

Proposed New ISO Rule – Section 103.10, *Capacity Payment Calculation*

**Period of Comment:** August 13, 2018 through August 31, 2018  
**Comments From:** ATCO Electricity Generation  
**Date [yyyy/mm/dd]:** 2018/08/31

**Contact:** Mark Nesbitt  
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**Please provide comments relating to the subsection of the proposed rule in the corresponding box. Please include any views on whether the language clearly articulates the requirement for either the AESO or a market participant, and provide any proposed alternative wording by blacklining the proposed language below.**

Section	Subsection	Proposed language	Stakeholder comments
		<b>Applicability</b>	
1		Section 103.10 applies to  (a) the <b>ISO</b> .	
		<b>Requirements</b>  <b>Capacity Payment Calculation</b>	
2		The <b>ISO</b> must calculate the monthly capacity payment, in Canadian dollars, for an asset subject to a <b>capacity commitment</b> as follows:  $Capacity\ Payment = \{ [ C_b * P_b * 1000 ] - [ (C_b - C_{r1}) * P_{r1} * 1000 ] - [ (C_{r1} - C_{r2}) * P_{r2} * 1000 ] \} / \text{number of months in obligation period}$ where, for an <b>obligation period</b> :  C <sub>b</sub> equals the <b>capacity commitment</b> in MW after the <b>base auction</b> ;  P <sub>b</sub> equals the clearing price in \$/kW-year of the <b>base auction</b> ;	Is there a case where the number of months in an obligation period would be different than twelve? If not, use twelve in the equation. If this is meant to facilitate payments to resources that are delisted for a portion of year, it would be better to make this clearer by including a separate delist term.  The AESO should also consider adding a term for capacity market uplift payments because of a transmission congestion constraint (ISO Rule 201.13, section 4(3)).

Section	Subsection	Proposed language	Stakeholder comments
		<p><math>C_{r1}</math> equals the <b>capacity commitment</b> in MW after the first <b>rebalancing auction</b>;</p> <p><math>P_{r1}</math> equals the clearing price in \$/kW-year of the first <b>rebalancing auction</b>;</p> <p><math>C_{r2}</math> equals the <b>capacity commitment</b> in MW after the second <b>rebalancing auction</b>;</p> <p>and</p> <p><math>P_{r2}</math> equals the clearing price in \$/kW-year of the second <b>rebalancing auction</b>.</p>	

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

Item #		Stakeholder comments
1	whether you agree that the proposed new ISO Rule – Section 103.10, <i>Capacity Payment Calculation</i> relates to the capacity market and why or why not	Agree.
2	whether you agree that the proposed new ISO Rule – Section 103.10, <i>Capacity Payment Calculation</i> should [or should not] be in effect for a fixed term and why or why not	This rule should not be in effect for a fixed term since it relates to aspects of the capacity market that should not change on a regular basis.
3	whether you understand and agree with the objective or purpose of the proposed new ISO Rule – Section 103.10, <i>Capacity Payment Calculation</i> and whether, in your view, the proposed new ISO Rule – Section 103.10, <i>Capacity Payment Calculation</i> meets the objective or purpose	
4	how, in your view, the proposed new ISO Rule – Section 103.10, <i>Capacity Payment Calculation</i> affects the performance of the capacity market and the electricity market	
5	your views on any analysis conducted or commissioned by the AESO supporting the proposed new ISO Rule – Section 103.10, <i>Capacity Payment Calculation</i>	
6	whether you agree with the proposed new ISO Rule – Section 103.10, <i>Capacity Payment Calculation</i> taken together with all ISO rules and in light of the principle of a fair, efficient and openly competitive market	
7	whether you would suggest any alternatives to the proposed new ISO Rule – Section 103.10, <i>Capacity Payment Calculation</i>	

Item #		Stakeholder comments
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	
9	whether you agree that the proposed provisional rule supports the public interest and why or why not	

***Please provide your views on the type of content that should be included in an information document associated with the proposed new ISO Rule – Section 103.10, Capacity Payment Calculation.***

Proposed New ISO rule – Section 201.10 – *Capacity Market Participant Registration*

<b>Period of Comment:</b>	August 13, 2018	through	August 31, 2018	<b>Contact:</b>	Mark Nesbitt
<b>Comments From:</b>	ATCO Electricity Generation			<b>Phone:</b>	587-215-6496
<b>Date [yyyy/mm/dd]:</b>	2018/08/31			<b>Email:</b>	mark.nesbitt@atco.com

***Please provide comments relating to the subsection of the proposed rule in the corresponding box. Please include any views on whether the language clearly articulates the requirement for either the AESO or a market participant, and provide any proposed alternative wording by blacklining the proposed language below.***

Section	Subsection	Proposed language	Stakeholder comments
		<b>Applicability</b>	
1		Section 201.10 applies to: <ul style="list-style-type: none"> <li>(a) a <b>person</b> with an asset that the <b>ISO</b> has qualified pursuant to Section 201.10 of the <b>ISO rules</b>, <i>Qualification of Capacity</i>;</li> <li>(b) a <b>pool participant</b> with a <b>generating unit, aggregated generating facility or energy storage facility</b> with an <b>estimated uniform capacity value</b> <del>maximum capability</del> equal to or greater than 1 MW, unless such <b>generating unit, aggregated generating facility or energy storage facility</b> is the subject of a renewable electricity support agreement in connection with rounds 1, 2 or 3 of the Renewable Electricity Program;</li> <li>(c) a <b>capacity market participant</b>; and</li> <li>(d) the <b>ISO</b>.</li> </ul>	See blackline.

		<p><b>Requirements</b></p> <p><b>Capacity Market Participant</b></p>	
2		Each <b>person</b> or <b>pool participant</b> must register a <b>capacity market participant</b> in the manner the <b>ISO</b> specifies.	<p>ATCO submits that the AESO should develop the capacity market auction system so that it can support separate offers from multiple owners of a capacity asset. The wording in this rule should be modified to clarify that two or more joint venture partners could register to submit offers for a single capacity asset.</p> <p>The AESO should also specify the manner in which a market participant registers in the rule, prior to the rule coming into effect.</p>
		<p><b>ISO Requirement to Maintain Lists</b></p>	
3		The <b>ISO</b> must maintain and make available on the AESO website, one or more lists containing up to date information on the <b>capacity market participant</b> , any <b>agents</b> and associated assets.	
		<p><b>Capacity Market Participant Updates</b></p>	
4		A <b>capacity market participant</b> must, if it is on the <b>ISO</b> 's list, provide updated information, as soon as practicable, regarding its <b>capacity market participant</b> registration, its <b>agents</b> and any asset listed <b>in conjunction with</b> <del>opposite</del> the <b>capacity market participant</b> on the <b>ISO</b> 's list.	See blackline.
		<p><b>Termination of Capacity Market Participant</b></p>	
5		The <b>ISO</b> may terminate a <b>capacity market participant</b> registration if the <b>capacity market participant</b> retires all assets listed opposite the <b>capacity market participant</b> on the <b>ISO</b> list.	

		Liability of Capacity Market Participant	
6		<p>A <b>capacity market participant</b> that is or may become liable under the <b>ISO rules</b> in connection with its activities as a <b>capacity market participant</b> remains liable after the date of retirement of its associated asset and despite ceasing to be a <b>capacity market participant</b>.</p>	<p>ATCO submits that a market participant should not be liable under the ISO Rules as a capacity market participant after the date of retirement. This section does not place any time limits on liability, which could be onerous for retiring units and prevent orderly exit from the market. Market participants require finality to retirements, without unspecified liability going forward.</p> <p>The issue of liability is already addressed as part of the ISO Tariff, and is unnecessary and inappropriate to address it within the ISO Rules themselves. Section 3 of the ISO Tariff, <i>System Access Service Connection Requirements</i>, subsection 2(1) states: A market participant receiving system access service must comply with the technical requirements set out in the ISO rules. Since all capacity market participants will also be market participants receiving system access service, the liabilities should not extend past the liabilities inherent in the ISO Tariff.</p>



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

Item #		Stakeholder comments
1	whether you agree that the proposed new ISO rule – Section 201.10 – <i>Capacity Market Participant Registration</i> relates to the capacity market and why or why not	Agree.
2	whether you agree that the proposed new ISO rule – Section 201.10 – <i>Capacity Market Participant Registration</i> should [or should not] be in effect for a fixed term and why or why not	This rule should not be in effect for a fixed term since it relates to aspects of the energy and capacity markets that should not change on a regular basis.
3	whether you understand and agree with the objective or purpose of the proposed new ISO rule – Section 201.10 – <i>Capacity Market Participant Registration</i> and whether, in your view, the proposed new ISO rule – Section 201.10 – <i>Capacity Market Participant Registration</i> meets the objective or purpose	Further information is required on the proposed rule to answer this question.
4	how, in your view, the proposed new ISO rule – Section 201.10 – <i>Capacity Market Participant Registration</i> affects the performance of the capacity market and the electricity market	Further information is required on the proposed rule to answer this question.
5	your views on any analysis conducted or commissioned by the AESO supporting the proposed new ISO rule – Section 201.10 – <i>Capacity Market Participant Registration</i>	
6	whether you agree with the proposed new ISO rule – Section 201.10 – <i>Capacity Market Participant Registration</i> taken together with all ISO rules and in light of the principle of a fair, efficient and openly competitive market	<p>ATCO submits that the proposed rule should include the ability for multiple market participants to register to offer separate blocks of joint venture owned asset. This will help promote FEOC by reducing the need for market participants to share information related to price and quantity offers.</p> <p>ATCO cannot comment on whether it agrees with the proposed rule, taken together with all ISO rules and FEOC, because the ISO has not released the full set of proposed rules. As stated above, the rule would align more readily with FEOC if multiple participants were allowed to submit offers for a single asset through the ISO's auction system.</p>

Item #		Stakeholder comments
7	whether you would suggest any alternatives to the proposed new ISO rule – Section 201.10 – <i>Capacity Market Participant Registration</i>	
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	Further information is required on the proposed rule to answer this question.
9	whether you agree that the proposed provisional rule supports the public interest and why or why not	Further information is required on the proposed rule to answer this question.

