

Stakeholder Comments and AESO Replies Matrix



Proposed Amended Section 201.5 of the ISO Rules, *Energy Market Block Allocation*

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| Date of Request for Comment: | October 26, 2018 | | |
| Period of Comment: | October 26, 2018 | through | November 14, 2018 |

| Stakeholder Comments and/or Proposed Alternative Rule Wording | AESO Replies |
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| <p>Operating Block Allocation Subsection 2(1)</p> | |
| <p><u>Powerex</u></p> <p>Powerex requests that the AESO provide a rationale for limiting one pool ID per pool asset for each pool participant.</p> <p>Throughout the CMD stakeholder process, Powerex understood that each import asset could request 1 price-taker asset, <u>and</u> 1 priced asset with 7 price-quantity pairs. Therefore, a pool participant could have multiple pool IDs per pool asset. As such, it is unclear why subsection 2(1) limits 1 pool ID per pool asset.</p> <p>Would an import asset use the first price-quantity pair to represent any price-taker volume (\$0 offers)?</p> <p>Is the price-taker pair going to be dispatched within the hour like the other price-quantity pairs or will it be considered a schedule for the hour?</p> <p>Reading subsection 2(1) it appears an import asset can submit an E-Tag for \$0 priced blocks prior to dispatch. However, it is unclear if the AESO will then dispatch that \$0 priced block prior to the hour (as is the case currently), or if the AESO will dispatch the \$0 offer within the hour.</p> <p>Operating Block Allocation</p> <p>2(1) The ISO must allocate to each pool participant 1, or multiple pool ID per pool asset.</p> | <p>In the version of Section 201.5 posted on August 31, 2018, an import asset could request 1 price-taker asset with 1 price-quantity pair and 1 priced asset with 7 price-quantity pairs. Since then, the AESO has aligned the block allocation for imports with other asset types; therefore, import and export assets would receive 1 priced asset per import or export asset, which can be used for both “priced” and “price-taker” offers. There will no longer be a specific price-taker asset for imports and exports. The rationale for this change includes: (1) wide-spread system efficiencies with 1 asset versus multiple assets; and (2) fair and consistent treatment with other asset types. Providing import assets with 1 price-taker and 1 priced asset would effectively provide 8 price-quantity pairs which is not fair or consistent with other asset types.</p> <p>The AESO confirms that an import asset may use the first price-quantity operating block to represent a \$0 offer.</p> <p>The AESO also confirms that \$0 operating blocks will be dispatched. In normal operating conditions the AESO will send import assets top of hour dispatches in advance of the hour. Market participants may submit an e-tag prior to receiving a dispatch for a \$0 offer.</p> |

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

| Item # | | Stakeholder comments | AESO Replies |
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| 1 | whether you agree that Section 201.5 of the ISO Rules, <i>Energy Market Block Allocation</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 changes relate to the implementation and operation of the capacity market. | The AESO acknowledges Capital Power’s comment. |
| 2 | whether you agree that Section 201.5 of the ISO Rules, <i>Energy Market Block Allocation</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. |
| 3 | whether you understand and agree with the objective or purpose of Section 201.5 of the ISO Rules, <i>Energy Market Block Allocation</i> and whether, in your view, Section 201.5 of the ISO Rules, <i>Energy Market Block Allocation</i> meets the objective or purpose | <u>Capital Power Corporation (“Capital Power”)</u> Capital Power has no comments at this time. | |
| 4 | how, in your view, Section 201.5 of the ISO Rules, <i>Energy Market Block Allocation</i> affects the performance of the capacity market and the electricity market | <u>Capital Power Corporation (“Capital Power”)</u> Capital Power has no comments at this time. | |
| 5 | your views on any analysis conducted or commissioned by the AESO supporting Section 201.5 of the ISO Rules, <i>Energy Market Block Allocation</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 amendments to this ISO rule. As such, Capital Power has no comments at this time. | |

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| 6 | whether you agree with Section 201.5 of the ISO Rules, <i>Energy Market Block Allocation</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. | |
| 7 | whether you would suggest any alternatives to Section 201.5 of the ISO Rules, <i>Energy Market Block Allocation</i> | <u>Capital Power Corporation (“Capital Power”)</u> Capital Power has no comments at this time. | |
| 8 | whether you agree that the proposed provisional rule supports ensuring a reliable supply of electricity at a reasonable cost to customers and why or why not | <u>Capital Power Corporation (“Capital Power”)</u> Capital Power has no comments at this time. | |
| 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. | |
| 10 | whether you have any additional comments | <u>Capital Power Corporation (“Capital Power”)</u> Capital Power has no further comments at this time. | |