension from the <i>IMO</i> .	After Step 5A.01.	None	None	Advisory received.
5A.03	Receive Market Suspension Advisory.	<i>IMO Board, OEB</i> and relevant government authorities receive notice of market suspension from the <i>IMO</i> .	After Step 5A.01.	None	None	Advisory received.

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
5A.04	<i>IMO Board, following notification from the IMO, may determine whether to continue the suspension or to resume normal market operations under such conditions as the IMO Board may specify.</i>	<p>If the <i>IMO Board</i> does not order a return to normal <i>market operations</i>, the <i>IMO</i> shall monitor the conditions which triggered the suspension to determine whether the market suspension should be maintained.</p> <p>If the <i>IMO Board</i> decides to maintain the market suspension, the <i>IMO</i> takes action to maintain <i>reliable</i> operation of the <i>electricity system</i>, and to resume normal <i>market operations</i> as rapidly as practical, consistent with the safety of persons and <i>facilities</i>.</p> <p>The <i>IMO</i>, subject to any decision or direction that the <i>IMO Board</i> may issue regarding suspension or resumption of <i>market operations</i>, shall declare an end of the market suspension if it determines that normal <i>market operations</i> are possible and will maintain <i>reliable</i> system operations.</p>	Following Step 5A.01.	<p>Where the <i>IMO</i> determines that normal <i>market operations</i> can resume:</p> <p>Market Resumption Notice, indicating the <i>dispatch hour</i> for which normal <i>market operations</i> are to resume, issued at least one hour prior to market resumption.</p>	MPI, if available; otherwise email, fax and/or telephone, as determined by the <i>IMO</i> to ensure timely notification.	Market Resumption Notice issued.

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
		<p>The <i>IMO</i> may, if circumstances warrant and in order to resume normal <i>market operations</i> as soon as possible, issue a market advisory declaring the end of the suspension prior to issuing the notice to the <i>IMO Board</i> of the initial suspension.</p> <p>In these circumstances, the <i>IMO</i> issues a Market Resumption Notice as part of a System Status Report declaring the end of the market suspension, which specifies any specific conditions that apply.</p> <p>The <i>IMO</i> will endeavor to continue using normal market information, scheduling and pricing procedures to the extent practical, and will prescribe and apply <i>administrative prices</i>.</p>				
				Where the <i>IMO</i> determines that normal <i>market operations</i> cannot resume: None	None	Market suspension confirmed.

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
5A.05	Receive Market Resumption Notice that normal <i>market operations</i> are to be resumed.	<i>Market participants</i> receive the Market Resumption Notice, indicating the <i>dispatch hour</i> for which normal <i>market operations</i> are to resume.	After Step 5A.04.	None	None	Normal <i>market operations</i> resumed.
5A.06	Issue <i>dispatch instructions</i> , as far as is practical, until normal <i>market operations</i> are resumed. Set <i>administrative price</i>	The <i>IMO</i> issues <i>dispatch instructions</i> , as far as is practical, to direct the operations of <i>market participants</i> . <i>Administrative price</i> is set. See Appendix B on Administrative Pricing. During the market suspension, the <i>IMO</i> monitors the conditions which triggered the suspension of <i>market operations</i> , in order to determine when normal market operation are possible and <i>reliable</i> system operations can be maintained.	After Step 5A.04, where it has been determined that the market should remain suspended and the suspension is due to a market systems failure.	<i>Dispatch Instructions</i> .	As determined by the <i>IMO</i> and as appropriate to the suspension conditions.	<i>Dispatch instructions</i> issued.

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
5A.07	Receive, and comply with, <i>dispatch instructions</i> , and notify the <i>IMO</i> if unable to so do.	<p>The <i>market participant</i> receives <i>dispatch instructions</i> from the <i>IMO</i> and complies with these instructions in full.</p> <p>As soon as the market participant is aware that their <i>facility</i> will be unable to comply with instructions, it must notify the <i>IMO</i> as soon as possible.</p> <p>The <i>IMO</i> will take appropriate action if notified by individual <i>market participants</i> of their inability to comply with <i>dispatch instructions</i>.</p>	After Step 5A.06.	Unable to comply: Notification that the <i>facility</i> is unable to comply with the <i>dispatch instruction</i> .	Telephone	Notification received.
				Able to comply: None	None	Compliance with <i>dispatch instruction</i> .

