

Stakeholder Comments and AESO Replies Matrix



Proposed New Section 103.13 of the ISO Rules, *Request for Reconsideration*

Date of Request for Comment:	October 30, 2018		
Period of Comment:	October 30, 2018	through	November 14, 2018

Stakeholder Comments and/or Proposed Alternative Rule Wording	AESO Replies
Applicability Subsection 1	
<u>TransAlta Corporation (TransAlta)</u> Additional clarification is required about ISO reviewable decisions. TransAlta requests confirmation that the list of ISO reviewable decisions includes all decisions related to qualification of new, refurbished and incremental capacity, capacity value determination, asset-specific offer caps, avoidable cost determination, and delisting determinations.	The AESO confirms that the list of AESO reviewable decisions will include all decisions related to qualification of new, refurbished and incremental capacity, capacity value determination, asset-specific offer caps, avoidable cost determination, and delisting determinations.
Reconsideration Decision Subsection 6	
<u>Alberta Newsprint Company ("ANC")</u> Reconsideration will likely take more than 5 days to allow collaboration, particularly around the initial UCAP setting process. ANC suggests that more time should be provided except in those instances where the timeline must be short due to other process issues. However, in some instances the auction timelines provide several months that could be utilized to allow a fulsome dispute resolution process with an exchange of data, rationale and other factors that could be considered. ANC would further request the ability to work with the AESO prior to the determination of the initial	The initial opportunity for market participants to work directly with the AESO will occur during the uniform capacity value variance process in Proposed Section 206.3, <i>Uniform Capacity Value Determination</i> . This process provides an opportunity for market participants to request a variance of their initial uniform capacity value prior to the request for reconsideration process. The request for reconsideration timelines are positioned within the overall capacity market auction timelines and reflect the contingent nature of the decisions being made and contemplate time for potential review by the Alberta Utilities Commission.

Stakeholder Comments and/or Proposed Alternative Rule Wording	AESO Replies
<p>UCAPs. ANC expects the calculation of UCAPs for DR to be complex in the transitional period and suggests that the process will go more smoothly if ANC is able to work directly with the AESO.</p>	
<p>Subsection 7</p>	
<p><u>TransAlta Corporation (TransAlta)</u></p> <p>Please provide situations that the AESO envisions where a request for reconsideration decision may include more than one directly affected person.</p> <p>TransAlta wishes to further understand the circumstances in which the AESO would issue a copy of a reconsideration decision to more than one person. We do recognize that this might be the case for requests for reconsideration for jointly owned assets. However, we would like to clarify that this is only limited to those situations or if the AESO has criteria that it will apply to decide persons that are “directly affected”. We also wish to know if there are circumstances where all other market participants would be considered to be directly affected. For example, a change to the uniform capacity value for one participant changes the procurement target on a uniform capacity value basis for the market and could be interpreted to directly affect all other market participants. If the AESO intends to broadly interpret “directly affected person” then we ask that the identity and confidential information of the person that submits the request for reconsideration be protected in the information provided more broadly to the market.</p>	<p>Requests for reconsideration will be treated in accordance with Section 103.1, <i>Confidentiality</i>.</p> <p>For the purposes of requests for reconsideration directly affected persons will be the Market Surveillance Administrator, where applicable, and those persons whose assets are specifically mentioned in any request for reconsideration and the outcome of a decision would have a material effect on that asset’s participation in the capacity market.</p>
<p>General Comments</p>	
<p><u>Capital Power Corporation (“Capital Power”)</u></p> <p>Capital Power supports revisions made to this rule to improve the clarity of requirements for capacity market participants and the ISO.</p> <p>Capital Power supports the AESO’s addition, in subsection 3(1)(c) of required content for a request for reconsideration. This addition provides helpful clarity for market participants.</p> <p>Capital Power also supports the specification in subsection 6 that the ISO must issue a written decision regarding a request for reconsideration within 5 business days of receiving the request.</p>	<p>The market participant has the discretion to set out the reasons underlying its request for reconsideration. These grounds will be relied upon by the AESO in reaching its reconsideration decision.</p> <p>The AESO expects that the grounds for an AESO request for reconsideration decision will include whether the initial decision demonstrated reasonable discretion in the context of the ISO Rules, the legislative framework, fair, efficient and open competition, and the relevant factual matrix.</p>