***Please provide your views on the type of content that should be included in an information document associated with the proposed new ISO rule – Section 201.10 – Capacity Market Participant Registration.***

**Proposed New ISO rule – Section 201.11 – *Appointment of the Agent for the Capacity Market***

<b>Period of Comment:</b>	August 13, 2018	through	August 31, 2018	<b>Contact:</b>	Mark Nesbitt
<b>Comments From:</b>	ATCO Electricity Generation			<b>Phone:</b>	587-215-6496
<b>Date [yyyy/mm/dd]:</b>	2018/08/31			<b>Email:</b>	mark.nesbitt@atco.com

**Please provide comments relating to the subsection of the proposed rule in the corresponding box. Please include any views on whether the language clearly articulates the requirement for either the AESO or a market participant, and provide any proposed alternative wording by blacklining the proposed language below.**

Section	Subsection	Proposed language	Stakeholder comments
		<b>Applicability</b>	
1		Section 201.11 applies to: <ul style="list-style-type: none"> <li>(a) a <b>capacity market participant</b>; and</li> <li>(b) the <b>ISO</b>.</li> </ul>	No comments at this time.
		<b>Requirements</b> <b>Appointment of Agent</b>	
2	(1)	A <b>capacity market participant</b> may apply to the <b>ISO</b> , in the manner the <b>ISO</b> specifies, to appoint an <b>agent</b> to act on behalf of the <b>capacity market participant</b> for purposes of participating in the capacity market.	
2	(2)	The <b>ISO</b> must approve the appointment of the <b>agent</b> if the <b>ISO</b> is satisfied that the <b>capacity market participant</b> has duly appointed and authorized the <b>agent</b> to act on behalf of and bind the <b>capacity market participant</b> with regard to obligations and other activities in the capacity market.	
2	(3)	The <b>ISO</b> must not, notwithstanding subsection 2(2), approve the appointment of an <b>agent</b> 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 the <i>Fair, Efficient and Open Competition Regulation</i> , unless there is an exception to the prohibition against the sharing of records as specified in that regulation.	

Section	Subsection	Proposed language	Stakeholder comments
2	(4)	The <b>ISO</b> must post on the AESO website a list of all <b>agents</b> appointed under this section 201.11.	

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

Item #		Stakeholder comments
1	whether you agree that the proposed new ISO rule – Section 201.11 – <i>Appointment of the Agent for the Capacity Market</i> relates to the capacity market and why or why not	Agree.
2	whether you agree that the proposed new ISO rule – Section 201.11 – <i>Appointment of the Agent for the Capacity Market</i> should [or should not] be in effect for a fixed term and why or why not	This rule should not be in effect for a fixed term as it relates to aspects of the capacity market that should not change on a regular basis.
3	whether you understand and agree with the objective or purpose of the proposed new ISO rule – Section 201.11 – <i>Appointment of the Agent for the Capacity Market</i> and whether, in your view, the proposed new ISO rule – Section 201.11 – <i>Appointment of the Agent for the Capacity Market</i> meets the objective or purpose	
4	how, in your view, the proposed new ISO rule – Section 201.11 – <i>Appointment of the Agent for the Capacity Market</i> affects the performance of the capacity market and the electricity market	
5	your views on any analysis conducted or commissioned by the AESO supporting the proposed new ISO rule – Section 201.11 – <i>Appointment of the Agent for the Capacity Market</i>	
6	whether you agree with the proposed new ISO rule – Section 201.11 – <i>Appointment of the Agent for the Capacity Market</i> taken together with all ISO rules and in light of the principle of a fair, efficient and openly competitive market	
7	whether you would suggest any alternatives to the proposed new ISO rule – Section 201.11 – <i>Appointment of the Agent for the Capacity Market</i>	

Item #		Stakeholder comments
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	
9	whether you agree that the proposed provisional rule supports the public interest and why or why not	



***Please provide your views on the type of content that should be included in an information document associated with the proposed new ISO rule – Section 201.11 – Appointment of the Agent for the Capacity Market***

**Proposed New ISO rule – Section 201.12 – Capacity Market Block Allocation**

<b>Period of Comment:</b>	August 13, 2018	through	August 31, 2018	<b>Contact:</b>	Mark Nesbitt
<b>Comments From:</b>	ATCO Electricity Generation			<b>Phone:</b>	587-215-6496
<b>Date [yyyy/mm/dd]:</b>	August 31, 2018			<b>Email:</b>	mark.nesbitt@atco.com

***Please provide comments relating to the subsection of the proposed rule in the corresponding box. Please include any views on whether the language clearly articulates the requirement for either the AESO or a market participant, and provide any proposed alternative wording by blacklining the proposed language below.***

Section	Subsection	Proposed language	Stakeholder comments
		<b>Applicability</b>	
1		Section 201.12 applies to:  (a) the ISO.	
		<b>Requirements</b>  <b>Capacity Block Allocation</b>	
2	(1)	The ISO must allocate to each <b>capacity market participant</b> one unique identifier for each associated asset.	
2	(2)	<b>The ISO must, subject to subsection 2(3), allocate 7 capacity blocks to submit an offer and 7 capacity blocks to submit a bid to each asset with a uniform capacity value equal to or greater than 1 MW.</b>	ATCO believes the AESO should consider moving to eight offer blocks with the ability for joint venture partners to submit offers separately to the AESO. Having an even number of blocks would enable blocks to be split easily in joint ventures with an even number of participants. ATCO is of the view that the AESO should design its system for accepting capacity market offers to facilitate compliance with the FEOC Regulation, without requiring market participants to establish mechanisms to submit offers jointly.

Section	Subsection	Proposed language	Stakeholder comments
2	(3)	<p>The <b>ISO</b> must, in the case of an asset with <b>refurbished capacity</b> that declares to submit two <b>offers</b> in accordance with Section 206.1 of the <b>ISO rules</b>, <i>Qualification of Capacity</i>, allocate:</p> <p>(a) one <b>capacity block</b> for the first <b>offer</b> referred to in Section 206.4 of the <b>ISO rules</b>, <i>Offers and Bids for Capacity</i>; and</p> <p>(b) <b>7 capacity blocks</b> for the second <b>offer</b> referred to in Section 206.4 of the <b>ISO rules</b>, <i>Offers and Bids for Capacity</i>.</p>	

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

Item #		Stakeholder comments
1	whether you agree that the proposed new ISO rule – Section 201.12 – <i>Capacity Market Block Allocation</i> relates to the capacity market and why or why not	Agree.
2	whether you agree that the proposed new ISO rule – Section 201.12 – <i>Capacity Market Block Allocation</i> should [or should not] be in effect for a fixed term and why or why not	Should not be in effect for a fixed term, it relates to aspects of the capacity market that should not change on a regular basis.
3	whether you understand and agree with the objective or purpose of the proposed new ISO rule – Section 201.12 – <i>Capacity Market Block Allocation</i> and whether, in your view, the proposed new ISO rule – Section 201.12 – <i>Capacity Market Block Allocation</i> meets the objective or purpose	
4	how, in your view, the proposed new ISO rule – Section 201.12 – <i>Capacity Market Block Allocation</i> affects the performance of the capacity market and the electricity market	Further information is required on the proposed rule to answer this question.
5	your views on any analysis conducted or commissioned by the AESO supporting the proposed new ISO rule – Section 201.12 – <i>Capacity Market Block Allocation</i>	
6	whether you agree with the proposed new ISO rule – Section 201.12 – <i>Capacity Market Block Allocation</i> taken together with all ISO rules and in light of the principle of a fair, efficient and openly competitive market	Further information is required on the proposed rule to answer this question.
7	whether you would suggest any alternatives to the proposed new ISO rule – Section 201.12 – <i>Capacity Market Block Allocation</i>	

Item #		Stakeholder comments
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	Further information is required on the proposed rule to answer this question.
9	whether you agree that the proposed provisional rule supports the public interest and why or why not	Further information is required on the proposed rule to answer this question.

***Please provide your views on the type of content that should be included in an information document associated with the proposed new ISO rule – Section 201.12 – Capacity Market Block Allocation***

**Proposed New ISO rule – Section 201.13 – Capacity Market Clearing**

<b>Period of Comment:</b>	August 13, 2018	through	August 31, 2018	<b>Contact:</b>	Mark Nesbitt
<b>Comments From:</b>	ATCO Electricity Generation			<b>Phone:</b>	587-215-6496
<b>Date [yyyy/mm/dd]:</b>	2018/08/31			<b>Email:</b>	mark.nesbitt@atco.com

***Please provide comments relating to the subsection of the proposed rule in the corresponding box. Please include any views on whether the language clearly articulates the requirement for either the AESO or a market participant, and provide any proposed alternative wording by blacklining the proposed language below.***

Section	Subsection	Proposed language	Stakeholder comments
		<b>Applicability</b>	
1		Section 201.13 applies to:  (a) the <b>ISO</b> .	
		<b>Requirements</b>  <b>Auction Clearing</b>	
2	(1)	The <b>ISO</b> must use a clearing process that clears <b>offers</b> and <b>bids</b> , as applicable, in a manner that maximizes social surplus with consideration of the following:  (a) a lower priced <b>capacity block</b> in an <b>offer</b> will be cleared before a higher priced <b>capacity block</b> in an <b>offer</b> ;  (b) a higher priced <b>capacity block</b> in a <b>bid</b> will be cleared before a lower priced <b>capacity block</b> in a <b>bid</b> ;  (c) when multiple equivalent <b>flexible blocks</b> are submitted at the clearing price and	ATCO submits that social surplus should be a defined term, encompassing the maximization of both producer and consumer surplus, while minimizing deadweight losses.

Section	Subsection	Proposed language	Stakeholder comments
		<p>result in the same social surplus, clear such equivalent <b>flexible blocks</b> on a pro-rata basis; and</p> <p>(d) when multiple equivalent <b>inflexible blocks</b> are submitted at the clearing price and result in the same social surplus, clear such equivalent <b>inflexible blocks</b> on a random basis.</p>	
2	(2)	The <b>ISO</b> may perform the clearing process more than once prior to establishing the clearing price.	
		<b>Transfer Path Limits Calculation</b>	
3		<p>The <b>ISO</b> must determine the limits, for each <b>base auction</b> or <b>rebalancing auction</b>, on each of the British Columbia transfer path, Montana transfer path, the Saskatchewan transfer path, and the combined British Columbia and Montana transfer paths by averaging the hourly limits for each of the above as follows:</p> <p>(a) for the British Columbia transfer path, for each of the 250 <b>tightest supply cushion hours</b> per year for the previous 5 years to the <b>base auction</b> or <b>rebalancing auction</b>, as applicable, by assigning a hourly limit based on the minimum of:</p> <p>(i) the hourly import <b>available transfer capability</b> for the British Columbia transfer path; or</p> <p>(ii) the long-term firm transmission service on the British Columbia transfer path.</p> <p>(b) for the Montana transfer path, for each of the 250 <b>tightest supply cushion hours</b> per year for the previous 5 years to the <b>base auction</b> or <b>rebalancing auction</b>, as applicable, by assigning a hourly limit based on the minimum of:</p> <p>(i) the hourly import <b>available transfer capability</b> for the Montana transfer path; or</p>	