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
5A.08	Issue directions through Market Suspension Advisories (or other directions) until normal <i>market operations</i> are resumed. Set <i>administrative price</i>	<p>During the suspension, the <i>IMO</i> will issue directions via Market Suspension Advisories (or other directions, as appropriate) to those <i>market participants</i> to which it is not practical to issue <i>dispatch instructions</i> to enable the <i>IMO</i> to continue <i>reliable operations</i>, continue non-suspended <i>market operations</i>, and resume normal <i>market operations</i> as soon as practical.</p> <p>The <i>IMO</i> will take appropriate action if notified by individual <i>market participants</i> of their inability to comply with directions.</p> <p>During the market suspension, the <i>IMO</i> monitors the conditions which triggered the suspension of <i>market operations</i>, in order to determine when normal market operation are possible and <i>reliable</i> system operations can be maintained.</p> <p><i>Administrative price</i> is set. See Appendix B on Administrative Pricing.</p>	<p>After Step 5A.04, where it has been determined that the market should remain suspended and the suspension is not due to a market systems failure.</p> <p>After Step 5A.06, where it is not practical to direct <i>market participants</i> via <i>dispatch instructions</i>.</p>	<p>Market Suspension Advisories or other directions, detailing:</p> <ul style="list-style-type: none"> any efforts by <i>IMO</i> to restore normal <i>market operations</i>; directions to <i>market participants</i> that will enable the <i>IMO</i> to continue <i>reliable operations</i>, continue non-suspended <i>market operations</i>, and resume normal <i>market operations</i> as soon as practical; and other conditions and directions, as necessary. 	MPI, if available; otherwise email, fax and/or telephone, as determined by the <i>IMO</i> .	Market Suspension Advisories issued.

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
5A.09	Receive, and comply with, Market Suspension Advisories (or other directions), and notify the <i>IMO</i> if unable to so do.	<p>The <i>market participant</i> receives Market Suspension Advisories (or other directions), from the <i>IMO</i> and complies with these directions in full</p> <p>As soon as the market participant is aware that their <i>facility</i> will be unable to comply with a directions, it must notify the <i>IMO</i> as soon as possible</p> <p>The <i>IMO</i> will take appropriate action if notified by individual <i>market participants</i> of their inability to comply with direction.</p>	After Step 5A.08.	Unable to comply: Notification that the <i>facility</i> is unable to comply with the Market Suspension Advisories (or other directions).	Telephone	Notification received.
				Able to comply: None	None	Compliance with Market Suspension Advisories (or other directions).

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
5A.10	Apply for compensation from the <i>IMO</i> , if appropriate.	<p>The <i>market participant</i> may apply for compensation from the <i>IMO</i>, where the <i>administrative price</i> paid to the <i>market participant</i> does not adequately compensate the <i>market participant</i> for the cost complying with <i>dispatch instructions</i> issued by the <i>IMO</i> during a market suspension.</p> <p>The <i>market participant</i> completes the “Additional Compensation during Administrative Pricing” IMO-FORM-1398 on the <i>IMO</i> Web site.</p>	After Step 5A.07.	<p>“Additional Compensation during Administrative Pricing”, if appropriate, detailing:</p> <ul style="list-style-type: none"> • any actions taken by the <i>market participant</i> under direction of the <i>IMO</i>; • compensation required by <i>market participant</i> as a result of the actions taken; and • a justification for the compensation requested. 	Fax, registered mail, mail or courier.	Request received.

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
5A.11	Address request for “Additional Compensation during Administrative Pricing” from <i>market participant</i> .	The <i>IMO</i> considers requests for compensation from <i>market participants</i> as a result of complying with <i>dispatch instructions</i> issued by the <i>IMO</i> during a market suspension and advises the <i>market participant</i> in a response to “Additional Compensation during Administrative Pricing” of their decision as to whether the request has been accepted, partially accepted, or denied.	After Step 5A.10.	Response to “Additional Compensation during Administrative Pricing”, detailing: <ul style="list-style-type: none"> the findings of the <i>IMO</i> in considering a “Additional Compensation during Administrative Pricing” from a <i>market participant</i>; a summary of compensation offered/denied; and a justification for the findings. 	Fax, registered mail, mail or courier.	Response issued and receipt confirmed.
5A.12	Receive <i>IMO</i> response and determine follow-up action, if any.	The <i>market participant</i> receives the response to “Additional Compensation during Administrative Pricing” from the <i>IMO</i> and determines whether to accept the response as received or to dispute the response. See “Market Manual 2: Market Administration, Part 2.1: Dispute Resolution” for details of the dispute resolution process	After Step 5A.11.	None	None	Process completed

3.2 Market Resumption

Once the conditions that triggered the market suspension have been resolved, the *IMO*, subject to any decision or direction that the *IMO Board* may issue regarding suspension or resumption of *market operations*, notifies *market participants* of the *dispatch hour* for which normal *market operations* will be resumed, along with any conditions that will apply to *market operations* at that time. Upon market resumption, the *IMO* will conduct a review of the events that lead to the market suspension and that occurred during the suspension itself, and will *publish* a report on the market suspension.