Stakeholder Comments and/or Proposed Alternative Rule Wording	AESO Replies
<p>Capital Power believes that the rule could be further improved by specifying the grounds upon which a capacity market participant may request reconsideration of an ISO decision and similarly the grounds upon which the ISO must consider a request for reconsideration.</p> <p>Capital Power believes that the clarity of this rule could be improved by adding a subsection(s) outlining the grounds upon which a capacity market participant may request reconsideration of an ISO decision and similarly the grounds upon which the ISO must consider a request for reconsideration. Clarity in this respect would be helpful to ensuring a fair and transparent decision review process and that all parties understand the requirements of and criteria for participation in such process. It is unclear whether such clarity will be provided by the Government of Alberta in the forthcoming Capacity Market Regulation. If grounds for reconsideration are specified in the Capacity Market Regulation, then this subsection should reference them, if not, then the rule must specify them.</p>	
<p><u>The Cogeneration Working Group (“CWG”)</u></p> <p>The AESO should develop a timeline for each type of reconsideration decision separately. The reconsideration decisions will need to be condensed when applied for during rebalancing auctions, but more time will be available for decisions relevant to the base auction. Timelines should then be only as restrictive as necessary considering the situation specific requirements.</p> <p>For example, consider a UCAP dispute during the base auction. According to the capacity market guidelines, the AESO will provide a preliminary UCAP to the market participant 8 months in advance of the auction. The UCAP values need to be finalized in advance of the determination of the final demand curve parameters. The AESO will need to determine when this step will need to occur and work backwards. The AESO then needs to allow enough time for the Commission dispute resolution process, should one be required. This likely leaves approximately a 5 month window between when the UCAP is initially provided to the market participant and when the market participant would need to raise a dispute with the Commission, should the AESO process fail.</p> <p>The AESO process should be a collaborative process that takes advantage of the maximum amount of time available, which in this case is 5-months.</p> <p>The current process proposed by the AESO does not allow enough time for collaboration. Allowing only five days for the AESO’s reconsideration decision will not result in a “reconsideration” at all. The process needs to allow for discussions and collaboration between the market participant and the AESO. Consider the UCAP example again, there could be data issues or future changes to a site that require a</p>	<p>Please see the AESO’s reply to ANC’s comment on subsection 6. above</p>

Stakeholder Comments and/or Proposed Alternative Rule Wording	AESO Replies
<p>change in UCAP. The process needs to allow enough time for a market participant to have these types of discussions with the AESO.</p> <p>The CWG also submits that there should be a process for discussion with the AESO on some issues, such as UCAP, prior to the AESO rendering its initial decision. For example, if a self-supply site anticipates load growth and therefore a reduced net-UCAP, the market participant should be able to provide this information to the AESO prior to this dispute resolution process.</p>	

Please provide your comments on the following (as set out in AUC Rule 017 s. 13(b-j)):

Item #		Stakeholder comments	AESO Replies
1	whether you agree that Section 103.13 of the ISO Rules, <i>Request for Reconsideration</i> relates to the capacity market and why or why not	<u>Capital Power Corporation (“Capital Power”)</u> Capital Power agrees that the proposed rule relates to the capacity market.	The AESO acknowledges Capital Power’s comment.
		<u>TransAlta Corporation (TransAlta”)</u> Please see Appendix 1 of TransAlta’s submission.	Please see the AESO’s replies to Appendix 1 of TransAlta’s November 14, 2018 submission in the AESO’s Replies to TransAlta’s Appendix 1 matrix.
2	whether you agree that Section 103.13 of the ISO Rules, <i>Request for Reconsideration</i> should or should not be in effect for a fixed term and why or why not	<u>Capital Power Corporation (“Capital Power”)</u> Capital Power does not see any rationale for prescribing a fixed term for the proposed rule and as such believes that the proposed rule should not be in effect for a fixed term. This will provide needed certainty to market participants regarding the longevity of the capacity market rules and design.	The AESO acknowledges Capital Power’s comment.
		<u>TransAlta Corporation (TransAlta”)</u> Please see Appendix 1 of TransAlta’s submission.	Please see the AESO’s replies to Appendix 1 of TransAlta’s November 14, 2018 submission in the AESO’s Replies to TransAlta’s Appendix 1 matrix.
3	whether you understand and agree with the objective or purpose of Section 103.13 of the ISO Rules, <i>Request for Reconsideration</i> and whether, in your view, Section 103.13 of the ISO Rules, <i>Request for Reconsideration</i> meets the objective or purpose	<u>Capital Power Corporation (“Capital Power”)</u> Capital Power has no comments at this time.	
		<u>TransAlta Corporation (TransAlta”)</u> Please see Appendix 1 of TransAlta’s submission.	Please see the AESO’s replies to Appendix 1 of TransAlta’s November 14, 2018 submission in the AESO’s Replies to TransAlta’s Appendix 1 matrix.
4	how, in your view, Section 103.13 of the ISO Rules, <i>Request for Reconsideration</i> affects the performance of the capacity market and the	<u>Capital Power Corporation (“Capital Power”)</u> Capital Power has no comments at this time.	

