

AESO Recommendation Paper – Market Suspension Stakeholder Comment Matrix

Comment Due Date: January 14, 2011
Stakeholder: ATCO Power

Section	AESO Recommendation/Feedback Requested	Stakeholder Response
4.0 Policy Coherence and Principles	The AESO is interested feedback as to the AESO's policy interpretation and principles.	ATCO Power would like to thank the AESO for the clarification and to state its agreement with the principles.
5.2 Market Operation Tool Outages	The AESO recommends implementing limited market operation, until the dispatching of the EMMO is no longer relevant as deemed by the System Controller, which will then trigger a market suspension.	<p>ATCO Power agrees with the AESO's recommendation but would like to suggest that some wording should be added around the system controller using the most relevant EMMO during limited market operation.</p> <p>We would like to point out that the necessity to suspend DDS and PSM highlights the fact that these two mechanisms are not well integrated patches to market issues. Despite the fact that they might not be broken per se we would like the AESO to address them to avoid the ripple effect they cause in other areas.</p>
5.3 Market Suspension for Market Issues	The AESO recommends that market suspension will not be invoked for supply shortfall, supply surplus or transmission constraints.	ATCO Power agrees with the AESO's recommendation.
5.4 Market Suspension for Reliability Issues	The AESO recommends that market suspension may be invoked for reliability reasons including the System Controller not able to access the primary control center and the back-up control center, the AIES broken into electrical islands, and AIES blackout.	ATCO Power agrees with the AESO's recommendation.

<p>5.5 Authority to Suspend the Market</p>	<p>The AESO recommends that the authority to suspend the market is limited to the CEO of the AESO or his designee, except that in an AIES blackout the System Controller may suspend the market.</p>	<p>ATCO Power agrees with the AESO's recommendation.</p>
<p>5.6 Pricing During a Market Suspension</p>	<p>The AESO recommends the energy price during a market suspension to be:</p> <ul style="list-style-type: none"> a) 30 day rolling average on peak price and 30 day rolling average off peak price respectively, prior to the market suspension initiation, or b) \$999.99 when all available MW are dispatched, and the System Controller has invoked the Supply Shortfall procedures. <p>The AESO also recommends that a payment mechanism, similar to that for Long Lead Time Energy, be defined to allow a market participant to recover any shortfall between the energy receipts and their operating costs while generating during a market suspension. The exception to the LLTE incremental generation cost calculation when applied in the case of market suspension is that start up costs will only be included for generating assets that are directed to start by the System Controller during a market suspension, and</p> <ul style="list-style-type: none"> a) directed off by the System Controller during the market suspension, or b) dispatched off by the System Controller upon the cancellation of the market suspension and return 	<p>While ATCO Power would have preferred a more sophisticated approach to estimating the pool price during market suspension, e.g. similar supply cushion, we can appreciate the clarity and simplicity of simple rolling averages. We would like the AESO to consider using a shorter time horizon though. A 30 day period would most likely reflect a variety of different market conditions that are less likely to reflect the conditions during the market suspension.</p>

	to normal market operation.	
5.7 Import During a Market Suspension	The AESO recommends that OPP 803 and OPP 807 be applied in a market suspension if the specified conditions are met for importing emergency energy from BC or Saskatchewan.	ATCO Power agrees with the AESO's recommendation.
6. Next Steps	The AESO is interested in stakeholder comments on the next steps.	ATCO Power views the proposed next Steps as a reasonable way to proceed.
Additional Comments		<p>In section 5.1.2 the AESO states:</p> <p><i>Both IPCCCA and the UCA question why the AESO is putting priority on this rule review, perhaps over other market initiatives such as inertia ATC calculation. The AESO is not giving this rule review priority over other market initiatives such as wind integration, inerties, LSSi, and TCM. These initiatives are all deemed to be important and the AESO is pursuing them in a parallel manner utilizing various resources within the AESO. It is AESO's mandate to ensure that ISO Rules continue to be relevant and current within the market structure.</i></p> <p>It is obvious that the AESO's resources are limited and while we agree that the AESO is pursuing the other listed initiatives in parallel, we are questioning how a fairly obscure rule like market suspension made the list. Instead ATCO Power would like the AESO to allocate resources to take a broader look at the AESO rules and identify improvements, simplifications, and seams that can be addressed (e.g. PSM).</p>