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## Market Rule Amendment Proposal

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### PART 1 – MARKET RULE INFORMATION

Identification No.:	MR-00334-R00		
Subject:	Ontario Power System Restoration Plan		
Title:	Emergency Preparedness and System Restoration – Align Restoration Related Market Rules with Industry Practice		
Nature of Proposal:	<input checked="" type="checkbox"/> Alteration	<input type="checkbox"/> Deletion	<input type="checkbox"/> Addition
Chapter:	5, 11	Appendix:	
Sections:	11.3 and definition of restoration participant		
Sub-sections proposed for amending:	11.3.7.1 and 11.3.7.3		

### PART 2 – PROPOSAL HISTORY

Version	Reason for Issuing	Version Date
1.0	Draft for Technical Panel Review	April 26, 2007
2.0	Incorporate Technical Panel comments and Publish for Stakeholder Review and Written Comment	May 3, 2007
Approved Amendment Publication Date:		
Approved Amendment Effective Date:		

### 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

The amendment proposes to alter the obligations of restoration participants to more closely align with current industry practice. The proposed changes would require participants to self-certify that they are meeting their restoration related obligations rather than the current requirement of document and schedule submissions.

The amendment proposes to modify the definition of a restoration participant as it relies upon an obsolete defined term and is too specific.

These amendments would align the market rules with current industry practice, make the process of completing the Ontario Power System Restoration Plan (OPSRP) more efficient and reduce the administrative burden on restoration participants and the IESO where reliability considerations make this possible.

#### Background

The North East Power Coordinating Council (NPCC) is designated as the regional compliance monitor for the mandatory reliability standards of the North American Electric Reliability Corporation (NERC). The NPCC has implemented a self certification process as a means for its members to satisfy their reliability obligations. In this self certification process, the NPCC defines reliability criteria that member organizations must satisfy to be in compliance. The member organizations then certify to the NPCC that they acknowledge the criteria and are in compliance with their reliability obligations. The NPCC retains the authority to audit members to verify their self certifications.

The IESO, as the reliability coordinator for Ontario, self certifies to the NPCC that Ontario is meeting its reliability obligations and enforces reliability standards in Ontario. To assist market participants in meeting their reliability obligations, the IESO has created the IESO Reliability Compliance Program (IRCP). The IRCP is being used for all NPCC related reliability obligations, including restoration related obligations for restoration participants.

The IESO, as part of its annual review of the OPSRP, has formed a sub team of the EPTF (Emergency Preparedness Task Force) to consult with stakeholders and revise the restoration plan where appropriate. The OPSRP details the technical requirements to expediently restore the IESO-controlled grid after a partial or complete blackout. The OPSRP review team has targeted Baseline 18.0 (September 2007) for completion of the revisions to the OPSRP plan, including any necessary changes to the market rules.

The OPSRP revision team includes representatives from Brookfield Power, Bruce Power, Hydro One Networks, OPG, PowerStream and Waterloo North Hydro. All restoration participants (approximately 96 market participants) will be consulted for their input prior to finalizing the draft. This process is being undertaken with the goals of making the Restoration Participant Attachment administrative

### **PART 3 – EXPLANATION FOR PROPOSED AMENDMENT**

processes more efficient and minimizing the administrative burden on participants and the IESO where reliability considerations make this possible. The review of the OPSRP reflects a shift in industry practices from a standard of records and schedule submission to a new standard of self certification.

Currently restoration participants are required to submit a three year schedule of system restoration training activities and a schedule for testing the restoration participant's equipment. Consistent with the industry move to self-certification, it is more appropriate for restoration participants to perform their prescribed duties and fulfil their obligations in accordance with the OPSRP, maintain the appropriate records, submit their Restoration Participant Attachment to the IESO and self-certify to the IESO via the IESO Reliability Compliance Program (IRCP) that they are meeting their OPSRP obligations.

The IESO still retains the ability to verify compliance and to ensure that participants are fulfilling their obligations through an audit process (refer to existing section 11.4 of Chapter 5 of the market rules).

