

# ISO New England Operating Procedure No. 21 - Energy Inventory Accounting and Actions During An Energy Emergency

**Effective Date: draft**

**References:**

Federal Energy Regulatory Commission (FERC), Order No. 587 - Standards for Business Practices of Interstate Natural Gas Pipelines; Coordination of the Scheduling Processes of Interstate Natural Gas Pipelines and Public Utilities

FERC, Order No. 698 - Standards for Business Practices for Interstate Natural Gas Pipelines; Standards for Business Practices for Public Utilities

NAESB Standard WEQ-0011 Gas/Electric Coordination Standards

NAESB WGQ Business Practice Standards, Additional Standards; Gas/Electric Operational Communication

ISO New England Inc. Transmission, Markets, and Services Tariff Section III Market Rule 1 - Standard Market Design

ISO New England Inc. Transmission, Markets, and Services Tariff, Attachment D - ISO New England Information Policy

ISO New England Operating Procedure No. 4 - Action During a Capacity Deficiency (OP-4)

ISO New England Operating Procedure No. 7 - Action in an Emergency (OP-7)

ISO New England Operating Procedure No. 10 - Emergency Incident and Disturbance Notifications (OP-10)

*This document is controlled when viewed on the ISO New England Internet web site. When downloaded and printed, this document becomes **UNCONTROLLED**, and users should check the Internet web site to ensure that they have the latest version. In addition, a Controlled Copy is available in the Master Control Room procedure binders at the ISO.*

## Table of Contents

I	Introduction .....	3
II	Process Overview .....	6
	A. Data Collection Process Description .....	6
	B. Energy Emergency Forecasting and Reporting Process Description and Forecast Alert Thresholds .....	6
	C. Communications.....	7
	D. Reporting Requirements.....	9
	E. Data Retention Requirements .....	9
III.	Conditions.....	10
	A. Normal Conditions .....	10
	Data Collection .....	10
	Energy Emergency Forecasting and Reporting.....	10
	B. Energy Alert Conditions.....	10
	Data Collection .....	11
	Energy Emergency Forecasting and Reporting.....	11
	Energy Alert Actions .....	11
	C. Energy Emergency Conditions .....	12
	Data Collection .....	12
	Energy Emergency Forecasting and Reporting.....	12
	Energy Emergency Actions .....	13
	D. Cancellation.....	14
	OP-21 Revision History .....	14

### Appendices:

Appendix A - Generator Survey

Appendix B - Electric/Gas Operations Committee's (EGOC) Operations  
Communications Protocol

## I. INTRODUCTION

This Operating Procedure (OP) documents the processes, and establishes the associated requirements for ISO New England Inc. (ISO) to:

1. Collect fuel availability and environmental limitation information for each coal, oil, natural-gas fired, and any other resources that ISO determines to be necessary referred to as “applicable resource(s)” for the purposes of this OP from each respective Lead Market Participant (Lead MP);
2. Forecast and report on expected energy availability over a 21-day look ahead period;
3. Declare Energy Alerts and Energy Emergencies based on forecasted or Real-Time system conditions;
4. Take appropriate action in anticipation of, or during, an Energy Alert or Energy Emergency;
5. Communicate with interstate natural gas pipelines, Liquefied Natural Gas (LNG) import facilities, local gas distribution companies (LDCs), Designated Entities (DEs), and Lead MPs regarding all matters related to resource fuel availability and environmental limitations.

This OP also documents the responsibilities of Lead MPs of applicable resources for completion of OP-21, Appendix A - Generator Survey (OP-21A), related communications and reporting requirements, and expectations for response related to an ISO declaration of an Energy Alert or an Energy Emergency. Nothing in this OP shall relieve Lead MPs from their obligations under the Tariff.

Energy Emergencies (defined in Section III.C of this OP) may occur at any time as a result of sustained national or regional shortages in fuel availability or deliverability to New England’s resources. Such shortages of fuel may occur in many forms, including, but not limited to: severe drought, interruption to availability or transportation of natural gas, oil, or coal.