The steps shown in the following table are illustrated in Section 2.2, Figure 2.2.

Table 3–2: Procedural Steps for Market Resumption

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
5B.01	Issue Market Resumption Notice and return to normal operation at the designated time.	The <i>IMO</i> , subject to any decision or direction that the <i>IMO Board</i> may issue regarding suspension or resumption of <i>market operations</i> , determines the <i>dispatch hour</i> when normal <i>market operations</i> can be resumed and issues a Market Resumption Notice in the System Status Report advising <i>market participants</i> of the end of the suspension, and indicating the <i>dispatch hour</i> for which normal <i>market operations</i> are to be resumed.	When the <i>IMO</i> determines that normal <i>market operations</i> can be resumed and at least one hour in advance of the <i>dispatch hour</i> for which resumption will occur.	Market Resumption Notice, indicating the <i>dispatch hour</i> for which normal <i>market operations</i> are to resume, issued at least one hour prior to market resumption.	Market Participant Interface (MPI), if available; otherwise email, fax and/or telephone, as determined by the <i>IMO</i> to ensure timely notification. Market Suspension Advisories are issued as part of the System Status Report. See MOS “Participant Graphical User Interface (GUI) User Guide” for more information on the MPI.	Market Resumption Notice sent to <i>market participants</i> .

Table 3–2: Procedural Steps for Market Resumption

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
5B.02	Receive “Notice of Resumption”; may update <i>bid/offer</i> before resumption if situation permits.	<i>Market participants</i> receive Market Resumption Notice from the <i>IMO</i> indicating the intention to resume normal market activity at a specified time and transition procedure. The <i>market participants</i> may submit updated <i>bids</i> and <i>offers</i> , if permitted by the <i>IMO</i> depending upon the specific situation.	After Step 5B.01.	None	None	Market Resumption Notice received.
5B.03	Receive “Notice of Resumption”.	<i>OEB</i> and government authorities receive notification of market resumption from the <i>IMO</i> .	After Step 5B.01.	None	None	Market Resumption Notice received.
5B.04	Review events leading to and occurring during the suspension; request information or assistance from <i>market participants</i> , if needed.	Immediately following the end of the suspension of <i>market operations</i> , the <i>IMO</i> begins a review of events leading to the market suspension and occurring during the suspension. The <i>IMO</i> may require <i>market participants</i> to submit information regarding their operations prior to and during the suspension, and to assist the <i>IMO</i> in analyzing the suspension.	After Step 5B.03.	Request to <i>+</i> s for information or to assist, if needed, detailing: <ul style="list-style-type: none"> • an identification of specific information needed; and • the date by which a response is required. 	Email, mail, fax or telephone, as appropriate to request	Request sent by fax and confirmed, if information or assistance needed.

Table 3–2: Procedural Steps for Market Resumption

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
5B.05	Receive request, and provide requested information and assistance.	Market participant receives request from the <i>IMO</i> for information and assistance and complies with the request.	After Step 5B.04 if information or assistance requested, and within the time frame specified in the request.	Requested information and assistance provided.	Email, mail, fax or telephone, as appropriate to request	Requested information and assistance provided.
5B.06	Review information, if supplied, and prepare preliminary report.	<p>The <i>IMO</i> receives information and assistance from <i>market participants</i>, if requested, and prepares a preliminary Market Suspension Report.</p> <p>The report describes the circumstances that triggered suspension of <i>market operations</i>, steps taken by the <i>IMO</i> during the period to ensure <i>reliable</i> operations and remedy the cause of the suspension, actions of <i>market participants</i> during the suspension, and conclusions or recommendations for avoiding similar suspensions in the future.</p> <p>The <i>IMO Board</i> distributes the preliminary report to <i>market participants</i>, <i>OEB</i>, and government authorities.</p>	Within 10 <i>business days</i> after the end of the market suspension.	<p>Preliminary Market Suspension Report, including:</p> <ul style="list-style-type: none"> the circumstances that triggered the suspension of <i>market operations</i>, the steps taken by the <i>IMO</i> during the period of suspension to ensure <i>reliable</i> operations and remedy the cause of the suspension, the actions of <i>market participants</i> during the suspension, and any conclusions or recommendations for avoiding similar suspensions in the future. 	Email, registered mail or courier, as appropriate.	Copy of preliminary report distributed to <i>market participants</i> , <i>OEB</i> , and government authorities.

