

AESO Market Road Map:

Load Coalition Comments

Submitted on behalf of the Alberta Direct Connect Consumers Association (ADC), the Industrial Power Consumers Association of Alberta (IPCAA) and the Office of the Utilities Consumer Advocate (UCA)

Section	Subsection	Stakeholder Response
2.1 New Initiatives added to Market Roadmap	Pool Price Cap	It is recommended that review of the pool price cap be subsumed under a general review of the pool price mechanism. (see Discussion document, section 2)
	Draft FEOC Regulation	It is not possible to estimate the work required to implement this Regulation, or its urgency, until the Regulation's content is known.
	Existing Inter-tie Capabilities	The AESO's proposal to bring all 'intertie'-like issues together has merit. This should be subsumed under a general review of transmission access, giving careful consideration to 'seams' issues with neighboring jurisdictions. (see Discussion - section 3)
	Market Suspension Rules	Unless a greater urgency can be demonstrated, including this as a subordinate part of a "Pool Pricing Mechanism Review" would be appropriate.
	Market Systems Visioning	Systems visioning should begin with a clear definition of the system's business long-term objectives. Until a review of the existing pool pricing mechanism is complete, and the problem of \$0 offers is definitively resolved, it would be premature to initiate a system visioning activity. The ongoing and urgent maintenance of the AESO's existing systems, such as the EMS upgrade, should proceed as required in the interim.
	Ancillary Services Procurement Process	Subject to review and incorporation of stakeholder comments, the AESO is encouraged to proceed to implement the changes that have been developed in order to develop a more market-based provision of these services. In particular, participation in the spinning and supplemental reserve markets by loads capable of reliably providing this service should be encouraged in order to broaden the market and to develop consistency with other jurisdictions (e.g.

		FERC Order 890 dated 16 Feb 2007, section 888)
2.2 Market Roadmap Projects Update		
2.2.1 Policy Implementation Projects		
	Wind	This continues to be matter of urgent industry concern, in which the AESO's leadership is appreciated. The market structure implications of wind and other non-dispatchable resources would be considered in the proposed pool pricing mechanism review. Related issues include developing reasonable certainty that planned generation will in fact be built, assessing the impacts of wind on operating reserves and expanding intertie capability for both export and import purposes.
	Transmission Regulation Section 18 Rules	Generation unit emergency operating requirements have been clarified by the AUC in Decision 2009-007, and will be further detailed in the AESO's response to that decision. This appears to be medium-low priority.
	Congestion Management	The proposed review of transmission access would incorporate this as a work component, giving consideration to the AUC's findings. (see section 3 below) The development of congestion management as a contestable market product would be consistent with Alberta's overall use of market solutions, building on the type of market-based approach used for DDS.
	Dispatchability of Interties & Setting Price	The proposed review of transmission access would incorporate this as a work component. The ability of western area hydro units to provide wind shaping services is clearly critical to Alberta's development, and pricing integration with these markets therefore essential. (see Discussion - section 3)
	Operating Reserves	(as per comments on Ancillary Services Procurement Process above)
	Demand Response	This is an initiative of immediate concern and high

		priority (see Discussion - section 1)
	Available Transmission Capacity (ATC)	The proposed review of transmission access would incorporate this as a work component. (see Discussion - section 3)
2.2.2 Monitoring & Metrics		This area appears to be stable at the moment, and does not require further resourcing.
3.1 Major Systems Overview		
3.2 Major System Renovations		
4.0 Project Plan and Timeline		
Appendix A		
Appendix B		
Any Missing Projects		Two main projects, Pool Price Review & Transmission Access Review, are proposed to consolidate related issues, and develop a comprehensive understanding of the fundamental issues.
Implementation Targets		