Any of the conditions listed below, or a combination of these conditions, may contribute to an Energy Emergency (this is not meant to be an all-inclusive list of possible initiating conditions):

- One or more pipeline operational flow orders (OFOs) have been declared
- Significant reductions of resource capability due to natural gas-related issues
- Weather forecast for an extended period of cold or hot weather
- Fuel delivery to a significant number of fossil fuel-fired generating resources is or may be impaired
- Prolonged drought
- Adverse weather conditions within the Gulf of Mexico, Western Canada, or

regional shale gas basins.

- Abnormal conditions at regional LNG import, satellite storage, or LNG trucking facilities
- Extremely cold regional, national, or international weather conditions
- Extreme storm conditions off shore in the Maritimes
- Any viable threat to one or more of the interstate natural gas pipelines or LDCs supplying New England
- Prolonged, significant reductions of capability to import power into the New England region
- Any other serious threat to the integrity of the Bulk Electric System (BES) for which ISO determines that the actions of this OP may mitigate the impact

A sustained environmental limitation on some, or several, of New England's resources may also contribute to an Energy Emergency.

Energy Emergencies are envisioned to last much longer than capacity deficiencies, which are managed through ISO New England Operating Procedure No. 4 - Actions During a Capacity Deficiency (OP-4) and, under extreme circumstances, through ISO New England Operating Procedure No. 7 - Actions in an Emergency (OP-7). Operable capacity deficiencies are typically experienced at seasonal peak load conditions or upon the occurrence of other emergent system conditions and tend to last for a few hours per event. Because fuel shortages and/or environmental limitations may impact New England's ability to fully meet system load and ten-minute operating reserve requirements for days, weeks, or months at a time, ISO may need to take action in advance of a projected Energy Emergency to manage and preserve fuel supplies within the region. Unless ISO takes action to address projected Energy Emergencies, a fuel shortage and/or environmental limitations may lead to a significant loss of resource capacity and more extreme use of OP-4 and OP-7 actions.

The objectives of this OP are:

1. To facilitate strong lines of communication among ISO, interstate natural gas pipelines, LNG import facilities, LDCs, DEs, and Lead MPs regarding all matters relating to resource fuel availability and environmental limitations;
2. To alert regional stakeholders of actual or anticipated near-term energy deficiency conditions such that stakeholders with resources in short supply of fuel, or with potential environmental limitations, can take action to replenish fuel supplies and/or take action to mitigate environmental limitations;
3. To alert regional stakeholders of potential energy deficiencies such that they may take action to shorten or reschedule maintenance or repair to transmission facilities or resources throughout the region;
4. To raise the awareness of New England consumers, Lead MPs, officials of the New England states, regional and national regulators, and regional and national reliability organizations of potential energy deficiencies that may be faced by the

region;

5. To allow for timely implementation of load and capacity relief available within actions of OP-4 or through implementation of load shedding through OP-7, in order to address future capacity **deficiencies** expected as a result of an Energy Emergency.

## II. **PROCESS OVERVIEW**

### A. **DATA COLLECTION PROCESS DESCRIPTION**

Effective October 29, 2018, at the periodicity specified in Sections III.A, III.B, and III.C below, ISO shall distribute a blank survey form, OP-21A, to the Lead MP of each applicable resource. The purpose of OP-21A is to collect data that allows ISO to monitor fuel inventory levels, fuel replenishment plans, and actual or anticipated environmental limitations on resources within New England. Additionally, ISO shall utilize data submitted on OP-21A to perform periodic Energy Emergency forecasting and reporting, as described in Section II.B of this OP. ISO may report all collected data in aggregation.

### B. **ENERGY EMERGENCY FORECASTING AND REPORTING PROCESS DESCRIPTION AND FORECAST ALERT THRESHOLDS**

Effective November 26, 2018, or earlier if possible, ISO shall perform Energy Emergency forecasting and reporting based on available data that includes the information received from Lead MPs through OP-21A submissions. Energy Emergency forecasting and reporting is performed at the periodicity specified in Sections III.A, III.B, and III.C. ISO performs Energy Emergency forecasting and reporting by using an hourly 21-day energy assessment, and comparing the results of that assessment with the Energy Emergency forecast alert thresholds (described below) in order to identify and communicate potential reliability issues to regional stakeholders.