	electricity market	<u>TransAlta Corporation (TransAlta)</u> Please see Appendix 1 of TransAlta's submission.	Please see the AESO's replies to Appendix 1 of TransAlta's November 14, 2018 submission in the AESO's Replies to TransAlta's Appendix 1 matrix
5	your views on any analysis conducted or commissioned by the AESO supporting Section 103.13 of the ISO Rules, <i>Request for Reconsideration</i>	<u>Capital Power Corporation ("Capital Power")</u> Capital Power is not aware of any analysis conducted or commissioned by the AESO supporting the proposed rule and as such has no comments at this time.	
		<u>TransAlta Corporation (TransAlta)</u> Please see Appendix 1 of TransAlta's submission.	Please see the AESO's replies to Appendix 1 of TransAlta's November 14, 2018 submission in the AESO's Replies to TransAlta's Appendix 1 matrix.
6	whether you agree with Section 103.13 of the ISO Rules, <i>Request for Reconsideration</i> taken together with all ISO rules and in light of the principle of a fair, efficient and openly competitive market	<u>Capital Power Corporation ("Capital Power")</u> Capital Power has no comments at this time.	
		<u>TransAlta Corporation (TransAlta)</u> Please see Appendix 1 of TransAlta's submission.	Please see the AESO's replies to Appendix 1 of TransAlta's November 14, 2018 submission in the AESO's Replies to TransAlta's Appendix 1 matrix.
7	whether you would suggest any alternatives to Section 103.13 of the ISO Rules, <i>Request for Reconsideration</i>	<u>Capital Power Corporation ("Capital Power")</u> Capital Power has no comments at this time.	
		<u>TransAlta Corporation (TransAlta)</u> Please see Appendix 1 of TransAlta's submission.	Please see the AESO's replies to Appendix 1 of TransAlta's November 14, 2018 submission in the AESO's Replies to TransAlta's Appendix 1 matrix.
8	whether you agree that the proposed provisional rule supports ensuring a reliable supply of electricity at a reasonable cost to	<u>Capital Power Corporation ("Capital Power")</u> Capital Power has no comments at this time.	

	customers and why or why not	<u>TransAlta Corporation (TransAlta)</u> Please see Appendix 1 of TransAlta's submission.	Please see the AESO's replies to Appendix 1 of TransAlta's November 14, 2018 submission in the AESO's Replies to TransAlta's Appendix 1 matrix.
9	whether you agree that the proposed provisional rule supports the public interest and why or why not	<u>Capital Power Corporation ("Capital Power")</u> Capital Power has no comments at this time.	
		<u>TransAlta Corporation (TransAlta)</u> Please see Appendix 1 of TransAlta's submission.	Please see the AESO's replies to Appendix 1 of TransAlta's November 14, 2018 submission in the AESO's Replies to TransAlta's Appendix 1 matrix.
10	whether you have any additional comments	<u>Capital Power Corporation ("Capital Power")</u> Capital Power has no further comments at this time.	
		<u>TransAlta Corporation (TransAlta)</u> Please see Appendix 1 of TransAlta's submission.	Please see the AESO's replies to Appendix 1 of TransAlta's November 14, 2018 submission in the AESO's Replies to TransAlta's Appendix 1 matrix.