Comprehensive Market Design Stakeholder Comment Matrix
Technical Working Group – *FINAL*

Please complete this matrix by February 27, 2018, and upload it to the "Feedback" folder on the CMD SharePoint site. The AESO will post all comment matrices received from working group members on www.aeso.ca. **Please note that the names of the parties submitting each completed comment matrix will be included in this posting.** The AESO does not intend to respond to individual submissions. If you have any questions about this comment matrix, please email capacitymarket@aeso.ca

Name: Surendra Singh **Organization:** Alberta News Print Company (ANC)

Date: February 27, 2018

CMD Key Design Questions	Comments and / or Recommendations
1. UCAP: Can you support the availability factor/capacity factor over the 100 hours of smallest supply cushion being used to calculate the UCAP?	ANC supports the use of the availability factor as designed for thermal generation resources. It is important that the design elements continue to be linked. Along these lines, it is good that the AESO has decided to use the 100 tightest hours for both the UCAP and the penalties and further that the AESO modeling to determine the target level of procurement is most concerned about the tightest hours.
2. UCAP: Can you support the UCAP calculation being based on 5 years of historical data?	ANC supports using the same standards for all resource types but notes that there is concern that there is over-procurement risk if the AESO does not translate the UCAP estimate into the demand curve. The 'discount' of UCAP relative to ICAP under this methodology is much larger than under an EFORD approach and the demand curve must be shifted to reflect this steeper discount.
3. UCAP: Are there risks with including planned outages in the availability factor data used to calculate UCAP? If so please describe.	The estimation of UCAP for demand response resources will need to be carefully considered. As noted during the meeting the methodology must ensure that over procurement does not result from under-representing the true capability of certain types of assets.
4. Demand Curve: Do you have any feedback on the material presented in the CMD 1? Note: AESO and the WG will revisit the shape of the demand curve once draft outputs from the Resource Adequacy model are available.	ANC is concerned that the demand curve continues to be biased towards significant over-procurement of capacity. This bias will depress energy prices overall, limit scarcity pricing, and remove the real-time energy signal that incents, among other things, a reduction in load during tight hours. ANC has participated in Alberta for a number of years as price responsive load and would advocate for a market design that continues to send strong real-time signals that have been an important driver in the past. The CMD 1.0 continues to show the demand curve intersection with the target procurement level priced at 1.5 x net-CONE, clearly resulting in over-procurement. This needs to be adjusted such that the demand curve intersects the target procurement quantity at net-CONE.
5. Load Forecast: Can you support the proposed approach to forecast load? Are there any outstanding comments or concerns with the proposed approach?	
6. CONE: Can you support the intended Gross CONE	ANC would like to see analysis of historical data to provide some transparency around where the AESO would have set the

CMD Key Design Questions	Comments and / or Recommendations
estimation approach?	demand curve for previous years.
7. CONE: What are the important considerations AESO needs to take into account when selecting the Energy and Ancillary Service offset estimation methodology?	The approach is reasonable but care must be taken not to create an inflated view of Gross CONE as this will increase capacity costs.
8. CONE: Are there any issues or gaps in our considerations or plan in Net CONE estimation?	

General Comments: Any comments on relevant scope areas of the CMD that are not addressed above