The Energy Emergency forecasts are non-binding as forecasted or expected conditions utilized in the development of the forecasts can change. It is the responsibility of the Lead MPs to take all actions to ensure that resources are able to meet applicable obligations under the Tariff.

#### **Energy Emergency Forecast Alert Thresholds**

- Forecast MLCC-2 (FMLCC2) – indicates that available resources during any hour of the Operating Day are forecasted to be less than 200 MW above those required to meet Operating Reserve requirements.
- Forecast Energy Emergency Alert Level 1 (FEEA1) – indicates that available resources during any hour of the Operating Day are forecasted to be less than those required to meet Operating Reserve requirements, and that the implementation of OP-4 Actions 1 through 5 is being forecasted.
- Forecast Energy Emergency Alert Level 2 (FEEA2) – indicates that available resources during any hour of the Operating Day are forecasted to be less than those required to meet Operating Reserve requirements and that the implementation of OP-4 Actions 6 through 11 is being forecasted.
- Forecast Energy Emergency Alert Level 3 (FEEA3) – indicates that available resources during any hour of the Operating Day are forecasted to be insufficient to serve firm load requirements, and the implementation of firm load shedding under OP-7 is being forecasted.

ISO shall identify and report each hour of all Operating Days within the 21-day look ahead of the Energy Emergency forecast as one of the following: normal, FMLCC2, FEEA1, FEEA2, or FEEA3.

ISO shall publish the results of each Energy Emergency forecast on the ISO website. To the extent possible, for each instance where an Energy Emergency forecast alert threshold was met, the results shall include the reason(s) why the threshold was met.

### **Energy Alert and Energy Emergency Declaration Criteria**

ISO shall declare an **Energy Alert**, and take actions as described in Section III.B of this OP, when:

- FEEA2 or FEEA3 is forecasted to occur in at least 1 hour on 1 or more consecutive days in days 6 through 21 of the 21-day energy assessment, or
- Any other reason(s) for which the ISO Chief Operating Officer (COO), or designee, determines that the actions described in Section III.B of this OP may mitigate the impact of an actual or forecasted energy deficiency.

ISO shall declare an **Energy Emergency** and take actions as described in Section III.C of this OP, when:

- FEEA2 or FEEA3 is forecasted to occur in at least 1 hour on 1 or more consecutive days in days 1 through 5 of the 21-day energy assessment, or
- Shedding of firm load under OP-7 is occurring or is anticipated to occur due to an actual energy deficiency resulting from a sustained shortage of fuel availability or deliverability to, or sustained environmental limitations on some or several of New England resources, or
- Any other reason(s) for which the ISO COO, or designee, determines that the actions described in Section III.C of this OP may mitigate the impact of an actual or forecasted energy deficiency.

For the purposes of this OP, ISO shall declare Normal Conditions any time when neither an Energy Alert nor an Energy Emergency has been declared.

To the extent possible, ISO shall declare Energy Alerts and Energy Emergencies on a daily boundary.

## **C. COMMUNICATIONS**

During Normal Conditions (as described in Section III.A of this OP), the ISO staff shall communicate with interstate natural gas pipelines/LDCs as often as necessary, dependent on existing or forecasted system conditions. More frequent communications may occur when warranted by electronic bulletin board (EBB) notices or actual pipeline conditions.

In addition to the communications that occur during Normal Conditions, during an Energy Alert or Energy Emergency (as described in Sections III.B and III.C of this

OP, respectively) additional or enhanced electric/gas communications may be warranted. These communications serve to ascertain the status of the interstate natural gas pipelines affecting New England, and increase awareness of activities (e.g., maintenance) that may impact natural gas delivery to New England.