Table 3–2: Procedural Steps for Market Resumption

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
5B.07	Receive preliminary report; provide comments (if any).	<i>Market participants</i> receive preliminary report. Comments can be provided to the <i>IMO</i> for inclusion in the final report.	After Step 5B.06.	Comments on Preliminary Market Suspension Report.	Email, mail, or fax	Preliminary report received. Comments, if any, provided to the <i>IMO</i> .
5B.08	Receive preliminary report.	<i>OEB</i> and government authorities receive preliminary report.	After Step 5B.06.	None	None	Preliminary report received.
5B.09	Issue final report.	After further review of the suspension, the <i>IMO Board</i> issues the final Market Suspension Report to <i>market participants</i> and makes the report available to the public.	After Step 5B.06 and following the expiry of period within which comments could be made by <i>market participants</i> .	Final Market Suspension Report covering the same scope as the preliminary report.	Email, registered mail or courier, as appropriate. <i>IMO</i> Web site.	Copy of final report distributed to <i>market participants</i> and published on <i>IMO</i> Web site.
5B.10	Receive final report.	<i>Market participants</i> receive final report	After Step 5B.09.	None	None	Final report received
5B.11	Direct <i>market participants</i> to implement corrective measures, if necessary.	The <i>IMO Board</i> determines from the investigation into the suspension whether it is necessary to implement corrective measures to avoid a recurrence of the suspension of <i>market operations</i> and, if applicable, directs affected <i>market participants</i> to implement specific corrective measures.	After Step 5B.09.	Notice of Corrective Measures Required, if necessary, including: <ul style="list-style-type: none"> any actions required of the <i>market participant</i>; and the date by which the actions must be taken or implemented. 	Registered mail, mail or courier.	Corrective measures issued to <i>market participants</i> , where necessary.
5B.12	Implement corrective measures.	As directed by the <i>IMO Board</i> , <i>market participants</i> implement corrective measures.	After Step 5B.11.	None	None	Corrective measures implemented.

Table 3–2: Procedural Steps for Market Resumption

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
5B.13	Apply for compensation from the <i>IMO</i> , if appropriate.	<p>If <i>market participants</i> have implemented corrective measures as directed by the <i>IMO</i>, they may apply for compensation from the <i>IMO</i>, where compliance with the <i>IMO</i>'s direction resulted in costs or damages to the <i>market participant</i>.</p> <p>The <i>market participant</i> completes the “Additional Compensation during Administrative Pricing” form, namely IMO-FORM-1398 on the <i>IMO</i> Web site.</p>	After Step 5B.12.	<p>“Additional Compensation during Administrative Pricing”, if appropriate, detailing:</p> <ul style="list-style-type: none"> any actions taken by the <i>market participant</i> under direction of the <i>IMO</i>; compensation required by market participant as a result of the actions taken; and a justification for the compensation requested. 	Fax, registered mail, mail or courier.	Request received.

Table 3–2: Procedural Steps for Market Resumption

Ref.	Task Name	Task Detail	When	Resulting Information	Method	Completion Events
5B.14	Address request for “Additional Compensation during Administrative Pricing” from <i>market participant</i> .	The <i>IMO</i> considers requests for compensation from <i>market participants</i> as a result of the implementation of corrective measures directed by the <i>IMO</i> and advises the <i>market participant</i> in a Response to “Additional Compensation during Administrative Pricing” of their decision as to whether the request has been accepted, partially accepted, or denied.	After Step 5B.13.	Response to “Additional Compensation during Administrative Pricing”, detailing: <ul style="list-style-type: none"> the findings of the <i>IMO</i> in considering a “Additional Compensation during Administrative Pricing” from a <i>market participant</i>; a summary of compensation offered/denied; and a justification for the findings. 	Fax, registered mail, mail or courier.	Response issued and receipt confirmed.
5B.15	Receive <i>IMO</i> response and determine follow-up action, if any.	The <i>market participant</i> receives the Response to “Additional Compensation during Administrative Pricing” from the <i>IMO</i> and determines whether to accept the response as received or to dispute the response. See “Market Manual 2: Market Administration, Part 2.1: Dispute Resolution” for details of the dispute resolution process	After Step 5B.14.	None	None	Process completed.