Section	Subsection	Proposed language	Stakeholder comments
		<p>(ii) the long-term firm transmission service on the Montana transfer path.</p> <p>(c) for the Saskatchewan transfer path, for each of the 250 <b>tightest supply cushion hours</b> per year for the previous 5 years to the <b>base auction</b> or <b>rebalancing auction</b>, as applicable, by assigning a hourly limit based on the minimum of:</p> <p>(i) the hourly import <b>available transfer capability</b> for the Saskatchewan transfer path; or</p> <p>(ii) the long-term firm transmission service on the Saskatchewan transfer path.</p> <p>(d) for the combined British Columbia and Montana transfer paths, for each of the 250 <b>tightest supply cushion hours</b> per year for the previous 5 years to the <b>base auction</b> or <b>rebalancing auction</b>, as applicable, by assigning a hourly limit based on the minimum of:</p> <p>(i) the combined import <b>available transfer capability</b> for the British Columbia and Montana transfer paths prior to LSSi arming; or</p> <p>(ii) combined long-term firm transmission for the British Columbia and Montana transfer paths.</p>	
		<p><b>Consideration of Transmission Congestion Constraints and Transfer Path Limits in Clearing Process</b></p>	
4	(1)	<p>The <b>ISO</b> may, in the event that the <b>ISO</b> determines that the energy associated with an <b>offer</b> may be unable to be delivered to the <b>interconnected electric system</b> during the <b>obligation period</b> due to either a <b>transmission congestion constraint</b> or a limit on an Alberta <b>intertie</b> determined in accordance with subsection 3:</p>	<p>ATCO believes that since the Alberta transmission system is designed to be unconstrained, the entire market should receive the true clearing price, even if a unit only clears because of a constraint/congestion. Uplift payments are not necessary in the capacity market because the capacity market can incent unconstrained units to remain in the market or enter the market, ahead of real time. Further, the AESO may be able to</p>

Section	Subsection	Proposed language	Stakeholder comments
		<ul style="list-style-type: none"> <li>(a) not clear the <b>offer</b>;</li> <li>(b) clear a portion of the <b>offer</b>; or</li> <li>(c) if there are multiple <b>flexible blocks</b> impacted by the same <b>transmission congestion constraint</b> or limit on an Alberta <b>intertie</b> either:               <ul style="list-style-type: none"> <li>(i) not clear the <b>flexible blocks</b>; or</li> <li>(ii) when multiple equivalent <b>flexible blocks</b> are submitted at the same price and result in the same social surplus, clear such equivalent <b>flexible blocks</b> on a pro-rata basis.</li> </ul> </li> <li>(d) if there are multiple <b>inflexible blocks</b> impacted by the same <b>transmission congestion constraint</b> or limit on an Alberta <b>intertie</b> either:               <ul style="list-style-type: none"> <li>(i) not clear the <b>inflexible blocks</b>; or</li> <li>(ii) when multiple equivalent <b>inflexible blocks</b> are submitted at the same price and result in the same social surplus, clear such equivalent <b>inflexible blocks</b> on a random basis.</li> </ul> </li> </ul>	<p>plan and build transmission to remedy some constraints with the three years notice provided by the capacity market.</p> <p>If the AESO maintains this clearing process with uplift payments, ATCO believes further information regarding timing of constraint notification to the asset owner needs to be provided. The AESO should also clarify whether market participants are able to adjust their offers after being notified of a constraint and when information on constrained offers will be published. To make the uplift mechanism fair, ATCO believes that all capacity in the constrained area should receive the same clearing price, including uplift. Alternatively, all capacity in the market should receive the same clearing price.</p>
4	(2)	The <b>ISO</b> may clear additional <b>offers</b> for the equivalent volume of the <b>offers</b> it did not clear pursuant to subsection 4(1).	
4	(3)	The <b>ISO</b> must, for the additional <b>offers</b> cleared in accordance with subsection 4(2), provide an uplift payment for the difference between the <b>offer</b> price and the clearing price, if the <b>offer</b> price of such <b>offers</b> is higher than the clearing price.	

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

Item #		Stakeholder comments
1	whether you agree that the proposed new ISO rule – Section 201.13 – <i>Capacity Market Clearing</i> relates to the capacity market and why or why not	Agree.
2	whether you agree that the proposed new ISO rule – Section 201.13 – <i>Capacity Market Clearing</i> should [or should not] be in effect for a fixed term and why or why not	Should not be in effect for a fixed term, it relates to aspects of the capacity market that should not change on a regular basis.
3	whether you understand and agree with the objective or purpose of the proposed new ISO rule – Section 201.13 – <i>Capacity Market Clearing</i> and whether, in your view, the proposed new ISO rule – Section 201.13 – <i>Capacity Market Clearing</i> meets the objective or purpose	
4	how, in your view, the proposed new ISO rule – Section 201.13 – <i>Capacity Market Clearing</i> affects the performance of the capacity market and the electricity market	ATCO requires further information on the proposed uplift clearing mechanism to answer this question.
5	your views on any analysis conducted or commissioned by the AESO supporting the proposed new ISO rule – Section 201.13 – <i>Capacity Market Clearing</i>	
6	whether you agree with the proposed new ISO rule – Section 201.13 – <i>Capacity Market Clearing</i> taken together with all ISO rules and in light of the principle of a fair, efficient and openly competitive market	Further information is required on the proposed rule to answer this question.
7	whether you would suggest any alternatives to the proposed new ISO rule – Section 201.13 – <i>Capacity Market Clearing</i>	
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	Further information is required on the proposed rule to answer this question.

Item #		Stakeholder comments
9	whether you agree that the proposed provisional rule supports the public interest and why or why not	Further information is required on the proposed rule to answer this question.

***Please provide your views on the type of content that should be included in an information document associated with the proposed new ISO rule – Section 201.13 – Capacity Market Clearing***

Proposed Amended ISO rule – Section 202.7 *Markets Suspension or Limited Markets Operations*

<b>Period of Comment:</b>	August 13, 2018	through	August 31, 2018	<b>Contact:</b>	Mark Nesbitt
<b>Comments From:</b>	ATCO Electricity Generation			<b>Phone:</b>	587-215-6496
<b>Date [yyyy/mm/dd]:</b>	2018/08/31			<b>Email:</b>	mark.nesbitt@atco.com

***Please provide comments relating to the subsection of the proposed amendments to the rule in the corresponding box. Please include any views on whether the language clearly articulates the requirement for either the AESO or a market participant, and provide any proposed alternative wording by blacklining the proposed language below.***

Section	Subsection	Proposed language	Stakeholder comments
		<b>Declaration Invoking a State of Limited Markets Operations</b>	
3	(2)	The declaration must include: <ul style="list-style-type: none"> <li>(a) the reasons that the <b>ISO</b> is invoking the state of limited markets operations; and</li> <li>(b) the commencement date and time of the state of limited markets operations.</li> </ul>	ATCO believes the deletion of 3(2)(c) is not a change relating to or necessary for the implementation of the capacity market. ATCO submits that the AESO should be making to changes to the rules solely to facilitate the implementation of the capacity market. Changes not directly related to the capacity market implementation should be proposed in the future after the appropriate consultation.  With respect to the specific change, ATCO is of the view that if the AESO cannot provide a reasonable estimated date and time of the termination of the state of limited market operations at the time it is declared, the AESO should provide an estimate as soon as practicable.
		<b>Energy Market Pricing During a State of Limited Markets Operations</b>	
5	(2)	The system marginal price during a state of limited markets operations must be \$1,000 per MWh under the circumstances set out in section 201.6 of the <b>ISO rules, Pricing.</b>	

Section	Subsection	Proposed language	Stakeholder comments
		<b>Declaration Invoking a State of Markets Suspension</b>	
9	(2)	The declaration must include: <ul style="list-style-type: none"> <li>(a) the reasons that the <b>ISO</b> is invoking the state of markets suspension; and</li> <li>(b) the commencement date and time of the state of markets suspension.</li> </ul>	

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

Item #		Stakeholder comments
1	whether you agree that amended ISO rule – Section 202.7 <i>Markets Suspension or Limited Markets Operations</i> relates to the capacity market and why or why not	ATCO believes the deletion of 3(2)(c) is not a change relating to or necessary for the implementation of the capacity market. ATCO submits that the AESO should be making to changes to the rules solely to facilitate the implementation of the capacity market. Changes not directly related to the capacity market implementation should be proposed in the future after the appropriate consultation.
2	whether you agree that amended ISO rule – Section 202.7 <i>Markets Suspension or Limited Markets Operations</i> should [or should not] be in effect for a fixed term and why or why not	
3	whether you understand and agree with the objective or purpose of amended ISO rule – Section 202.7 <i>Markets Suspension or Limited Markets Operations</i> and whether, in your view, Section 202.7 <i>Markets Suspension or Limited Markets Operations</i> meets the objective or purpose	
4	how, in your view, amended ISO rule – Section 202.7 <i>Markets Suspension or Limited Markets Operations</i> affects the performance of the capacity market and the electricity market	
5	your views on any analysis conducted or commissioned by the AESO supporting amended ISO rule – Section 202.7 <i>Markets Suspension or Limited Markets Operations</i>	



Item #		Stakeholder comments
6	whether you agree with amended ISO rule – Section 202.7 <i>Markets Suspension or Limited Markets Operations</i> taken together with all ISO rules and in light of the principle of a fair, efficient and openly competitive market	
7	whether you would suggest any alternatives to amended ISO rule – Section 202.7 <i>Markets Suspension or Limited Markets Operations</i>	
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	
9	whether you agree that the proposed provisional rule supports the public interest and why or why not	

***Please provide your views on the type of content that should be included in an information document associated with amended ISO rule – Section 202.7 Markets Suspension or Limited Markets Operations***

Proposed New ISO rule – Section 206.1 – *Qualification of Capacity*

<b>Period of Comment:</b>	August 13, 2018	through	August 31, 2018	<b>Contact:</b>	Mark Nesbitt
<b>Comments From:</b>	ATCO Electricity Generation			<b>Phone:</b>	587-215-6496
<b>Date [yyyy/mm/dd]:</b>	2018/08/22			<b>Email:</b>	mark.nesbitt@atco.com

**Please provide comments relating to the subsection of the proposed rule in the corresponding box. Please include any views on whether the language clearly articulates the requirement for either the AESO or a market participant, and provide any proposed alternative wording by blacklining the proposed language below.**

Section	Subsection	Proposed language	Stakeholder comments
		<b>Applicability</b>	
1		Section 206.1 applies to: <ul style="list-style-type: none"> <li>(a) a <b>person</b> seeking to have the <b>ISO</b> qualify <b>new capacity</b> for the capacity market;</li> <li>(b) a <b>capacity market participant</b> seeking to have the <b>ISO</b> qualify <b>refurbished capacity</b> or <b>incremental capacity</b> for the capacity market; and</li> <li>(c) the <b>ISO</b>.</li> </ul>	
		<b>Requirements</b>	
		<b>Application for Qualification of Capacity</b>	
2	(1)	Each <b>person</b> or <b>capacity market participant</b> must, within the timelines prescribed by the <i>Capacity Market Auction Guidelines</i> , provide the <b>ISO</b> with a completed application including:	ATCO submits that the AESO should work with the participant to obtain required information if it believes an application is deficient, rather than subjecting the participant to penalties for the contravention of an ISO Rule. This issue is exacerbated by the use of language like “documents that the ISO specifies” in the rule, rather than listing the required

