



May 26, 2010

To: **Market Participants and Interested Persons**

Re: **Information Document # 2010-04R - Changes Related to Implementation of Fair, Efficient and Open Competition Regulation - REVISED**

The AESO has prepared the attached revised information document as a companion to the changes to certain ISO rules, to help market participants understand the necessity for the rule changes, and to provide clarity on how the AESO has implemented some incidental process and administrative changes deemed necessary as a result of the Fair, Efficient and Open Competition Regulation.

Sincerely,

Kelly Gunsch
Vice President, Market Services

Comments/Questions

If you have any comments or questions about the information in this document please contact:

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Market participants are advised that the contents of this information document are for information purposes only and are intended to provide guidance. Information document content is therefore subject to change from time to time. For an understanding of the governing legal and binding requirements and obligations on any referenced subject matter, please consult the actual authoritative document language within the relevant ISO rules, tariff and reliability standards.

1. Purpose

The AESO has prepared a revised version of this Information Document 2010-04R (“ID”) as a companion to the changes to certain ISO rules, to help market participants understand the necessity for the rule changes, and to provide clarity on how the AESO has implemented some incidental process and administrative changes deemed necessary as a result of the [Fair, Efficient and Open Competition Regulation](#) (the “FEOC Regulation”).

2. Background

The FEOC Regulation was released by the Alberta Department of Energy on June 18, 2009, and came into force on September 1, 2009. Although the FEOC Regulation does not explicitly contemplate or require any changes to ISO rules, the AESO determined that certain changes to ISO rules and processes were necessary to facilitate greater alignment with the FEOC Regulation.

Stakeholders were consulted on the proposed changes to ISO rules 1.8, 1.10 and 10.9 and stakeholder feedback was received. All rule changes have been approved by the Alberta Utilities Commission and are now in effect.

3. The Implementation of Specific Rule Changes and Procedures

3.a Regulation Section 2- Conduct Not Supporting Fair, Efficient and Open Competition

The AESO assessed that former ISO rule 1.10 – Market Participant Behaviour Guidelines, was redundant, given the respective roles and mandates of the AESO and the Market Surveillance Administrator (“MSA”) as set out in the [Alberta Utilities](#)



[Commission Act](#) and the provisions of new FEOC Regulation. Rule 1.10 historically provided requirements intended to ensure market participants avoid anti-competitive behaviour. The FEOC Regulation accomplishes the same goal in a more comprehensive manner, with monitoring and enforcement under the jurisdiction of the MSA.

3.b Regulation Section 3 – Preferential Sharing of Records That Are Not Available to The Public

The AESO agency approval process and ISO rule 1.8 - Appointment of an Agent, were revised to support the FEOC Regulation, especially in light of the provisions that disallow certain types of “records” information sharing between market participants. The AESO continues to function as the administrator of agency appointments whereby a pool participant may appoint an agent to represent the pool participant in dealings with the AESO. The AESO created an amended [Agency Appointment Request Form](#) to reflect the new requirements.

Section 3(2) of the FEOC Regulation allows for certain exemptions from the prohibition against the sharing of “records that are not available to the public relating to any past, current or future price and quantity offer made to the power pool or for the provision of ancillary services.”

Among the exemptions are those affected through an AESO Agency Appointment Request Form related to an agency agreement or arrangement approved by the AESO prior to September 1, 2009. If a pool participant wishes to appoint an agent to act on its behalf in dealings with the AESO and such relationship otherwise is disallowed by Section 3 of the FEOC Regulation, then the pool participant will need to obtain an order from the Alberta Utilities Commission (AUC) under Section 3(3) of the FEOC Regulation before the AESO will approve of such relationship. The FEOC Regulation provides a one-year grandfathering provision for all existing AESO approved agency appointments. The one-year grandfathering provision expires on August 31, 2010.

Therefore, in accordance with Section 3 of the FEOC Regulation, each market participant who is a pool participant and a counterparty to an AESO approved agency appointment, as of September 1, 2009 (the day the FEOC Regulation came into force),



must provide the AESO with a copy, as applicable, of one of the following on or before August 31, 2010:

1. An order from the AUC approving the information relationship arrangement that contemplates the sharing of “records that are not available to the public relating to any past, current or future price or quantity offer made to the power pool or for the provision of ancillary services”; or
2. A signed confirmation from an authorized representative of the pool participant that the “records that are not available the public...may be shared”. An order from the AUC is not required for the information sharing relationship to exist.

Such documentation is to be submitted to the attention of Marina Jagbandhansingh, who can be contacted at marina.jagbandhansingh@aeso.ca, or 403 539-2587.

Market participants are reminded that, as per ISO rule 1.8(2)(5), “the ISO will not approve the appointment of an agent if the subject matter of the agency extends, in whole or in part, to the preferential sharing of records in violation of or noncompliance with the provisions of Section 3 (1) of the *Fair, Efficient and Open Competition Regulation*, unless there is an exception to the prohibition against the sharing of records, as specified in Section 3(2) of that Regulation.” In accordance with the *Electric Utilities Act* Section 21.1, “if the Independent System Operator suspects that a market participant has contravened an ISO rule, the Independent System Operator, must refer the matter to the Market Surveillance Administrator.”

