

# ISO Rules

## Part 200 Markets

### Division 202 Dispatching the Markets

#### Section 202.5 Supply Surplus



#### Applicability

- 1 Section 202.5 applies to:
  - (a) a **pool participant**; and
  - (b) the **ISO**.

#### Requirements

##### State of Supply Surplus and Multiple Zero Dollar (\$0) Offers

**2(1)** If during a current hour the **ISO** forecasts that the **interconnected electric system** will experience a state of supply surplus in the next hour, as evidenced by the in merit electricity supply consisting of only multiple **\$0 offers** and the supply of electricity available from these **offers** exceeds the **system load**, then the **ISO** may curtail next hour import **interchange transactions** to balance system supply and **system load**.

**(2)** Subject to subsection 2(3), if during a current hour the **ISO** determines that a state of supply surplus is imminent in the current hour or already exists, then the **ISO** must comply with the following procedures as may be required, in the following sequence, to balance system supply and **system load**:

- (a) initiate curtailment of import **interchange transactions**;
- (b) allow **pool participants** to submit **bids** to increase export **interchange transactions** within two (2) hours of the start of a **settlement interval**;
- (c) allow **pool participants** to submit **offers** to decrease import **interchange transactions** within two (2) hours of the start of a **settlement interval**;
- (d) allow **pool participants** to submit restatements reducing **generating unit** and **aggregated generating facility** output within two (2) hours of the start of a **settlement interval**;
- (e) issue, on a pro rata basis:
  - (i) **dispatches** to **generating units** and **aggregated generating facilities** for partial volumes of **flexible blocks** of the **\$0 offers**;
- (f) if there are **generating units** and **aggregated generating facilities** with **\$0 offers** for **inflexible blocks** stating volumes greater than their declared **minimum stable generation**, then issue **directives** to curtail those **generating units** and **aggregated generating facilities** to their declared **minimum stable generation**, starting with the **generating units** and **aggregated generating facilities** having the greatest difference in MW between the then current dispatch level and **minimum stable generation** and continuing in descending order until all those **generating units** and **aggregated generating facilities** have received **directives**; and
- (g) issue **directives** for any other necessary actions, including shutting down **generating units** and **aggregated generating facilities**, to ensure system **reliability**.

**(3)** If the **ISO** determines that a **generating unit** or **aggregated generating facility** is running at a generation level higher than its **minimum stable generation** in order to provide **regulating reserve**, then the **ISO** may, as part of the effective execution of the procedures set out in subsection 2(2), issue a **dispatch** to curtail delivery of **regulating reserve** from that **generating unit** or **aggregated generating facility** and issue a **dispatch** for **regulating reserve** to another **generating unit** or **aggregated generating facility** which can provide **regulating reserve** while operating at a lower generation level at or above **minimum stable generation**.

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(4) If during a current hour the present, real time operating conditions change such that the **ISO** determines that following the procedural sequence set out in subsections 2(2) and 3 would put the **ISO** in contravention of any **reliability standard** requirement by failing to achieve compliance within the operating limits or required response time specified in that **reliability standard**, then the **ISO** may alter the procedural sequence.

(5) If the **ISO** alters the procedural sequence as set out in subsection 2(4), then once the **ISO** is assured that the **interconnected electric system** is operating in a safe and reliable mode, the **ISO** must recommence the procedural sequence set out in subsections 2(2) and 3.

#### Transitioning Out of a State of Supply Surplus

**3** When the **ISO** determines that the **interconnected electric system** is transitioning out of a state of supply surplus, the **ISO** must reverse any actions taken under subsection 2(2), in reverse order, to balance system supply and **system load**.

#### Revision History

Effective	Description
2018-09-01	Revised “source asset” to “generating unit or aggregated generating facility”; clarified subsections 2 and 3; and administrative revisions.
2012-03-28	Initial release