Section	Subsection	Proposed language	Stakeholder comments
		<ul style="list-style-type: none"> <li>(a) all information or documents that the <b>ISO</b> specifies; and</li> <li>(b) any applicable application fee as set out in the <i>Schedule of ISO Fees</i>.</li> </ul>	documents.
2	(2)	The <b>ISO</b> may request additional clarification or information regarding the application or supporting documents from each <b>person</b> or <b>capacity market participant</b> .	
		<b>Declarations for Incremental Capacity and Refurbished Capacity</b>	
3	(1)	<p>A <b>capacity market participant</b> must, if it has applied to provide proposed <b>incremental capacity</b> within the timelines prescribed by the <i>Capacity Market Auction Guidelines</i>, submit to the <b>ISO</b> a declaration, in the manner specified by the <b>ISO</b>, as to whether the anticipated <b>maximum capability</b> of the asset with proposed <b>incremental capacity</b> will be either:</p> <ul style="list-style-type: none"> <li>(a) the <b>maximum capability</b> of the asset had the <b>capacity market participant</b> not applied for proposed <b>incremental capacity</b>; or</li> <li>(b) remain as the anticipated <b>maximum capability</b> accounting for the proposed <b>incremental capacity</b>,</li> </ul> <p>in the event that a <b>capacity market participant</b> fails to receive a <b>capacity commitment</b> for such asset in the <b>base auction</b> or <b>rebalancing auction</b> for some or all of the proposed <b>incremental capacity</b>.</p>	
3	(2)	<p>A <b>capacity market participant</b> must, within the timelines prescribed by the <i>Capacity Market Auction Guidelines</i> and in the manner specified by the <b>ISO</b>, submit to the <b>ISO</b> a declaration, as to whether an asset with <b>refurbished capacity</b> will:</p> <ul style="list-style-type: none"> <li>(a) permanently delist in accordance with Section 206.X of the <b>ISO rules</b>,</li> </ul>	

Section	Subsection	Proposed language	Stakeholder comments
		<p><i>Delisting</i>; or</p> <p>(b) continue to participate in the energy market and capacity market, in the event that a <b>capacity market participant</b> fails to receive a <b>capacity commitment</b> for such asset in the <b>base auction</b> or <b>rebalancing auction</b>.</p>	
		<p><b>Qualification of New Capacity, Incremental Capacity and Refurbished Capacity</b></p>	
4	(1)	<p>The <b>ISO</b> must, based on the information in the application and any supporting documents provided pursuant to subsection 2, be satisfied that the asset:</p> <ul style="list-style-type: none"> <li>(a) will be capable of providing energy to or reducing consumption from the <b>interconnected electric system</b>;</li> <li>(b) has a <b>uniform capacity value</b> greater than or equal to 1 MW;</li> <li>(c) will be developed, energized and commissioned in accordance with a project plan and timeline that aligns with the project milestones established by the <b>ISO</b>;</li> <li>(d) is not a <b>source asset</b> that is the subject of a renewable electricity support agreement in connection with rounds 1, 2 or 3 of the Renewable Electricity Program;</li> <li>(e) is not energy efficiency;</li> <li>(f) in the case of a load asset:               <ul style="list-style-type: none"> <li>(i) can or will be able to reduce demand during the <b>obligation period</b> in a way that is measureable by the <b>ISO</b>;</li> <li>(ii) is or will be a retail or self-retail asset; and</li> <li>(iii) is not located on a site with an onsite <b>generating unit</b> or <b>aggregated generating facility</b> that is participating in the capacity market.</li> </ul> </li> <li>(g) in the case of an <b>energy storage facility</b>, is or will be capable of maintaining energy production at its <b>uniform capacity value</b> for a minimum of 4 hours;</li> <li>(h) in the case of an import asset:</li> </ul>	<p>See blackline beside.</p> <p>4(g) – Typo.</p>

Section	Subsection	Proposed language	Stakeholder comments
		<ul style="list-style-type: none"> <li>(i) has firm transmission from the import asset to the Alberta border for the duration of the <b>obligation period</b>;</li> <li>(ii) is not participating as non-recallable capacity in a resource adequacy program of another jurisdiction; and</li> <li>(iii) will <u>only</u> be curtailed on a pro-rata basis by the <b>balancing authority</b> of the jurisdiction in which the import asset is located in when load, which is firm, is curtailed.</li> </ul> <p>(i) in the case of an aggregation of assets:</p> <ul style="list-style-type: none"> <li>(i) has a <b>uniform capacity value</b> less than or equal to the <b>uniform capacity value</b> of the largest generating unit in Alberta;</li> <li>(ii) has or will have the appropriate metering the <b>ISO</b> specifies for each asset in the aggregation;</li> <li>(iii) is comprised of assets that are either exclusively load assets or exclusively <b>generating units</b> or <b>aggregated generating facilities</b>; and</li> <li>(iv) is not comprised of any asset that will contribute capacity individually, or as part of another aggregation, to the capacity market;</li> </ul> <p>(j) in the case of <b>incremental capacity</b>, will be retrofitted in a manner that will, in the opinion of the <b>ISO</b>, increase the <b>maximum capability</b> of the asset by an amount in MW that is:</p> <ul style="list-style-type: none"> <li>(i) greater than or equal to 1 MW; and</li> <li>(ii) less than or equal to the greater of: <ul style="list-style-type: none"> <li>(A) 15% of the asset's <b>maximum capability</b>; or</li> <li>(B) 40 MW above the asset's <b>maximum capability</b>.</li> </ul> </li> </ul> <p>(k) in the case of <b>refurbished capacity</b>, will be retrofitted in a manner that will, in the opinion of the <b>ISO</b>, result in either:</p> <ul style="list-style-type: none"> <li>(i) an increase in the asset's <b>maximum capability</b> by an amount exceeding the greater of: <ul style="list-style-type: none"> <li>(A) 15% of the asset's <b>maximum capability</b>; or</li> </ul> </li> </ul>	<p>4(h)(iii) Wording in the blackline was clarified to state that the import asset “will only be curtailed” when firm load is shed by the asset’s home balancing authority and will otherwise be available to the Alberta market. ATCO also submits that the AESO should clarify that there will be no exemptions from the availability and delivery penalties when an import asset is recalled.</p> <p>4(i)(i) ATCO believes the AESO should consider whether using a set uniform capacity value as a limit to the size of aggregated generating units, rather than the single largest generating unit. In this case, the retirement of the single largest unit could force the disaggregation of an asset if near the limit. ATCO suggests that a fixed MW value limit be determined based on the single largest unit at the time of rule drafting as a reasonable proxy.</p>

Section	Subsection	Proposed language	Stakeholder comments
		<p>(B) 40 MW above the asset's <b>maximum capability</b>; or</p> <p>(ii) a capital investment of greater than or equal to \$200 per kW of the asset's <b>maximum capability</b> multiplied by a capital cost escalation rate that is specified by the <b>ISO</b>.</p>	<p>4(k)(ii) ATCO believes that the AESO should state the cost escalation rate in the rule, or at least provide the source of the escalation rate.</p> <p>4(k) ATCO believes that this section should include a provision designating units that have undergone a fuel conversion as refurbished capacity. Fuel conversions are significant changes to assets that require approval by the Commission and should qualify as refurbishments on a qualitative basis.</p>
4	(2)	<p>The <b>ISO</b> may, in a determination made pursuant to subsection 4(1)(k)(ii), reject any cost information submitted by the <b>capacity market participant</b> if the <b>ISO</b> determines that such costs are unreasonable.</p>	<p>ATCO submits that market participants must have the ability to dispute the rejection of cost information by the AESO.</p>
4	(3)	<p>The <b>ISO</b> must qualify an asset with <b>new capacity, refurbished capacity</b> or <b>incremental capacity</b> for the capacity market if:</p> <p>(a) the application provided pursuant to subsection 2 is complete; and</p> <p>(b) the <b>ISO</b> is satisfied pursuant to subsection 4(1), as applicable.</p>	
4	(4)	<p>The <b>ISO</b> must, within the timelines prescribed by the <i>Capacity Market Auction Guidelines</i>, notify each <b>person</b> or <b>capacity market participant</b> as to whether the <b>new capacity, refurbished capacity</b> or <b>incremental capacity</b> is qualified for the capacity market.</p>	<p>ATCO believes that the AESO should set out indicative timelines in the ISO rules, i.e. 4 months before auction, 45 days before auction etc. These general timelines should apply to every base auction and will provide market participants with certainty over the general process. The guidelines can then be used to establish exact dates for each auction.</p>

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

Item #		Stakeholder comments
1	whether you agree that the proposed new ISO rule – Section 206.1 – <i>Qualification of Capacity</i> relates to the capacity market and why or why not	Agree.
2	whether you agree that the proposed new ISO rule – Section 206.1 – <i>Qualification of Capacity</i> should [or should not] be in effect for a fixed term and why or why not	This rule should not be in effect for a fixed term because it relates to aspects of the capacity market that should not change on a regular basis.
3	whether you understand and agree with the objective or purpose of the proposed new ISO rule – Section 206.1 – <i>Qualification of Capacity</i> and whether, in your view, the proposed new ISO rule – Section 206.1 – <i>Qualification of Capacity</i> meets the objective or purpose	
4	how, in your view, the proposed new ISO rule – Section 206.1 – <i>Qualification of Capacity</i> affects the performance of the capacity market and the electricity market	Further information is required on the proposed rule to answer this question.
5	your views on any analysis conducted or commissioned by the AESO supporting the proposed new ISO rule – Section 206.1 – <i>Qualification of Capacity</i>	
6	whether you agree with the proposed new ISO rule – Section 206.1 – <i>Qualification of Capacity</i> taken together with all ISO rules and in light of the principle of a fair, efficient and openly competitive market	Further information is required on the proposed rule to answer this question.
7	whether you would suggest any alternatives to the proposed new ISO rule – Section 206.1 – <i>Qualification of Capacity</i>	



Item #		Stakeholder comments
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	Further information is required on the proposed rule to answer this question.
9	whether you agree that the proposed provisional rule supports the public interest and why or why not	Further information is required on the proposed rule to answer this question.

