ISO Rules Part 200 Markets Division 204 Operating Reserves Market Section 204.2 Issuing Dispatches for Dispatch Down Service

Applicability

- 1 Section 204.2 applies to:
 - (a) the ISO

when procuring dispatch down service.

Requirements

Eligibility

- 2 The ISO must not issue a dispatch for dispatch down service to a source asset if:
 - (a) **transmission must-run** is already in use in the area in which the **source asset** is located unless such **transmission must-run** is in use solely for voltage and reactive support;
 - (b) the dispatch would cause transmission must-run to be required in the area in which the source asset is located; or
 - (c) the **dispatch** would be in an area where one (1) or more **source assets** have been constrained down, meaning they have received **directives** to reduce production to a lower MW output than the **in merit** MW output level.

Conditions for Dispatch Down Service

- **3(1)** The **ISO** must issue a **dispatch** instructing a **source asset** to reduce energy delivery for any **operating block** that is **in merit** if that **source asset** is the subject of an **offer** for **dispatch down service** which is eligible to receive a **dispatch** under subsection 2 and one (1) or both of the following conditions exist:
 - (a) with respect to a **dispatch** for the provision of **dispatch down service** that is issued in response to **transmission must-run** conditions:
 - (i) the system marginal price is less than or equal to the reference price;
 - (ii) a source asset has received a dispatch or directive for transmission must-run; and
 - (iii) the calculation in subsection 5(1) results in a positive number;
 - (b) with respect to a **dispatch** for the provision of **dispatch down service** that is issued in response to a **directive** for energy from a **long lead time asset**:
 - (i) a pool participant has received a directive for energy from a long lead time asset;
 - (ii) a long lead time asset is delivering its energy in accordance with such directive; and
 - (iii) **dispatches** have not been issued for all of the **operating blocks** that are **in merit** in the energy market for the current **settlement interval**.

Equally-Priced with the Reference Price

The **ISO** must, if an **operating block** in an **offer** or **bid** for MW in the energy market is priced equally with the reference price, consider such energy **operating block** to be **in merit** before issuing **dispatches** for **dispatch down service**.

Effective: 2014-03-27 Page 1 of 3

ISO Rules Part 200 Markets Division 204 Operating Reserves Market Section 204.2 Issuing Dispatches for Dispatch Down Service

MW in Response to a Transmission Must-Run Condition

5(1) The **ISO** must calculate the MW to include in a **dispatch** for the provision of **dispatch down service** that is issued in response to a **transmission must-run** condition as follows:

MW of out of merit energy for transmission must-run;

plus

MW of out of merit energy issued a directive for energy from a long lead time asset;

minus

MW of energy included in a directive instructing the source asset to reduce energy production.

(2) Notwithstanding subsection 5(1), the **ISO** must not deduct the quantity of energy included in a **directive** instructing a **source asset** to reduce energy production if the system is in a state of **supply surplus**.

MW in Response to a Directive for Energy from a Long Lead Time Asset

The **ISO** must calculate the MW to include in a **dispatch** for the provision of **dispatch down service** that is issued in response to a **directive** for energy from a **long lead time asset** as follows:

MW of out of merit energy issued a **directive** for energy from a **long lead time asset**;

minus

MW in a constrained down directive.

Issuing Dispatches for Lesser Quantities of Dispatch Down Service

- 7 Notwithstanding subsections 5 and 6, the **ISO** may issue a **dispatch** for **dispatch down service** in a quantity less than the MW determined in such subsections during the following periods:
 - (a) the period of time from when the ISO has issued dispatches for operating blocks with offer prices up to the reference price, instructing source assets to terminate the provision of dispatch down service but prior to issuing dispatches for operating blocks that are greater than the reference price; and
 - (b) the period of time from when the **ISO** has issued **dispatches** for **operating blocks** with **offer** prices down to the reference price instructing **source assets** to provide **dispatch down service**.

Terminating Dispatch Down Service

8(1)The **ISO** must, in the case of a **source asset** that has received a **dispatch** for termination of the provision of **dispatch down service** in response to a **transmission must-run** condition, issue a **dispatch** instructing the **source asset** to deliver energy prior to issuing a **dispatch** for any **operating block** with an **offer** price that is greater than the reference price.

(2) The ISO must, in the case of a **source asset** that has received a **dispatch** for termination of the provision of **dispatch down service** in response to a **directive** for energy from a **long lead time asset**, issue a **dispatch** instructing the **source asset** to deliver energy following the issuance of a **dispatch** for the highest priced **operating block** that is **in merit** for the current **settlement interval**.

Effective: 2014-03-27 Page 2 of 3

ISO Rules Part 200 Markets Division 204 Operating Reserves Market Section 204.2 Issuing Dispatches for Dispatch Down Service

Revision History

Effective	Description
2013-01-08	Initial release
2014-03-27	Amended subsection 2(a) and 3(1)(a)(iii) to correct inadvertent errors made during the Transition of Authoritative Document project.

Effective: 2014-03-27 Page 3 of 3