3.c Regulation Section 4 – Restrictions on Trading Using Outage Records That Are Not Available To the Public

The FEOC Regulation includes certain outage information trading restrictions that previously appeared in the MSA Trading Practices Guideline. Now, Section 4 states that *market participants shall not, directly or indirectly, use outage records to trade unless permitted to do so under this section*. However, to facilitate market participants’ ability to properly trade using outage records, Section 4(2) spells out the requirements to provide



outage records to the AESO that will be used in accordance with Section 4(3) to populate and publish certain outage records, as described more fully below. Under the FEOC Regulation, the AESO took over the administrative and management responsibilities for outage report information gathering and publication, as previously conducted by the MSA.

Accordingly, when the AESO publishes these reports it further is required under Section 4(3) to *include the effective date and time of the most recent outage records received from market participants*. The following provides additional detail on how the AESO fulfills these functions as required by the FEOC Regulation:

i) Generating Unit Fuel Type

The MSA previously published generator outage information on the AESO website in the form of a "[Short Term Outage Report](#)" and a "[Monthly Generator Outage Report](#)", both aggregated by fuel type. These two reports continue to be published on the AESO website, but are now the responsibility of the AESO. The AESO administered reports are time and date stamped in accordance with the above mentioned requirements of the FEOC Regulation.

More details regarding the current requirement for the AESO to publish the two reports are available in OPP 606 - Generator Outage Coordination. OPP 606 requires market participants to "at the beginning of every month, submit the outage schedule for planned outages that will occur in the next 24 months". The AESO will provide an exemption under Section 3(6) of the FEOC Regulation to market participants from providing outage schedule for planned outages that will occur at a time the beyond the next 24 months. As such, market participants are not required to submit any additional information as a result of the FEOC Regulation

ii) Transmission Facility

The AESO publishes two reports addressing outages to transmission equipment, "[Long Term Critical Transmission Outages](#)" and "[System Coordination Plan - Approved Outages](#)". The current reports were upgraded by the AESO to include a time and date stamp in accordance with the requirements of the FEOC Regulation.



The current requirement for the AESO to publish these two reports is addressed in OPP 601 - Transmission Outage Coordination. Market participants are not required to submit any additional information as a result of the FEOC Regulation.

iii) Electric Distribution System

The AESO does not currently collect and publish information regarding outages on the electric distribution system. The AESO does not see need for any changes at this time, and has provided an exemption under Section 3(6) of the FEOC Regulation to market participants from providing such outage records.

iv) Market Participant Capability to Consume Electric Energy

The MSA published the "[Load Outage Report](#)" on its website until August 31, 2009. This function was taken over by the AESO as required by the FEOC Regulation, and accordingly the AESO implemented new ISO rule 10.9 - Load Outage Reporting to deal with the AESO obligations and the related subject matter.

The Load Outage Report addresses load outage records related to decreases in the capability of a market participant to consume electric energy. The AESO aggregates load outage records, and determines daily load outages in MW as the sum of MWh of all submitted outages by time period divided by the number of hours in the time period. Specifically, a market participant with a planned decrease in its capability to consume load of 40 MW or greater, is required to report load outage records to the AESO

The AESO prepares a daily load outage report on each business day and post it daily on the AESO website including:

- Time and date the report was prepared
- Daily average MW load outage, rounded to the nearest MW, for each day of the current month and the next three months

All market participants that meet the above noted criteria are required to provide the following load outage records to the ISO in the form and manner provided for at load.outage@aeso.ca:



-
- Start date/Start time
 - End date/End time
 - Decrease in the capability to consume (MW) equal of 40 MW or greater

The [Load Outage Report Form](#) is posted on the AESO website:

3.d Regulation Section 6 – ISO matters

Under Section 6 of the FEOC Regulation, the AESO is required to “*make available to the public the price, quantity and asset identification associated with each offer made to the power pool that is available for dispatch*” on a 60-day delayed basis. As a result, on November 1, 2009, three new historical reports ([Merit Order Snapshot-Energy, Merit Order Snapshot-Ancillary Service and Merit Order Snapshot Report-DDS](#)) commenced to be published on the AESO's website. Market participants are not required to submit any additional information as a result of the FEOC Regulation.

The reports are snapshots of the System Controller Dispatch Tool taken at the mid-point of the settlement interval. The reports are published 60 days after the date of the snapshot and capture 24 snapshots representing the prior 24 hour period.

Please see attached Appendix 1 for examples of the three new reports.

The AESO is also required by FEOC Regulation to develop information technology systems capable of identifying and tracking the market participant that holds the offer control associated with each price and quantity offer made to the power pool. The AESO has begun considering the design elements for such systems. Any information available resulting from these new systems will augment the November 2009, report contents.