ISO shall communicate with interstate natural gas pipelines/LDCs in accordance with the protocols outlined in OP-21, Appendix B - Electric/Gas Operations Committee's (EGOC) Operations Communications Protocol (OP-21B).

#### ISO Responsibilities:

- Routine monitoring of interstate natural gas pipeline EBBs notices for indications of potential pipeline curtailments and/or restrictions. If there are indications of possible curtailments or restrictions, ISO staff is responsible for contacting the Lead MP through its DE for each applicable gas-fueled generator and seeking confirmation that each applicable gas-fueled generator has sufficient gas scheduled to its meter(s) to support its scheduled commitment for the next Operating Day.
- Contacting any interstate natural gas pipeline/LDC as necessary regarding Real-Time or forecast conditions on the regional natural gas system.
- Emailing expected electric sector gas consumption hourly load profiles to the interstate natural gas pipelines.
- Reviewing natural gas nominations, via each interstate natural gas pipeline EBB, and contacting the applicable Lead MP through its DE for its respective gas-fueled generator that may indicate a deficient natural gas supply for the current or next Operating Day.
- Contacting each dual-fuel generator after the Day-Ahead Energy Market (DAM) is complete and verifying the type of fuel it anticipates using on the next Operating Day.
- Publishing the results of the Energy Emergency Forecast on the ISO website.
- Declaring and posting Energy Alerts and Energy Emergency declarations on the ISO website.

#### Responsibilities of each Lead MP through its DE:

- Communicating to ISO, when such change in conditions is known, the available information regarding anticipated or actual reductions in generator availability, including but **not** limited to the ability to procure fuel and physical limitations that could reduce generator output or availability for the Operating Day.
- Communicating to ISO any knowledge of changes to Real-Time fuel deliverability, as soon as possible, to facilitate the proper commitment and dispatch of the affected generator(s).



**D. REPORTING REQUIREMENTS**

- ISO shall submit all necessary reports in accordance with ISO New England Operating Procedure No. 10 - Emergency Incident and Disturbance Notifications (OP-10).
- Each Lead MP shall submit all necessary reports to the extent **and as** required by the United States (U.S.) Department of Energy (DOE).
- Each Lead MP, through its DE, shall notify ISO when fuel supply emergencies occur that could impact BES adequacy or reliability.
- If ISO determines that resource availability will affect the adequacy or reliability of the BES or a sub-area of the BES, ISO shall notify the U.S. DOE in accordance with Form OE-417 Electric Emergency Incident and Disturbance Report (Form OE-417) requirements.
- ISO shall report to the U.S. DOE using Form OE-417 when an Energy Emergency has been declared.
- On a case **by** case basis, ISO shall consider reporting to the U.S. DOE using Form OE-417 whenever supplies of fuel types, other than fuel oil or coal, are diminished below normal levels.

**E. DATA RETENTION REQUIREMENTS**

ISO shall retain all data submitted on OP-21A for **not** less than 36 months.

**ISO shall treat submitted data as Confidential Information in accordance with the ISO New England Inc. Transmission, Markets, and Services Tariff, Attachment D - ISO New England Information Policy.**

### III. CONDITIONS

#### A. NORMAL CONDITIONS

For the purpose of this OP, Normal Conditions are conditions that exist any time that neither an Energy Alert nor an Energy Emergency has been declared.

##### Data Collection

During Normal Conditions, on the following frequency basis, ISO shall distribute blank OP-21A forms to the Lead MPs of applicable resources:

- Weekly, in the months of December through March (i.e. winter months), and
- Bi-weekly, in the months of April through November (i.e., non-winter months),

ISO may increase the frequency, up to and including daily, and/or modify the data collection requirements, as necessary, if it finds emergent indications of potential energy deficiencies due to environmental limitations, fuel inventory, procurement or transportation issues, or any other condition that could limit resource availability.

Each Lead MP shall complete the blank OP-21A form provided by ISO for each applicable resource and submit it to ISO as soon as possible, but **no** later than the date specified by ISO.

- The Lead MP shall report accurate information on its completed copy of OP-21A.
- ISO may contact the Lead MP to ask clarifying questions on any submitted information.

