

Period of Comment: February 25, 2021 through March 18, 2021	Contact: Kurtis Glasier
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Instructions:

1. Please fill out the section above as indicated.
2. Please respond to the questions below and provide your specific comments (if any). Blank boxes will be interpreted as favourable comments.

The AESO is seeking comments from Stakeholders on proposed amendments to the Financial Settlement Rules with regard to the following matters:

	Development of a Proposed ISO Rule	Stakeholder Comments and/or Alternate Proposal
1.	Do you agree or disagree that the issue identified in the letter of notice requires the proposed amendments to the Financial Settlement Rules? Please comment.	In general, Heartland Generation is supportive of the broad initiative to reduce regulatory “Red Tape” in the electricity market. However, some of the proposed amendments may be sacrificing necessary transparency in order to reduce superficial regulatory burden.
2.	Do you agree or disagree with the potential purpose of the proposed amendments to the Financial Settlement Rules? Please comment.	Heartland Generation does not disagree with the broad intent or purpose of the proposed amendments, except for those identified in response to question 4 regarding the reduction of regulatory requirements and the clarity on the interest calculation.
3.	Do you agree or disagree with the proposed consultation and timelines? Please comment.	Given that there are concerns regarding the proposed amendments, Heartland Generation disagrees that the consultation and timelines are sufficient. The AESO should include a process step for stakeholders to provide written comments following the AESO’s written responses in April 2021. Depending on the extent of the concerns from all parties, the AESO may want to consider holding a consultation session to present to stakeholders how it plans to address those concerns.

	Development of a Proposed ISO Rule	Stakeholder Comments and/or Alternate Proposal
4.	Do you agree or disagree with the proposed amendments to the Financial Settlement Rules? Please comment.	<p>Heartland Generation does not agree that the AESO should remove the requirement to publish the “Schedule of ISO Fees”. This requirement is not extraneous and provides clarity for market participants on expected fee amounts, which are otherwise not indicated by the AESO in a public format. The transparency gained by publishing the schedule of ISO fees outweighs the minimal regulatory burden on the AESO. If the AESO intends to replace this schedule with a different document, then this should be clearly indicated; to this point, Heartland Generation supports the continued inclusion of the requirement of publishing ISO fees in an authoritative document, like an ISO Rule.</p> <p>Also, the AESO is proposing to remove the Section 103.4, <i>Power Pool Financial Settlement, 7(2)</i>, which indicates how to calculate transmission constraint rebalancing (TCR) payments when there is more than one operating block that is eligible. Heartland Generation suggests altering the proposed amendment for 8(1) to state:¹</p> <p style="padding-left: 40px;">“The ISO must make a payment to a pool participant with a source asset that has delivered additional energy for transmission constraint rebalancing as per 2(2)(b)(ii) of Section 302.1 of the ISO rules, Real Time Transmission Constraint Management during a settlement interval, calculated as follows for each eligible operating block.”</p> <p>This amendment would mirror the proposed changes to the “Payment to a Supplier on the Margin” section and make it clear that each eligible offer block will receive a TCR payment.</p> <p>Further, Heartland Generation does not agree with the proposed calculation of interest without further consultation and justification from the AESO. The proposed amendments include that “the ISO may charge” interest to a pool participant if the adjustments to metering data are a result of the pool participant’s failure. It does not, however, provide the criteria that will form the basis for the AESO’s discretion of “may charge”. Additionally, the AESO has not included the cases where the adjustments to metering data are as a result of the AESO’s failure or when the party at fault is mixed or ambiguous; at the outset, it seems unfair to only address the time value of money when one party is at fault but in no other case.</p>
5.	Do you have any additional comments?	Heartland Generation does not have any additional comments at this time.

¹ AESO proposed changes are in red; Heartland Generation proposed changes are in green.