4. References:

- [Fair, Efficient and Open Competition Regulation](#)
- [OPP 601 - Transmission Outage Coordination](#)
- [OPP 606 - Generator Outage Coordination](#)



Information Document Changes Related to Implementation of Fair, Efficient and Open Competition Regulation

ID#2010-004R

Alberta Electric System Operator - Microsoft Internet Explorer provided by AESO

File Edit View Favorites Tools Help

Address http://ets.aeso.ca/

Reports Version: prod 6_1_

Current
Historical
Trading Page
Supply Forecast

Select Report: Merit Order Snapshot - Ancillary Service
 Select Format: html
 Begin Date: 01/01/2010
 End Date: 01/01/2010
 OK

AS Merit Order Snapshot Report

Date	HE	Service Type	Supply Type	Asset Id	Total Dispatched (MW)	Dispatched?	Snapshot Date/Time
01/01/2010	01	RR	ACTIVE	KH1	5	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	KH1	10	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	MKR1	3	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	JOF1	13	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	MKR1	10	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	BOW1	9	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	BOW1	3	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	NX01	17	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	BOW1	1	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	NX01	5	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	BOW1	5	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	JOF1	20	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	SH1	15	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	KH1	16	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	BOW1	3	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	MKR1	1	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	MKR1	1	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	BOW1	3	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	NX01	3	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	BOW1	3	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	MKR1	1	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	BOW1	8	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	BOW1	7	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	MKR1	2	Y	01/01/2010 00:30
01/01/2010	01	RR	ACTIVE	MKR1	8	Y	01/01/2010 00:30

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Information Document Changes Related to Implementation of Fair, Efficient and Open Competition Regulation

ID#2010-004R

Alberta Electric System Operator - Microsoft Internet Explorer provided by AESO

Address: http://ets.aeso.ca/

ETS LOGIN

Version: prod 6_1_0_16

Reports

Select Report: Merit Order Snapshot - DDS

Select Format: html

Begin Date: 01/01/2010

End Date: 01/01/2010

Current | Historical

DDS Merit Order Snapshot Report

Date	HE	Asset Id	Block Number	Block Price (\$)	Original MW	Available MW	Dispatched MW	Snapshot Date/Time
01/01/2010	01	EC01	0	-20.10	35	32	32	01/01/2010 00:30
01/01/2010	01	NX01	0	-16.99	43	43	43	01/01/2010 00:30
01/01/2010	01	SCR1	0	-6.00	40	40	22	01/01/2010 00:30
01/01/2010	01	BR5	0	-0.01	80	80	0	01/01/2010 00:30
01/01/2010	01	ALS1	0	0.00	30	30	0	01/01/2010 00:30
01/01/2010	01	BR4	0	0.00	40	40	0	01/01/2010 00:30
01/01/2010	02	EC01	0	-20.10	35	33	33	01/01/2010 01:30
01/01/2010	02	NX01	0	-16.99	43	43	43	01/01/2010 01:30
01/01/2010	02	SCR1	0	-6.00	40	40	21	01/01/2010 01:30
01/01/2010	02	BR5	0	-0.01	80	80	0	01/01/2010 01:30
01/01/2010	02	ALS1	0	0.00	30	30	0	01/01/2010 01:30
01/01/2010	02	BR4	0	0.00	40	40	0	01/01/2010 01:30
01/01/2010	03	EC01	0	-20.10	35	0	0	01/01/2010 02:30
01/01/2010	03	NX01	0	-16.99	43	43	43	01/01/2010 02:30
01/01/2010	03	SCR1	0	-6.00	40	40	40	01/01/2010 02:30
01/01/2010	03	BR5	0	-0.01	80	80	9	01/01/2010 02:30
01/01/2010	03	ALS1	0	0.00	30	30	0	01/01/2010 02:30
01/01/2010	03	BR4	0	0.00	40	40	0	01/01/2010 02:30
01/01/2010	04	EC01	0	-20.10	35	0	0	01/01/2010 03:30
01/01/2010	04	NX01	0	-16.99	43	43	43	01/01/2010 03:30
01/01/2010	04	SCR1	0	-6.00	40	40	40	01/01/2010 03:30
01/01/2010	04	BR5	0	-0.01	80	80	9	01/01/2010 03:30
01/01/2010	04	ALS1	0	0.00	30	15	0	01/01/2010 03:30
01/01/2010	04	BR4	0	0.00	40	40	0	01/01/2010 03:30
01/01/2010	05	NX01	0	-20.99	43	43	43	01/01/2010 04:30
01/01/2010	05	EC01	0	-20.10	35	0	0	01/01/2010 04:30

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Information Document
Changes Related to
Implementation of Fair, Efficient
and Open Competition Regulation

ID#2010-004R

Revision History

Version	Effective Date	Description of Changes
2010-04R	April 28, 2010	Update of AESO Implementation Details
2009-01	August 31, 2009	Update of AESO Implementation Details
2009-01	August 7, 2009	Initial Release

Comments/Questions

If you have any comments or questions about the information in this document please contact:

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