##### Energy Emergency Forecasting and Reporting

During Normal Conditions, based on available data (which includes information submitted by Lead MPs on OP-21A forms), ISO shall perform Energy Emergency forecasting and reporting as follows:

- Weekly, in the months of December through March, and
- Bi-weekly, in the months of April through November

ISO shall publish results of each Energy Emergency forecast on the ISO website.

- To the extent possible, for each instance where an Energy Emergency forecast alert threshold was met, the results shall include the reason(s) why the threshold was met.

#### B. ENERGY ALERT CONDITIONS

An **Energy Alert** is an alert that ISO shall declare when:

- FEEA2 or FEEA3 is forecasted to occur in at least 1 hour on 1 or more consecutive days in days 6 through 21 of the 21-day energy assessment, or
- Any other reason(s) for which the ISO COO, or designee, determines that the actions described in Section III.B of this OP may mitigate the impact of an actual or forecasted energy deficiency.

### Data Collection

During Energy Alert conditions, on a daily basis, ISO shall distribute blank OP-21A forms to the Lead MPs of applicable resources.

ISO may increase the frequency and/or modify the data collection requirements, as necessary, if it finds emergent indications of potential energy deficiencies due to environmental limitations, fuel inventory, procurement or transportation issues, or any other condition that could limit resource availability.

Each Lead MP shall complete the OP-21A form provided by ISO for each applicable resource and submit it to ISO as soon as possible, but **no** later than the date specified by ISO.

- The Lead MP shall report accurate information on each submitted OP-21A form.
- ISO may contact the Lead MP to ask clarifying questions on any submitted information.

### Energy Emergency Forecasting and Reporting

During Energy Alert Conditions, on a daily basis, ISO shall perform Energy Emergency forecasting and reporting based on available data which includes information submitted by Lead MPs on OP-21A forms.

ISO shall publish results of each daily Energy Emergency forecast on the ISO website.

- To the extent possible, for each instance where an Energy Emergency forecast alert threshold was met, the results shall include the reason(s) why the threshold was met.

### Energy Alert Actions

When an Energy Alert has been declared, ISO shall:

1. Alert each LCC and surrounding Reliability Coordinator/Balancing Authority (RC/BA) of the Energy Alert.
2. Alert each Lead MP of the Energy Alert via a posting to the ISO website.
3. Alert New England state regulators and officials of the Energy Alert.
4. Initiate daily data collection using OP-21A forms, and daily Energy

**Emergency forecasting and reporting.**

When an Energy Alert has been declared, each Lead MP shall evaluate actual and anticipated fuel supplies and environmental limitations and should consider taking action, as necessary, to replenish fuel supplies and/or mitigate environmental limitations.

When an Energy Alert has been declared, each Lead MP and LCC shall evaluate scheduled maintenance or repair to transmission facilities or resources in the region that reduces the capability of a facility or resource to supply energy to the region and should consider taking action, if possible, to maximize availability of those facilities or resources.

**C. ENERGY EMERGENCY CONDITIONS**

An **Energy Emergency** is an emergency that **ISO shall declare** when:

- **FEEA2 or FEEA3** is forecasted to occur in at least 1 hour on 1 or more consecutive days in days 1 through 5 of the 21-day energy assessment, or
- Shedding of firm load under OP-7 is occurring or is anticipated to occur due to an actual energy deficiency **resulting from a sustained shortage of fuel availability or deliverability to, or sustained environmental limitations on, some or several of New England's resources, or**
- **Any other reason(s) for which the ISO COO, or designee, determines that the actions described in Section III.C of this OP may mitigate the impact of an actual or forecasted energy deficiency.**

**Data Collection**

During Energy Emergency Conditions on a daily basis, ISO shall distribute a blank OP-21A form to the Lead MPs of applicable resources.

ISO may increase the frequency and/or modify the data collection requirements, as necessary, if it finds emergent indications of potential energy deficiencies due to environmental limitations, fuel inventory, procurement or transportation issues, or any other condition that could limit resource availability.

