



May 27, 2010

Dear Stakeholders:

Re: Operating Reserves Market Redesign Comment Response Matrix

The AESO has released its responses to stakeholder comments on the [revised Operating Reserves Market Redesign Recommendation Paper](#). The AESO would like to thank all stakeholders for their input and looks forward to continued consultation as the process moves forward. The AESO will be developing a plan for implementation of the recommendations and ISO Rules, but as noted at the stakeholder session held May 26th, 2010, Phase 1 changes identified in the paper will be put in place in July. Phase 1 changes include moving all volume to D – 1 and improving transparency of OTC prices.

Full D-1 procurement of Active and Standby volumes will begin on July 5th, 2010, although due to residual purchases, not all volumes will be purchased at D-1 until July 9th. Weekends and holidays will continue to be purchased on the last AESO business day prior to the break, i.e. Friday will typically purchase OR for Saturday, Sunday and Monday. The afternoon NGX session will not be used, but it will be retained as a backup pending a review of the Phase 1 changes.

Improvements to OTC reporting will also be available on the AESO webpage beginning July 5th, 2010. The reports can be found at <http://ets.aeso.ca> under the historical reports section. The relevant reports are the Weekly Market Report and the Daily OTC Transactions Report. The Weekly Report will not be changing, but the Daily Report will be changed to provide daily on and off peak OR prices on a volume weighted trade basis.

Any questions on the comment response matrix should be sent to Kris Aksomitis (Kris.Aksomitis@aesoc.ca). Questions on D-1 procurement and the updated OTC reporting should be sent to Daniel Clark (Daniel.Clark@aesoc.ca).

Yours truly,

“original signed by”

Kris Aksomitis, Program Manager, Market Services

cc: Kelly Gunsch, Vice-President, Market Services
Miranda Keating-Erickson, Director, Market Services