End of Section –

Archive

Appendix A: Forms

This appendix contains the form associated with the “Market Suspension and Resumption” procedure. This form is available on the *IMO* Web site (www.theimo.com) in the same location as this procedure. The form included is as follows:

Form	Form Number
Additional Compensation during Administrative Pricing	IMO-FORM-1398

– End of Section –

Appendix B: Administrative Pricing

B.1 Administrative Pricing

In circumstances that result in market suspension, the *IMO* shall, as it determines appropriate, establish the *administrative price* as one of the following:

- where *market operations* have been suspended for reasons other than a failure in the software that generates *market prices* and operations of the *IMO-controlled grid* are based to some extent on market-based information and signals, a *market price* calculated using that software; or
- where operations of the *IMO-controlled grid* are being conducted without regard to the market, for the *IMO control area* and the *intertie zones*, an average *HOEP* for the *energy market* and the hourly average of the *operating reserve prices* for the applicable *dispatch intervals* for the *operating reserve markets*. This is determined from the corresponding hour or hours from each of the 4 most recent *business days* or *non-business days*, as the case may be, excluding those hours from any day in which *administrative pricing* has been established. Prices for the excluded hours shall be replaced by prices that have not been administered from the corresponding hours of the most recent earlier *business days* or *non-business days*, as the case may be.

Since there would be no market schedule and, therefore, no congestion management *settlement* credits under the average pricing mechanism, *market participants* can claim additional compensation if they follow *dispatch instructions* and they can demonstrate to the satisfaction of the *IMO* that the *administered price* does not cover their incremental costs. [See Appendix B.2 for more details on this compensation regime related to *administrative pricing*]

B.2 Compensation Regime

Where the *IMO* applies administrative pricing during a market suspension, there may be situations where this *administrative price* does not adequately compensate *market participants* for complying with the *dispatch instructions* that the *IMO* issues. In such circumstances, the *IMO* will provide additional compensation to a *market participant*, based on a calculation of the aggregate of:

- the fuel costs incurred by the *market participant* in complying with the *IMO's dispatch instructions*,

- the variable operating and maintenance costs incurred by the *market participant* in complying with the *IMO's dispatch instructions*, and
- an amount equal to 10% of the above costs,

less the amount of the *administrative price* already paid, or payable to the *market participant* during the market suspension.

Where this compensation is in respect of a *generation facility* that is *energy* limited by design or by a bona fide contractual commitment, the *IMO* may accept an assessment of the expected future value or the opportunity costs of the fuel or water consumed:

- during the period while administrative pricing was in effect; and
- in order to comply with the *dispatch instructions*,

in lieu of the costs referenced. If the opportunity cost assessment is applied, then the amount representing 10% of the opportunity cost is not payable if, in the *IMO's* opinion, the opportunity cost assessment amount in lieu of fuel costs include or adequately cover such amount.

Requests for additional compensation under Section 8.4A.9 of Chapter 7 in the “Market Rules” are subject to materiality limits. For the purpose of that section, a request will be considered material and the *market participant* eligible for compensation if the compensation requested is at least:

- a) \$1,000 for a given *trade day* and *registered facility*, or
- b) \$200 for a given *trade day* and *registered facility* and the equivalent of \$2/MWh.

The *market participant* is required to complete the “Additional Compensation during Administrative Pricing” form on the *IMO* Web site. After the request is submitted to the *IMO*, the *market participant* is notified in a response to “Market Suspension Additional Credit” indicating whether the request has been accepted, partially accepted, or denied.

The *market participant* then determines whether to accept the response as received or to dispute the response. See “Market Manual 2: Market Administration, Part 2.1: Dispute Resolution” for details of the dispute resolution process.

– End of Section –

References

Document ID	Document Title
MDP_RUL_0002	Market Rules for the Ontario Electricity Market
MDP_PRO_0014	Market Manual 1: Market Entry, Maintenance & Exit, Part 1.1: Participant Authorization, Maintenance & Exit
MDP_PRO_0017	Market Manual 2: Market Administration, Part 2.1: Dispute Resolution
MDP_MAN_0004	Market Manual 4: Market Operations, Part 4.0: Market Operations Overview
MDP_PRO_0027	Market Manual 4: Market Operations, Part 4.2: Submission of Dispatch Data in the Real-Time Energy and Operating Reserve Markets
IMP_PRO_0034	Market Manual 4: Market Operations, Part 4.3: Real Time Scheduling of the Physical Markets
MDP_PRO_0040	Market Manual 7: System Operations, Part 7.1: System Operating Procedures
IMO_GDE_0003	Market participant Graphical User Interface (GUI) Users Guide
IMO_PLAN_0001	Market Manual 7: System Operations, Part 7.8: Ontario Power System Restoration Plan
IMO_GDL_0025	Guidelines for Additional Compensation during Administrative Pricing

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