Each Lead MP shall complete the OP-21A form provided by ISO for each applicable resource and submit it to ISO as soon as possible, but **no** later than the date specified by ISO.

- The Lead MP shall report accurate information on the submitted OP-21A form.
- ISO may contact the Lead MP to ask clarifying questions on any submitted information.

**Energy Emergency Forecasting and Reporting**

During Energy Emergency Conditions, on a daily basis, ISO shall perform Energy Emergency forecasting and reporting based on available data (which includes information submitted by the Lead MPs on OP-21A forms).

ISO shall publish results of each Energy Emergency forecast on the ISO website.

- To the extent possible, for each instance where an Energy Emergency forecast alert threshold was met, the results shall include the reason(s) why the threshold was met.

## Energy Emergency Actions

When an Energy Emergency has been declared, ISO shall:

1. Alert each LCC and surrounding Reliability Coordinator/Balancing Authority (RC/BA) of the Energy Emergency.
2. Alert each Lead MP of the Energy Emergency via a posting to the ISO website.
3. Alert New England State regulators and officials of the Energy Emergency.
4. Report the Energy Emergency to the U.S. DOE, using Form OE-417.
5. Initiate daily data collection using OP-21A forms, and daily Energy Emergency forecasting and reporting.
6. Request that each dual-fuel generator scheduled to operate voluntarily switch to operation on the fuel source that is not in short supply.
7. Implement specific capacity and load relief measures available through actions of OP-4, excluding requesting New England State Governors reinforce appeals for voluntary load curtailment.

If actions 1 - 7 above do not result in the necessary relief from the forecasted Energy Emergency, or if there is insufficient time for those measures to provide relief, the following actions may be taken:

8. Implement a New England State Governors appeal in accordance with OP-4: Request New England State Governors to reinforce appeals for voluntary electrical load curtailment and the Power Warning implementation.
9. Under extreme conditions, ISO shall seek reliability relief through load shedding actions available through implementation of OP-7.

When an Energy Emergency has been declared, each Lead MP shall evaluate actual and anticipated fuel supplies and environmental limitations, and should consider taking action, as necessary, to replenish fuel supplies and/or to mitigate environmental limitations.

When an Energy Emergency has been declared, each Lead MP and LCC shall evaluate scheduled maintenance or repair to transmission facilities or resources in the region that reduces the capability of a facility or resource to supply energy to

the region and should consider taking action, if possible, to maximize availability of those facilities or resources.

#### D. CANCELLATION

When conditions have sufficiently improved and the criteria for declaration of an Energy Alert or an Energy Emergency are no longer being met, ISO shall cancel the Energy Alert or Energy Emergency, as applicable

To the extent possible, ISO will cancel Energy Alerts and Energy Emergencies on a daily boundary.

#### OP-21 REVISION HISTORY

Rev. No.	Date	Reason
Rev 0	11/04/05	Original Version for Winter 2005/2006
Rev 1	10/13/06	Revised OP for permanent use
Rev 2	06/01/10	Updated for the changes to OP #4 actions for FCM
Rev 3	08/28/14	Biennial review by procedure owner completed; Added referenced to support new format Globally used BES in place of BPS; Added sections on actions for Energy Inventory Accounting, Normal Conditions
Rev 3.1	06/15/16	Periodic review performed requiring no changes; Made administrative changes required to publish a Minor Revision;
Rev 4	06/01/18	Biennial review by procedure owner completed; Added required corporate document identity to all page footers; Globally, minor editorial changes and updates to make content consistent with current conditions, business process practices, and management expectations; Section I Introduction 2 <sup>nd</sup> paragraph, replaced "...Capacity Scarcity Condition..." with "...Capacity Shortage..." Section II.IV.B (Energy Emergency Conditions) 1 <sup>st</sup> paragraph, replaced "...Capacity Scarcity Condition..." with "...Capacity Shortage..."
Rev 5	draft	Major re-write to include modified survey requirements and incorporation of Energy Emergency forecasting and reporting process.