***Please provide your views on the type of content that should be included in an information document associated with the proposed new ISO rule – Section 206.1– Qualification of Capacity***

**Proposed New ISO rule – Section 206.2 – Self Supply Configurations**

<b>Period of Comment:</b>	August 13, 2018	through	August 31, 2018	<b>Contact:</b>	Mark Nesbitt
<b>Comments From:</b>	ATCO Electricity Generation			<b>Phone:</b>	587-215-6496
<b>Date [yyyy/mm/dd]:</b>	2018/08/31			<b>Email:</b>	mark.nesbitt@atco.com

***Please provide comments relating to the subsection of the proposed rule in the corresponding box. Please include any views on whether the language clearly articulates the requirement for either the AESO or a market participant, and provide any proposed alternative wording by blacklining the proposed language below.***

Section	Subsection	Proposed language	Stakeholder comments
		<b>Applicability</b>	
1		Section 206.2 applies to: <ul style="list-style-type: none"> <li>(a) the <b>legal owner</b> of a load asset that is served by one or more onsite <b>generating units</b> or <b>aggregated generating facilities</b>;</li> <li>(b) the City of Medicine Hat; and</li> <li>(c) the <b>ISO</b>.</li> </ul>	
		<b>Requirements</b>	
		<b>Mandatory Requirements to Self-supply Capacity</b>	
2	(1)	The <b>legal owner</b> of a load asset that is served by one or more onsite <b>generating units</b> or <b>aggregated generating facilities</b> must self-supply <b>capacity</b> if such site is: <ul style="list-style-type: none"> <li>(a) metered on a net basis; or</li> <li>(b) is not capable of flowing energy on to the <b>interconnected electric system</b>.</li> </ul>	

Section	Subsection	Proposed language	Stakeholder comments
2	(2)	The City of Medicine Hat must self-supply <b>capacity</b> .	
		<b>Option to Self-supply Capacity</b>	
3		The <b>legal owner</b> of a load asset that is served by one or more onsite <b>generating units</b> or <b>aggregated generating facilities</b> may choose to self-supply <b>capacity</b> if: <ul style="list-style-type: none"> <li>(a) such site has a bi-directional net-interval meter;</li> <li>(b) the <b>generating units</b> or <b>aggregated generating facilities</b> are metered on a gross basis; and</li> <li>(c) the <b>generating units</b> or <b>aggregated generating facilities</b> are capable of flowing energy on to the <b>interconnected electric system</b>.</li> </ul>	
		<b>Application to Self-supply Capacity</b>	
4		The <b>legal owner</b> of a load asset that is served by one or more onsite <b>generating units</b> or <b>aggregated generating facilities</b> and the City of Medicine Hat must provide the <b>ISO</b> , within the timelines prescribed by the <i>Capacity Market Auction Guidelines</i> , a completed application to self-supply <b>capacity</b> including all information or documents that the <b>ISO</b> specifies.	
		<b>Approval to Self-supply Capacity</b>	
5		The <b>ISO</b> must, within the timelines prescribed by the <i>Capacity Market Auction Guidelines</i> , approve an application to self-supply <b>capacity</b> if the site meets the criteria set out in subsections 2 or 3, as applicable.	
		<b>Capacity from a Self-supply Configuration</b>	
6	(1)	The <b>legal owner</b> of a <b>generating unit</b> or an <b>aggregated generating facility</b> in a self-	

Section	Subsection	Proposed language	Stakeholder comments
		<p>supply configuration must, in the event that:</p> <ul style="list-style-type: none"> <li>(a) the <b>generating unit</b> or <b>aggregated generating facility</b> has excess <b>capacity</b> that is not serving the on-site load; and</li> <li>(b) the excess <b>capacity</b> that is not serving the on-site load has a <b>uniform capacity value</b> greater than or equal to 1 MW,</li> </ul> <p>participate in the capacity market with the excess <b>capacity</b> that is not serving the on-site load.</p>	
6	(2)	<p>The <b>legal owner</b> of a load asset in a self-supply configuration may provide <b>capacity</b> in the capacity market with the portion of the load that is not supplied by onsite generation if the <b>capacity</b> has a <b>uniform capacity value</b> greater than or equal to 1 MW.</p>	
		<p><b>Changes in Self-supply Status</b></p>	
7	(1)	<p>The <b>legal owner</b> of a load asset that is served by one or more onsite <b>generating units</b> or <b>aggregated generating facilities</b> that is required to self-supply <b>capacity</b> pursuant to subsection 2(1) may apply to the <b>ISO</b> to change its self-supply status if:</p> <ul style="list-style-type: none"> <li>(a) the <b>legal owner</b> installs a bi-directional net-interval meter at such site;</li> <li>(b) the <b>legal owner</b> changes <b>generating units</b> or <b>aggregated generating facilities</b> to be metered on a gross basis; and</li> <li>(c) the <b>generating units</b> or <b>aggregated generating facilities</b> are capable of flowing energy on to the <b>interconnected electric system</b>.</li> </ul>	
7	(2)	<p>The <b>legal owner</b> of a load asset that is served by one or more onsite <b>generating units</b> or <b>aggregated generating facilities</b> that elects to self-supply <b>capacity</b> pursuant to subsection 3 must self-supply <b>capacity</b> for a minimum of 4 <b>obligation periods</b> unless it</p>	<p>ATCO believes the AESO should further articulate the requirement for “physical changes” to the site to qualify for a change in self-supply status. Market participants require more information on what changes would be eligible for a change in status to ensure sites can</p>

Section	Subsection	Proposed language	Stakeholder comments
		<p>can demonstrate to the <b>ISO's</b> satisfaction that physical changes to the site warrant a change in self-supply status.</p>	<p>be reconfigured in the future if required. Further detail regarding the threshold could be provided in the information document accompanying this rule. ATCO is also concerned about the use of subjective terms in the rules such as "the ISO's satisfaction". The AESO should articulate in the rule what criteria need to be met such that it will be satisfied.</p>

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

Item #		Stakeholder comments
1	whether you agree that the proposed new ISO rule – Section 206.2 – <i>Self Supply Configurations</i> relates to the capacity market and why or why not	Agree.
2	whether you agree that the proposed new ISO rule – Section 206.2 – <i>Self Supply Configurations</i> should [or should not] be in effect for a fixed term and why or why not	This rule should not be in effect for a fixed term since it relates to aspects of the capacity market that should not change on a regular basis.
3	whether you understand and agree with the objective or purpose of the proposed new ISO rule – Section 206.2 – <i>Self Supply Configurations</i> and whether, in your view, the proposed new ISO rule – Section 206.2 – <i>Self Supply Configurations</i> meets the objective or purpose	
4	how, in your view, the proposed new ISO rule – Section 206.2 – <i>Self Supply Configurations</i> affects the performance of the capacity market and the electricity market	Further information is required on the proposed rule to answer this question.
5	your views on any analysis conducted or commissioned by the AESO supporting the proposed new ISO rule – Section 206.2 – <i>Self Supply Configurations</i>	
6	whether you agree with the proposed new ISO rule – Section 206.2 – <i>Self Supply Configurations</i> taken together with all ISO rules and in light of the principle of a fair, efficient and openly competitive market	Further information is required on the proposed rule to answer this question.
7	whether you would suggest any alternatives to the proposed new ISO rule – Section 206.2 – <i>Self Supply Configurations</i>	

Item #		Stakeholder comments
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	Further information is required on the proposed rule to answer this question.
9	whether you agree that the proposed provisional rule supports the public interest and why or why not	Further information is required on the proposed rule to answer this question.



***Please provide your views on the type of content that should be included in an information document associated with the proposed new ISO rule – Section 206.2 – Self Supply Configurations***

**Proposed New ISO rule – Section 206.4 – Offers and Bids for the Capacity Market**

<b>Period of Comment:</b>	August 13, 2018	through	August 31, 2018	<b>Contact:</b>	Mark Nesbitt
<b>Comments From:</b>	ATCO Electricity Generation			<b>Phone:</b>	587-215-6496
<b>Date [yyyy/mm/dd]:</b>	2018/08/31			<b>Email:</b>	mark.nesbitt@atco.com

***Please provide comments relating to the subsection of the proposed rule in the corresponding box. Please include any views on whether the language clearly articulates the requirement for either the AESO or a market participant, and provide any proposed alternative wording by blacklining the proposed language below.***

Section	Subsection	Proposed language	Stakeholder comments
		<b>Applicability</b>	
1		Section 206.4 applies to: <ul style="list-style-type: none"> <li>(a) a <b>capacity market participant</b> with an asset that has an assigned <b>uniform capacity value</b>; and</li> <li>(b) the <b>ISO</b>.</li> </ul>	
		<b>Requirements</b>	
		<b>Obligation to Offer and Offer Content for a Base Auction</b>	
2	(1)	A <b>capacity market participant</b> must submit an <b>offer</b> for a <b>base auction</b> in respect of an asset that: <ul style="list-style-type: none"> <li>(a) has an assigned <b>uniform capacity value</b>; and</li> <li>(b) is listed opposite the <b>capacity market participant</b> on the list the <b>ISO</b> publishes pursuant to Section 201.10 of the <b>ISO rules, Capacity Market</b></li> </ul>	

Section	Subsection	Proposed language	Stakeholder comments
		<i>Participant Registration.</i>	
2	(2)	A <b>capacity market participant</b> must ensure its <b>offer</b> volume for an asset in a <b>base auction</b> equals the asset's <b>uniform capacity value</b> .	
2	(3)	<p>A <b>capacity market participant</b> must include in each <b>capacity block</b> in an <b>offer</b> for a <b>base auction</b>:</p> <ul style="list-style-type: none"> <li>(a) a price in \$/kW-year to the nearest cent per kW-year which, subject to Section 206.7, of the <b>ISO rules</b>, <i>Capacity Market Mitigation</i>, is: <ul style="list-style-type: none"> <li>(i) greater than or equal to \$0/kW-year; and</li> <li>(ii) less than or equal to the maximum price established by the demand curve; and</li> </ul> </li> <li>(b) a quantity in MW that is greater than or equal to than 1 MW.</li> </ul>	
2	(4)	The <b>ISO</b> must, if a <b>capacity market participant</b> does not submit an <b>offer</b> in accordance with subsections 2(1), 2(2) or 2(3), assign an <b>offer</b> price of \$0/kW-year for the <b>offer</b> volume equal to the asset's assigned <b>uniform capacity value</b> .	
		<b>Obligation to Offer and Offer Content for a Rebalancing Auction</b>	
3	(1)	<p>A <b>capacity market participant</b> must submit an <b>offer</b> for a <b>rebalancing auction</b> in respect of an asset that:</p> <ul style="list-style-type: none"> <li>(a) has an assigned <b>uniform capacity value</b> greater than the <b>capacity commitment</b>; and</li> <li>(b) is listed opposite the <b>capacity market participant</b> on the list the <b>ISO</b></li> </ul>	ATCO submits that there should be an exemption from the requirement to submit an offer in the rebalancing auction for new assets that did not clear in the base auction. A must offer in the rebalancing auction may result in a situation where a new unit clears but cannot be built in the 18/3 months before delivery, and would therefore be subject to penalties.

