

# Eligibility: Session 1 Summary

## Capacity Market Working Group



**Date:** 6/8/2017      **Time:** 9:00 – 12:00      **Location:** AESO Boardroom      **Prepared by:** Jordan Ludwig

**Attendees: (Note Regrets)**

S.No	Invited / Attended	Company Name	Attendance Status
1	Colette Chekerda	Alberta Direct Connect	Present
2	Dan Chapman	NRStor on behalf of Energy Storage Canada - Alberta Advocacy Council	Present
3	Danny O'Hearn	PowerEx Corp	Present
4	Edmond de Palezieux	Depal Consulting on behalf of Devon Canada	Present
5	Kelly Cantwell	Emera	Regrets Mike Cook (Proxy) – Present (Phone)
6	Kevin Dawson	Alberta Electric System Operator	Present
7	Grant Berry	Capital Power	Present
8	Janene Taylor	TransCanada Energy Ltd	Present
9	Leonard Olien	Solas Energy Consulting on behalf of CanWEA	Present
10	Matt Davis	ATCO Electricity Global Business Unit	Present
11	Megan Gill	The Office of the Utilities Consumer Advocate	Present
12	Ray McKay	ENMAX	Regrets Chris Joy (Proxy) – Present
13	Sarah Griffiths	EnerNOC	Present
14	Surendra Singh	Alberta Newsprint Company	Regrets No Proxy Present
15	Jasmine Qadri	Alberta Electric System Operator	Present
16	Dustin Anderson	Stack'd Consulting (Facilitator)	Present
17	Jordan Ludwig	Stack'd Consulting (Facilitator)	Present

## Summary

- **Welcome, Introductions, and Objectives**
- **Process and Approach to Build Capacity Market Framework**
  - Overall approach
  - Governance overview
  - Establish WG engagement schedule, cadence, and process
- **Expectations and Role Clarity on Working Group**
  - Review terms of reference and expectations of work group members
  - Role requirements
  - Elect WG Chair
- **Review of KDE's and associated questions**
- **Session Wrap-Up**

## Key Recommendations/Decisions

### Proposed Additions to the KDEs, Questions, and Sub-Questions:

- Capacity Resource Eligibility
  - Implications of coal to gas conversions should be understood
  - COGEN was noted as having multiple issues to explore
    - If eligibility is set at 'must offer', how does the risk profile of the uncertainty of your load profile impact your eligibility?
  - Who gets to determine UCAP and how is it determined?
  - What is the impact of the connection process and / or forecasted transmission constraints on eligibility and performance assessment?
    - Who takes on the risk? AESO or developer?
  - Can you aggregate variable resources and under what conditions (e.g. seasonality)?
  - What is the term the resource must offer?
- Eligibility (Non-Variable / Variable):
  - What is the definition of a non-variable resource?
  - What is the definition of a variable resource?
  - Is accounting for REP procured renewables covered by out of market question in Capacity Resource Eligibility?
- Eligibility (Import / Export):
  - Reliability products as part of interties?
  - Do you need to own / control the generation asset in an external jurisdiction?

- Does an external participant have the option to offer to participate in the capacity market in 1 year, and not in subsequent years (i.e. how many years must an applicant bid in?)?
- Should the question regarding the impact of schedule cuts on delivery obligation be moved to Performance Assessment KDE?
- BC/MATL “codependency” wording to be revised.
- Energy Efficiency Resources Eligibility:
  - What is the definition of an energy efficiencies resource?
- Resource Aggregation Storage:
  - Impact of Joint-Ventures?
    - Is this part of market mechanics WG?
    - How is the eligibility volume calculation determined?
- Locational Signals:
  - Who will do the identification of constrained zone?
    - How will identification work?
- Capacity Cost Allocation
  - Reword question regarding resources providing support and consumers using energy to clarify meaning of question to be related to issues related to self-supply

#	Action Items / Next Steps	Action by	Due date
1	Send WG members instructions to vote on the WG Chair	Jasmine	6/8
2	Submit votes for WG Chair	All WG Members	6/9
3	Soft copy of KDEs, questions, and sub-questions sent to the WG members	Kevin	6/8
4	Send WG members a proposed prioritization of discussion topics for the sessions between now and the development of SAM 2.0	Kevin	6/9
5	Provide comments and recommended changes to KDEs, questions, sub-questions, and priority to Kevin and Chair (TBC)	All WG members	6/13
6	Review SAM starting points and be prepared to discuss at next working meeting (6/20)	All WG members	6/20
7	Chair, Vice-Chair, and Facilitator meet to prepare and finalize agenda for workshop 2	Chair (TBC), Kevin, Dustin, Jordan	6/13

8	Develop and circulate a contact list of the WG members, their contact details, and the companies / associations they are representing.	Jasmine	6/15
9	Confirm governance processes, roles, and responsibilities	Jasmine	TBD – 7/31

## **Appendix: Questions and Comments Related to Governance and WG Expectations**

- Questions raised from working group during the presentation included:
  - Who will perform the public engagement (e.g. Chair, full working group, AESO only, etc.)?
    - Response: Process is being developed.
  - How will interdependencies between working groups be managed through design?
    - Response: WG Chairs, Facilitators, and the AESO will coordinate and manage interdependencies between working groups to support the technical design of the capacity market.
  - Will we continue to progress our workplan and resolve KDEs without feedback on the revised SAM from public stakeholder consultation?
    - Response: Work is expected to be completed concurrently to public engagement.
  - Who writes the subsequent SAM versions?
    - Response: WG's are expected to provide the content for subsequent SAM versions. AESO will be accountable for finalizing and formatting the SAM prior to publishing a subsequent version.
  - What does decision making by consensus mean?
    - Response: AESO will make the final decision on design. Working group members are expected to debate the merits of various alternatives and provide rationale all alternatives assessed. Dissenting opinions will be captured. This process will continue to be refined.
  - What is the role of the Executive Advisory Council?
    - Response: The role of the EAC is currently being defined.
  - How is the Executive Advisory Council selected?
    - Response: The selection process for the EAC is currently being defined.
  - Is the DOE an approver of the technical design?
    - Response: The DOE will be actively engaged throughout the design process, but is not an 'approver' of the technical design of the capacity market.
  - What processes, and rules are in place for managing WG attendance?
    - Decision: WG members will strive to attend sessions in person.
    - Decision: Proxies may sit on the phone as a silent participant to prepare for upcoming sessions they will attend (to be confirmed by Chair).
  - Where appropriate, the WG should look to extend meetings to full day sessions to promote completeness of analysis and understanding of KDEs
    - Chair, Vice Chair, and Facilitator to set agenda per workplan.