The existing definition of restoration participant utilizes the term "restoration related breaker" as the criteria for determining a restoration participant. The definition of a restoration related breaker was removed in a previous market rule amendment and the definition of restoration participant needs to be updated. Also, the criteria for determining whether a market participant is a restoration participant has evolved from simply whether or not there is a "restoration related breaker"..

#### **Discussion**

Chapter 5, section 11.3.7.1 states that a restoration participant must submit to the IESO a three year schedule of system restoration training activities updated annually. The IESO acknowledges that submitting a schedule of this magnitude imposes an undue administrative burden upon participants. The proposed amendment would remove this obligation upon the participants. In its place will be a requirement for restoration participants to self-certify, through the IRCP, that they are meeting their restoration related obligations.

Chapter 5, section 11.3.7.3 states that a restoration participant must submit a schedule of testing activities for their equipment as specified in the OPSRP. The proposed amendment would remove the obligation upon participants to submit a testing schedule. In its place will be an obligation to test their equipment as specified in the OPSRP and to self-certify through the IRCP that they have successfully performed the appropriate testing.

The IESO retains the right, through Chapter 5, section 11.4 to audit restoration participants to ensure that their self certifications are complete and accurate.

Chapter 11, definition of restoration participants specifies that a restoration participant is a market participant who has control of a restoration-related breaker. In a previous amendment the definition of restoration-related breaker was removed necessitating an update of the definition. The proposed amendment would alter the definition to no longer rely upon an unrecognized definition and instead will rely upon a market participant's impact on any restoration related activities as specified in the OPSRP.

### **PART 4 – PROPOSED AMENDMENT**

## Chapter 5:

### 11.3 Ontario Power System Restoration Plan and Restoration Participant Attachments

- 11.3.7 Each *restoration participant* shall ensure that its *restoration participant attachment* includes:
- 11.3.7.1 a statement describing that the *restoration participant*: (i) has an operator training program in place, (ii) uses trained operating personnel, and (iii) maintains operator training records—a three-year schedule of system restoration training activities, to be conducted by the *restoration participant*, to be conducted at its own expense. The schedule shall be updated annually;
  - 11.3.7.2 documentation detailing organizational responsibility for co-ordinating with the *IESO* the development of and participation in system restoration drills. Such development and participation shall be conducted by the *restoration participant* at its own expense;
  - 11.3.7.3 a statement describing the program in place to test the schedule for testing the *restoration participant*'s equipment as may be designated in the *Ontario power system restoration plan*. Such testing shall be conducted by the *restoration participant* at its own expense;
  - 11.3.7.4 a statement of policy and supporting documentation demonstrating how the *restoration participant* will minimize the cutting and expedite the restoration of critical loads and priority loads under system restoration conditions;
  - 11.3.7.5 any other documentation that the *IESO* deems necessary to support or facilitate the successful implementation of the *Ontario power system restoration plan*; and
  - 11.3.7.6 a statement certified by an officer or equivalent of the *market participant* stating that the *restoration participant attachment* is a true and complete copy as at the date of the certification.

**PART 5 – IESO BOARD DECISION RATIONALE**

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## Market Rule Amendment Proposal

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Chapter:	5, 11	Appendix:	
Sections:	11.3 and definition of restoration participant		
Sub-sections proposed for amending:			

### PART 2 – PROPOSAL HISTORY – PLEASE REFER TO MR-00334-R00

Version	Reason for Issuing	Version Date
Approved Amendment Publication Date:		
Approved Amendment Effective Date:		

**PART 3 – EXPLANATION FOR PROPOSED AMENDMENT**

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**Summary**

Please see MR-00334-R00

**Background**

Please see MR-00334-R00

**Discussion**

Please see MR-00334-R00

**PART 4 – PROPOSED AMENDMENT**

**Chapter 11:**

**Definitions**

*restoration participant* means a *market participant* whose equipment or facilities: (i) are directly connected to the IESO-controlled grid and (ii) affect the restoration process as determined by the restoration participant criteria specified within the Ontario power system restoration plan; ~~are directly connected to the IESO-controlled grid and that has physical control, by direct or remote means, of a restoration-related breaker;~~

**PART 5 – IESO BOARD DECISION RATIONALE**

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