Section	Subsection	Proposed language	Stakeholder comments
		publishes pursuant to Section 201.10 of the <b>ISO rules</b> , <i>Capacity Market Participant Registration</i> .	
3	(2)	A <b>capacity market participant</b> must ensure its <b>offer</b> volume for an asset in a <b>rebalancing auction</b> equals the difference between the asset's <b>uniform capacity value</b> and its <b>capacity commitment</b> .	
3	(3)	<p>A <b>capacity market participant</b> must include in each <b>capacity block</b> in an <b>offer</b> for a <b>rebalancing auction</b>:</p> <ul style="list-style-type: none"> <li>(a) a price in \$/kW-year to the nearest cent per kW-year which is: <ul style="list-style-type: none"> <li>(i) greater than or equal to \$0/kW-year; and</li> <li>(ii) less than or equal to the maximum price established by the demand curve; and</li> </ul> </li> <li>(b) a quantity in MW that is equal to or greater than 1 MW.</li> </ul>	
3	(4)	The <b>ISO</b> must, if a <b>capacity market participant</b> does not submit an <b>offer</b> in accordance with subsections 3(1), 3(2) or 3(3), assign an <b>offer</b> price of \$0/kW-year for the <b>offer</b> volume equal to the difference between the asset's <b>uniform capacity value</b> and its <b>capacity commitment</b> .	
		<b>Designation of Flexible Blocks or Inflexible Blocks for Offers</b>	
4	(1)	<p>A <b>capacity market participant</b> must, except for an asset with <b>incremental capacity</b>, designate in an <b>offer</b>:</p> <ul style="list-style-type: none"> <li>(a) the lowest priced <b>capacity block</b> as a <b>flexible block</b> or <b>inflexible block</b>; and</li> </ul>	

Section	Subsection	Proposed language	Stakeholder comments
		(b) all other <b>capacity blocks</b> as <b>flexible blocks</b> .	
4	(2)	<p>A <b>capacity market participant</b> must, for an asset with <b>incremental capacity</b>, designate in an <b>offer</b> all <b>capacity blocks</b> as <b>flexible blocks</b> except in the following circumstances:</p> <ul style="list-style-type: none"> <li>(a) the lowest priced <b>capacity block</b> may be designated as an <b>inflexible block</b>; or</li> <li>(b) in the event that: <ul style="list-style-type: none"> <li>(i) the lowest priced <b>capacity block</b> contains only <b>incremental capacity</b>;</li> <li>(ii) there is a <b>capacity block</b> that contains only non-<b>incremental capacity</b>; and</li> <li>(iii) there is no lower priced <b>capacity block</b> that contains both <b>incremental capacity</b> and non-<b>incremental capacity</b> than the lowest priced <b>capacity block</b> that contains no <b>incremental capacity</b>,</li> </ul> <p>the lowest priced <b>capacity block</b> containing only non-<b>incremental capacity</b> may be designated as an <b>inflexible block</b>, as demonstrated in Appendix 1.</p> </li> <li>(c) in the event that: <ul style="list-style-type: none"> <li>(i) the lowest priced <b>capacity block</b> contains only non-<b>incremental capacity</b>;</li> <li>(ii) there is a <b>capacity block</b> that contains only <b>incremental capacity</b>; and</li> <li>(iii) there is no lower priced <b>capacity block</b> that contains both <b>incremental capacity</b> and non-<b>incremental capacity</b> than the lowest priced</li> </ul> </li> </ul>	

Section	Subsection	Proposed language	Stakeholder comments
		<p><b>capacity block</b> that contains only <b>incremental capacity</b>, the lowest priced <b>capacity block</b> containing only <b>incremental capacity</b> may be designated as an <b>inflexible block</b>, as demonstrated in Appendix 1.</p>	
		<p><b>Additional Offer Content for Incremental Capacity</b></p>	
5		<p>A <b>capacity market participant</b> must, for an asset with <b>incremental capacity</b>, include in each <b>capacity block</b> in an <b>offer</b> a declaration of the quantity in MW within a <b>capacity block</b> that is <b>incremental capacity</b>.</p>	
		<p><b>Additional Offer Content for Refurbished Capacity</b></p>	
6	(1)	<p>A <b>capacity market participant</b> <del>must</del>, that has failed the market power screen in accordance with Section 206.7, of the <b>ISO rules</b>, <i>Capacity Market Mitigation</i>, for an asset with <b>refurbished capacity</b>, <b>must</b> submit:</p> <ul style="list-style-type: none"> <li>(a) a first <b>offer</b> comprised of one <b>capacity block</b> that is an <b>inflexible block</b> for an asset with <b>refurbished capacity</b> qualified by the <b>ISO</b>; and</li> <li>(b) a second <b>offer</b> based on the <b>offer</b> the <b>capacity market participant</b> would have submitted had the <b>ISO</b> not qualified the <b>refurbished capacity</b>,</li> </ul> <p>unless the <b>capacity market participant</b> declared to permanently delist the <b>refurbished capacity</b> pursuant to Section 206.1 of the <b>ISO rules</b>, <i>Qualification of Capacity</i> in the event it fails to obtain a <b>capacity commitment</b>.</p>	6(1) see blackline.
6	(2)	<p>A <b>capacity market participant</b> may, if it has submitted an <b>offer</b> in accordance with subsection 6(1) and the <b>offer</b> that is referred to in subsection 6(1)(a) does not clear, submit in the next <b>base auction</b>:</p>	

Section	Subsection	Proposed language	Stakeholder comments
		<p>(a) an <b>offer</b> comprised of one <b>capacity block</b> that is an <b>inflexible block</b> for an asset with <b>refurbished capacity</b> qualified by the <b>ISO</b>; or</p> <p>(b) an <b>offer</b> based on the <b>offer</b> the <b>capacity market participant</b> would have submitted had the <b>ISO</b> not qualified the <b>refurbished capacity</b>.</p>	
6	(3)	<p>A <b>capacity market participant</b> must, in the event that the <b>capacity market participant</b> submitted an <b>offer</b> in accordance with subsection 6(2)(a) and the <b>offer</b> did not clear, permanently delist the asset.</p>	<p>ATCO believes it is unreasonable to force a permanent delist of an operational unit because of refurbishment auction mechanics. A refurbishment bid may not be economical in the current auction, but could become economic in the future. The proposed ISO Rule would prevent this unit from participating in future auctions and potentially offering a lower cost alternative to new supply. Further, if new technology becomes available that makes refurbishment more competitive, will the asset be permitted to offer into the auction again? What if the asset is sold to another market participant, is the limitation asset specific or asset-owner specific? ATCO submits the rule as drafted is overly restrictive and could result in market inefficiencies.</p>
6	(4)	<p>A <b>capacity market participant</b> must ensure that an <b>offer</b> has not been submitted for the asset in the manner described in subsection 6(1) prior to submitting an <b>offer</b> in accordance with subsection 6(1).</p>	
		<p><b>Bid Content</b></p>	
7	(1)	<p>A <b>capacity market participant</b> with a <b>capacity commitment</b> may submit a <b>bid</b> in a <b>rebalancing auction</b>:</p> <p>(a) for a quantity in MW that is equal to or greater than 1 MW and less than or equal to the <b>capacity commitment</b>; and</p> <p>(b) that is priced at a price in \$/kW-year to the nearest cent per kW-year which is</p>	

Section	Subsection	Proposed language	Stakeholder comments
		greater than or equal to \$0/kW-year.	
7	(2)	<p>A <b>capacity market participant</b> with a <b>capacity commitment</b> must submit a <b>bid</b>, priced at \$0.01/kW-year above the maximum price established by the demand curve, in accordance with the following:</p> <ul style="list-style-type: none"> <li>(a) if the asset's assigned <b>uniform capacity value</b> for the last <b>rebalancing auction</b> is lower than its <b>capacity commitment</b>, the <b>capacity market participant</b> must submit a <b>bid</b> for the difference between the <b>capacity commitment</b> and the assigned <b>uniform capacity value</b>;</li> <li>(b) subject to subsection 7(2)(d), if the <b>ISO</b> determines, before the first <b>rebalancing auction</b>, that an asset is unable to meet the milestone requirements in accordance with Section 206.5 of the <b>ISO rules, Forward Period Requirements</b>, a <b>capacity market participant</b> must submit a <b>bid</b> equal to its entire <b>capacity commitment</b> in the first <b>rebalancing auction</b>;</li> <li>(c) subject to subsection 7(2)(d), if the <b>ISO</b> determines, before the last <b>rebalancing auction</b>, that an asset is unable to meet the milestone requirements in accordance with Section 206.5 of the <b>ISO rules, Forward Period Requirements</b>, a <b>capacity market participant</b> must submit a <b>bid</b> equal to its entire <b>capacity commitment</b> in the last <b>rebalancing auction</b>; or</li> <li>(d) if the <b>ISO</b> determines, before the last <b>rebalancing auction</b>, that an aggregation of load assets is unable to meet the milestone requirements in accordance with Section 206.5 of the <b>ISO rules, Forward Period Requirements</b>, a <b>capacity market participant</b> must submit a <b>bid</b> for the difference between the <b>capacity commitment</b> and the assigned <b>uniform</b></li> </ul>	



Section	Subsection	Proposed language	Stakeholder comments
		<b>capacity value</b> for the last <b>rebalancing auction</b> .	
7	(3)	The <b>ISO</b> must, if a <b>capacity market participant</b> does not submit a <b>bid</b> in accordance with subsection 7(2), assign a <b>bid</b> price of \$0.01/kW-year above the maximum price established by the demand curve for the <b>bid</b> volume required in subsection 7(2).	
		<b>Submission of Offer and Bid for the Same Asset in a Rebalancing Auction</b>	
8		A <b>capacity market participant</b> that submits an <b>offer</b> and <b>bid</b> for the same asset in a <b>rebalancing auction</b> must price the <b>capacity blocks</b> such that the highest priced <b>capacity block</b> for the <b>bid</b> is less than the lowest priced <b>capacity block</b> for the <b>offer</b> .	
		<b>Designation of Flexible Blocks or Inflexible Blocks for Bids</b>	
9		A <b>capacity market participant</b> must designate in a bid: <ul style="list-style-type: none"> <li>(a) the lowest priced <b>capacity block</b> as a <b>flexible block</b> or <b>inflexible block</b>; and</li> <li>(b) all other <b>capacity blocks</b> as <b>flexible blocks</b>.</li> </ul>	
		<b>Offering Window</b>	
10	(1)	The <b>ISO</b> must specify the offering window for a <b>base auction</b> or <b>rebalancing auction</b> in the <i>Capacity Market Auction Guidelines</i> .	ATCO believes that the general offering window period should be specified in the ISO Rule in terms of days or hours ahead of auction close. Exact dates and hours can be specified for each specific auction in the guideline.
10	(2)	The <b>ISO</b> may change or extend the offering window in the event of system unavailability and the <b>ISO</b> determines that such unavailability warrants a change or extension to the offering window.	
10	(3)	The <b>ISO</b> must notify <b>capacity market participants</b> of any change or extension to an	ATCO believes the ISO Rule should specify under what conditions the ISO would change

Section	Subsection	Proposed language	Stakeholder comments
		offering window made pursuant to subsection 10(2).	the offering window, as well notification timelines.
10	(4)	A <b>capacity market participant</b> must submit an <b>offer</b> or <b>bid</b> during the offering window.	
		<b>Offer Submission Methods</b>	
11		A <b>capacity market participant</b> must submit an <b>offer</b> or <b>bid</b> for a <b>base auction</b> or <b>rebalancing auction</b> in a manner the <b>ISO</b> determines.	ATCO submits that the ISO must determine and include in the rule the method for submitting offers and bids to the ISO, prior to the finalization of the ISO Rule.

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

Item #		Stakeholder comments
1	whether you agree that the proposed new ISO rule – Section 206.4 – <i>Offers and Bids for the Capacity Market</i> relates to the capacity market and why or why not	Agree.
2	whether you agree that the proposed new ISO rule – Section 206.4 – <i>Offers and Bids for the Capacity Market</i> should [or should not] be in effect for a fixed term and why or why not	This rule should not be in effect for a fixed term since it relates to aspects of the capacity market that should not change on a regular basis.
3	whether you understand and agree with the objective or purpose of the proposed new ISO rule – Section 206.4 – <i>Offers and Bids for the Capacity Market</i> and whether, in your view, the proposed new ISO rule – Section 206.4 – <i>Offers and Bids for the Capacity Market</i> meets the objective or purpose	
4	how, in your view, the proposed new ISO rule – Section 206.4 – <i>Offers and Bids for the Capacity Market</i> affects the performance of the capacity market and the electricity market	Further information is required on the proposed rule to answer this question.
5	your views on any analysis conducted or commissioned by the AESO supporting the proposed new ISO rule – Section 206.4 – <i>Offers and Bids for the Capacity Market</i>	
6	whether you agree with the proposed new ISO rule – Section 206.4 – <i>Offers and Bids for the Capacity Market</i> taken together with all ISO rules and in light of the principle of a fair, efficient and openly competitive market	Further information is required on the proposed rule to answer this question.

Item #		Stakeholder comments
7	whether you would suggest any alternatives to the proposed new ISO rule – Section 206.4 – <i>Offers and Bids for the Capacity Market</i>	
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	ATCO believes that the refurbishment requirement detailed in the proposed rule does not support ensuring a reliable supply of electricity at a reasonable cost because it forces the retirement of a unit that does not clear on its second refurbishment bid. This could result in the premature forced retirement of an asset that could become viable in the future and contribute to the reliability of the supply of electricity.
9	whether you agree that the proposed provisional rule supports the public interest and why or why not	Further information is required on the proposed rule to answer this question.

***Please provide your views on the type of content that should be included in an information document associated with the proposed new ISO rule – Section 206.4 – Offers and Bids for the Capacity Market***

**Proposed New ISO rule – Section 206.6 – *Base Auction and Rebalancing Auction***

<b>Period of Comment:</b>	August 13, 2018	through	August 31, 2018	<b>Contact:</b>	Mark Nesbitt
<b>Comments From:</b>	ATCO Electricity Generation			<b>Phone:</b>	587-215-6496
<b>Date [yyyy/mm/dd]:</b>	2018/08/31			<b>Email:</b>	mark.nesbitt@atco.com

***Please provide comments relating to the subsection of the proposed rule in the corresponding box. Please include any views on whether the language clearly articulates the requirement for either the AESO or a market participant, and provide any proposed alternative wording by blacklining the proposed language below.***

Section	Subsection	Proposed language	Stakeholder comments
		<b>Applicability</b>	
1		Section 206.6 applies to:  (a) the <b>ISO</b> .	
		<b>Requirements</b>  <b>Base Auction Timeline</b>	
2	(1)	The <b>ISO</b> must conclude a <b>base auction</b> no later than 36 <b>months</b> prior to the start of the <b>obligation period</b> .	
2	(2)	The <b>ISO</b> must:  (a) notwithstanding subsection 2(1), conclude a <b>base auction</b> for the first 3 <b>obligation periods</b> in accordance with the timelines established in the <i>Capacity Market Auction Guidelines</i> ; and  (b) remove this subsection 2(2) on or about the <b>day</b> the <b>base auction</b> for the third	

Section	Subsection	Proposed language	Stakeholder comments
		<b>obligation period</b> is concluded.	
		<b>Rebalancing Auction Timeline</b>	
3	(1)	The <b>ISO</b> must, subject to subsection 3(2), conclude two rebalancing <b>auctions</b> at no later than 18 <b>months</b> and 3 <b>months</b> , respectively, prior to the start of the <b>obligation period</b> .	
3	(2)	The <b>ISO</b> must: <ul style="list-style-type: none"> <li>(a) notwithstanding subsection 3(1), conclude one <b>rebalancing auction</b> at no later than 3 <b>months</b> prior to the start of the <b>obligation periods</b> for the first 3 <b>obligation periods</b>; and</li> <li>(b) remove this subsection 3(2) on or about the day the <b>rebalancing auction</b> for the third <b>obligation period</b> is concluded.</li> </ul>	
		<b>Publication of Capacity Market Auction Guidelines</b>	
4		The <b>ISO</b> must publish the <i>Capacity Market Auction Guidelines</i> prior to each <b>base auction</b> and <b>rebalancing auction</b> .	<p>ATCO believes that these guidelines should include specific dates for the auctions, but also submits that general timelines (in days before auction) should be included in the rules. These general auction timelines should not change between auctions and therefore should be included in an ISO Rule.</p> <p>ATCO submits that the auction guidelines should be published a minimum of 4 months before prequalification for an auction.</p>
		<b>Sealed-bid, Single-round Base Auction and Rebalancing Auction</b>	
5		The <b>ISO</b> must, for each <b>base auction</b> and <b>rebalancing auction</b> , use a sealed-bid, single-round auction design to establish a single clearing price.	

Section	Subsection	Proposed language	Stakeholder comments
		<b>Auction Results</b>	
6	(1)	The <b>ISO</b> must, following a <b>base auction</b> and <b>rebalancing auction</b> , notify the <b>capacity market participant</b> of its <b>capacity commitment</b> by asset.	ATCO believes that the rule should include a timeline under which the AESO will notify the capacity market participant of its capacity commitment by asset.
6	(2)	<p>The <b>ISO</b> must, as soon as practicable following a <b>base auction</b> and <b>rebalancing auction</b>, publish the results of the <b>base auction</b> or <b>rebalancing auction</b>, including:</p> <ul style="list-style-type: none"> <li>(a) the clearing price;</li> <li>(b) the total <b>capacity</b> procured;</li> <li>(c) the total <b>capacity</b> procured by technology type;</li> <li>(d) the total <b>capacity</b> procured from assets associated with an <b>offer</b> for <b>new capacity, incremental capacity</b> and <b>refurbished capacity</b>; and</li> <li>(e) for the last <b>rebalancing auction</b> for an <b>obligation period</b>, a list of each asset subject to a <b>capacity commitment</b>.</li> </ul>	The AESO should ensure that this section aligns with the auction results publication requirements in the revised <i>Fair, Efficient and Open Competition Regulation</i> .



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

Item #		Stakeholder comments
1	whether you agree that the proposed new ISO rule – Section 206.6 – <i>Base Auction and Rebalancing Auction</i> relates to the capacity market and why or why not	Agree.
2	whether you agree that the proposed new ISO rule – Section 206.6 – <i>Base Auction and Rebalancing Auction</i> should [or should not] be in effect for a fixed term and why or why not	This rule should not be in effect for a fixed term since it relates to aspects of the capacity market that should not change on a regular basis.
3	whether you understand and agree with the objective or purpose of the proposed new ISO rule – Section 206.6 – <i>Base Auction and Rebalancing Auction</i> and whether, in your view, the proposed new ISO rule – Section 206.6 – <i>Base Auction and Rebalancing Auction</i> meets the objective or purpose	
4	how, in your view, the proposed new ISO rule – Section 206.6 – <i>Base Auction and Rebalancing Auction</i> affects the performance of the capacity market and the electricity market	Further information is required on the proposed rule to answer this question. ATCO is concerned that the AESO is proposing to include substantive timelines and other information that should not change auction to auction in the capacity market auction guidelines. As such it is difficult to comment on how this rule will affect the performance of the capacity and electricity markets.
5	your views on any analysis conducted or commissioned by the AESO supporting the proposed new ISO rule – Section 206.6 – <i>Base Auction and Rebalancing Auction</i>	
6	whether you agree with the proposed new ISO rule – Section 206.6 – <i>Base Auction and Rebalancing Auction</i> taken together with all ISO rules and in light of the principle of a fair, efficient and openly competitive market	Further information is required on the proposed rule to answer this question.

Item #		Stakeholder comments
7	whether you would suggest any alternatives to the proposed new ISO rule – Section 206.6 – <i>Base Auction and Rebalancing Auction</i>	
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	Further information is required on the proposed rule to answer this question.
9	whether you agree that the proposed provisional rule supports the public interest and why or why not	Further information is required on the proposed rule to answer this question.

***Please provide your views on the type of content that should be included in an information document associated with the proposed new ISO rule – Section 206.6 – Base Auction and Rebalancing Auction***

Proposed Amended ISO rule – Section 301.2 ISO Directives

<b>Period of Comment:</b>	August 13, 2018	through	August 31, 2018	<b>Contact:</b>	Mark Nesbitt
<b>Comments From:</b>	ATCO Electricity Generation			<b>Phone:</b>	587-215-6496
<b>Date [yyyy/mm/dd]:</b>	2018/08/31			<b>Email:</b>	mark.nesbitt@atco.com

***Please provide comments relating to the subsection of the proposed amendments to the rule in the corresponding box. Please include any views on whether the language clearly articulates the requirement for either the AESO or a market participant, and provide any proposed alternative wording by blacklining the proposed language below.***

Section	Subsection	Proposed language	Stakeholder comments
		<b>Directives the ISO Issues</b>	
2	(1)	<p>The ISO may issue a <b>directive</b> to an <b>electricity market participant</b>, including a <b>directive</b> to:</p> <ul style="list-style-type: none"> <li>(a) increase or decrease the <b>real power</b> or <b>reactive power</b> output, or both of them, from a facility;</li> <li>(b) increase or decrease the <b>real power</b> consumption at a <u>capacity committed</u> load asset;</li> <li>(c) shut down or start up a facility; and</li> <li>(d) switch <b>transmission system</b> elements, alter <b>planned outage</b> or maintenance schedules, or load shed.</li> </ul>	<p>See blackline.</p> <p>ATCO assumes that the AESO only intends to send directives to the load assets in the electricity market that have obtained a capacity contract. The term “load asset” could be defined in the Consolidated Authoritative Document Glossary; this could be similar to how aggregated generating unit and generating unit are defined.</p>
		<b>Acknowledging Directives</b>	
		An <b>electricity market participant</b> must acknowledge receipt of a <b>directive</b> :	

Section	Subsection	Proposed language	Stakeholder comments
		<p>(a) in the case of an automated message and unless the <b>electricity market participant</b> has notified the <b>ISO</b> of an unavailability in accordance with subsection 4(1) by responding via the Automated Dispatch and Messaging System within 2 minutes; and</p> <p>(b) in the case of a voice <b>directive</b>, by repeating the <b>directive</b> to the <b>ISO</b>.</p>	

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

Item #		Stakeholder comments
1	whether you agree that amended ISO rule – Section 301.2 <i>ISO Directives</i> relates to the capacity market and why or why not	
2	whether you agree that amended ISO rule – Section 301.2 <i>ISO Directives</i> should [or should not] be in effect for a fixed term and why or why not	
3	whether you understand and agree with the objective or purpose of amended ISO rule – Section 301.2 <i>ISO Directives</i> and whether, in your view, Section 301.2 <i>ISO Directives</i> meets the objective or purpose	
4	how, in your view, amended ISO rule – Section 301.2 <i>ISO Directives</i> affects the performance of the capacity market and the electricity market	
5	your views on any analysis conducted or commissioned by the AESO supporting amended ISO rule – Section 301.2 <i>ISO Directives</i>	
6	whether you agree with amended ISO rule – Section 301.2 <i>ISO Directives</i> taken together with all ISO rules and in light of the principle of a fair, efficient and openly competitive market	
7	whether you would suggest any alternatives to amended ISO rule – Section 301.2 <i>ISO Directives</i>	

Item #		Stakeholder comments
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	
9	whether you agree that the proposed provisional rule supports the public interest and why or why not	

***Please provide your views on the type of content that should be included in an information document associated with amended ISO rule – Section 301.2 ISO Directives***



## Proposed Amended ISO rule – Section 303.1 Load Shed Service

<b>Period of Comment:</b>	August 13, 2018	through	August 31, 2018	<b>Contact:</b>	Mark Nesbitt
<b>Comments From:</b>	ATCO Electricity Generation			<b>Phone:</b>	587-215-6496
<b>Date [yyyy/mm/dd]:</b>	2018/08/31			<b>Email:</b>	mark.nesbitt@atco.com

***Please provide comments relating to the subsection of the proposed amendments to the rule in the corresponding box. Please include any views on whether the language clearly articulates the requirement for either the AESO or a market participant, and provide any proposed alternative wording by blacklining the proposed language below.***

Section	Subsection	Proposed language	Stakeholder comments
		<b>Determining Amount to Arm</b>	
3	(3)	The ISO must set the <b>load shed service</b> arming level at the beginning of the scheduling hour but may modify it if the requirement changes during the scheduling hour <u>by more than fifteen (15) MW.</u>	See blackline.

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

Item #		Stakeholder comments
1	whether you agree that amended ISO rule – Section 303.1 <i>Load Shed Service</i> relates to the capacity market and why or why not	ATCO does not understand how the exclusion proposed in 3(3) relates to the capacity market. This deletion of a MW threshold seems unrelated to the capacity market implementation. It remains to be justified why the removal of the 15MW threshold with no replacement is a necessary and efficient change related to the Capacity Market. If this case cannot be made then the amendment proposed for 3(3) should be delayed until a proper consultation can take place.
2	whether you agree that amended ISO rule – Section 303.1 <i>Load Shed Service</i> should [or should not] be in effect for a fixed term and why or why not	Further information is required on the proposed rule to answer this question.
3	whether you understand and agree with the objective or purpose of amended ISO rule – Section 303.1 <i>Load Shed Service</i> and whether, in your view, Section 303.1 <i>Load Shed Service</i> meets the objective or purpose	
4	how, in your view, amended ISO rule – Section 303.1 <i>Load Shed Service</i> affects the performance of the capacity market and the electricity market	Further information is required on the proposed rule to answer this question.
5	your views on any analysis conducted or commissioned by the AESO supporting amended ISO rule – Section 303.1 <i>Load Shed Service</i>	
6	whether you agree with amended ISO rule – Section 303.1 <i>Load Shed Service</i> taken together with all ISO rules and in light of the principle of a fair, efficient and openly competitive market	Further information is required on the proposed rule to answer this question.
7	whether you would suggest any alternatives to amended ISO rule – Section 303.1 <i>Load Shed Service</i>	

Item #		Stakeholder comments
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	Further information is required on the proposed rule to answer this question.
9	whether you agree that the proposed provisional rule supports the public interest and why or why not	Further information is required on the proposed rule to answer this question.

***Please provide your views on the type of content that should be included in an information document associated with amended ISO rule – Section 303.1 Load Shed Service***

Empty response box for stakeholder comments.

**Proposed Amended ISO rule – Section 304.2 *Electric Motor Start Requirements***

<b>Period of Comment:</b>	August 13, 2018	through	August 31, 2018	<b>Contact:</b>	Mark Nesbitt
<b>Comments From:</b>	ATCO Electricity Generation			<b>Phone:</b>	587-215-6496
<b>Date [yyyy/mm/dd]:</b>	2018/08/31			<b>Email:</b>	mark.nesbitt@atco.com

***Please provide comments relating to the subsection of the proposed amendments to the rule in the corresponding box. Please include any views on whether the language clearly articulates the requirement for either the AESO or a market participant, and provide any proposed alternative wording by blacklining the proposed language below.***

Section	Subsection	Proposed language	Stakeholder comments
		<b>Applicability</b>	
1		Section 304.2 applies to: <ul style="list-style-type: none"> <li>(a) the <b>operator</b> of an industrial complex that has been identified by the <b>ISO</b>;</li> <li>(b) the <b>operator</b> of a <b>transmission facility</b> that has been identified by the <b>ISO</b>;</li> <li>and</li> <li>(c) the <b>ISO</b>.</li> </ul>	
		<b>ISO Identification</b>	
2		The <b>ISO</b> must notify an <b>operator</b> of an industrial complex or <b>transmission facility</b> if they have been identified by the <b>ISO</b> as having to comply with this Section 304.2.	
		<b>ISO Approval Prior to Starting an Electric Motor</b>	
3	(1)	The <b>operator</b> of an industrial complex must have the prior verbal approval of the <b>ISO</b> by	

Section	Subsection	Proposed language	Stakeholder comments
		means of direct access telephone to start an electric motor at the industrial complex, in accordance with the area-specific requirements established by the <b>ISO</b> in subsection 4(1).	
		<b>Area-specific Requirements</b>	
4	(1)	The <b>ISO</b> must publish on the AESO's website any area-specific requirements applicable for starting an electric motor.	
4	(2)	The <b>operator</b> of an industrial complex or a <b>transmission facility</b> must comply with the area-specific requirements established by the <b>ISO</b> in subsection 4(1).	
4	(3)	The <b>ISO</b> must, if the requirements in subsections 3 and 4(2) have been met, approve the start of the electric motor unless the <b>ISO</b> has <b>reliability</b> concerns that would prevent the start of the electric motor.	

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

Item #		Stakeholder comments
1	whether you agree that amended ISO rule – Section 304.2 <i>Electric Motor Start Requirements</i> relates to the capacity market and why or why not	This ISO Rule amendment does not relate to the implementation of the capacity market, and should not form part of the AESO's application. It is improper to propose amendments that are not required for the implementation of the capacity market. There is no part of this amendment that refers to capacity market terms or values which is a further indication that this rule does not directly relate to the capacity market and would be better suited to consultation outside this process, by which to assess the validity of the amendment in general.
2	whether you agree that amended ISO rule – Section 304.2 <i>Electric Motor Start Requirements</i> should [or should not] be in effect for a fixed term and why or why not	
3	whether you understand and agree with the objective or purpose of amended ISO rule – Section 304.2 <i>Electric Motor Start Requirements</i> and whether, in your view, Section 304.2 <i>Electric Motor Start Requirements</i> meets the objective or purpose	
4	how, in your view, amended ISO rule – Section 304.2 <i>Electric Motor Start Requirements</i> affects the performance of the capacity market and the electricity market	
5	your views on any analysis conducted or commissioned by the AESO supporting amended ISO rule – Section 304.2 <i>Electric Motor Start Requirements</i>	
6	whether you agree with amended ISO rule – Section 304.2 <i>Electric Motor Start Requirements</i> taken together with all ISO rules and in light of the principle of a fair, efficient and openly competitive market	

Item #		Stakeholder comments
7	whether you would suggest any alternatives to amended ISO rule – Section 304.2 <i>Electric Motor Start Requirements</i>	
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	
9	whether you agree that the proposed provisional rule supports the public interest and why or why not	



***Please provide your views on the type of content that should be included in an information document associated with amended ISO rule – Section 304.2 Electric Motor Start Requirements***

Proposed Amended ISO rule – Section 305.1 *Energy Emergency Alerts*

<b>Period of Comment:</b>	August 13, 2018	through	August 31, 2018	<b>Contact:</b>	Mark Nesbitt
<b>Comments From:</b>	ATCO Electricity Generation			<b>Phone:</b>	587-215-6496
<b>Date [yyyy/mm/dd]:</b>	2018/08/31			<b>Email:</b>	mark.nesbitt@atco.com

***Please provide comments relating to the subsection of the proposed amendments to the rule in the corresponding box. Please include any views on whether the language clearly articulates the requirement for either the AESO or a market participant, and provide any proposed alternative wording by blacklining the proposed language below.***

Section	Subsection	Proposed language	Stakeholder comments
		<b>Issuing Energy Emergency Alerts</b>	
2	(1)	The <b>ISO</b> must, during a supply shortfall event, declare an energy emergency alert.	<p>ATCO is concerned that the AESO is proposing to change the structure of the energy emergency alerts (EEA) with no information or discussion on how this will affect the capacity market. Since the beginning of the SAM process, the AESO has centered the design of the performance framework for the capacity market around EEA events. EEA events are central to the final design. The AESO needs to provide further information regarding the proposed changes to this rule so that market participants can properly vet the design and changes.</p> <p>ATCO is concerned that the revised rule contains no information regarding when an EEA will be issued, and when it will be cancelled. The requirements for the start and end of an EEA are fundamental to the capacity market and must be specified in the rule.</p>
2	(2)	The <b>ISO</b> must, when a supply shortfall event ends, cancel the energy emergency alert-0.	See blackline. Issuing an EEA 0 is the same as cancelling an EEA.

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

Item #		Stakeholder comments
1	whether you agree that amended ISO rule – Section 305.1 <i>Energy Emergency Alerts</i> relates to the capacity market and why or why not	This rule is fundamental to the design of the performance framework in the capacity market.
2	whether you agree that amended ISO rule – Section 305.1 <i>Energy Emergency Alerts</i> should [or should not] be in effect for a fixed term and why or why not	This rule should not be in effect for a fixed term since it relates to aspects of the energy and capacity markets that should not change on a regular basis.
3	whether you understand and agree with the objective or purpose of amended ISO rule – Section 305.1 <i>Energy Emergency Alerts</i> and whether, in your view, Section 305.1 <i>Energy Emergency Alerts</i> meets the objective or purpose	Further information is required on the proposed rule to answer this question.
4	how, in your view, amended ISO rule – Section 305.1 <i>Energy Emergency Alerts</i> affects the performance of the capacity market and the electricity market	Further information is required on the proposed rule to answer this question.
5	your views on any analysis conducted or commissioned by the AESO supporting amended ISO rule – Section 305.1 <i>Energy Emergency Alerts</i>	
6	whether you agree with amended ISO rule – Section 305.1 <i>Energy Emergency Alerts</i> taken together with all ISO rules and in light of the principle of a fair, efficient and openly competitive market	Further information is required on the proposed rule to answer this question.
7	whether you would suggest any alternatives to amended ISO rule – Section 305.1 <i>Energy Emergency Alerts</i>	

Item #		Stakeholder comments
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	Further information is required on the proposed rule to answer this question.
9	whether you agree that the proposed provisional rule supports the public interest and why or why not	Further information is required on the proposed rule to answer this question.

***Please provide your views on the type of content that should be included in an information document associated with amended ISO rule – Section 305.1 Energy Emergency Alerts***