

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@aesoc.ca

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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?	CanWEA recommends 200 hours be used for the calculation of UCAP for all generators to reduce year-over-year variation in the UCAP calculation.
2. UCAP: Can you support the UCAP calculation being based on 5 years of historical data?	CanWEA can live with the use of five years of data.
3. UCAP: Are there risks with including planned outages in the availability factor data used to calculate UCAP? If so please describe.	No comment.
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.	The inflection point of the demand curve should be placed at the intersection of the reliability target at 1.0 X Net-CONE. This change will result in a flatter demand curve at reliability values above the target while providing capacity market values at Net-CONE on average and average procurement levels closer to the reliability target compared to the proposed demand curve.
5. Load Forecast: Can you support the proposed approach to forecast load? Are there any outstanding comments or concerns with the proposed approach?	Yes
6. CONE: Can you support the intended Gross CONE estimation approach?	Yes
7. CONE: What are the important considerations AESO needs to take into account when selecting the Energy and Ancillary Service offset estimation methodology?	The capacity market will not recover the fixed costs of many generators and therefore those generators will need to recover some portion of their fixed costs from the energy market. Since the Energy market will remain the prime revenue stream, the AESO should ensure the forecast methodology does not unduly dampen forecasted energy market revenues.

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8. CONE: Are there any issues or gaps in our considerations or plan in Net CONE estimation?	None at this time.

General Comments: Any comments on relevant scope areas of the CMD that are not addressed above
<p>CanWEA supports the creation of a stakeholder body to provide oversight and governance of:</p> <ul style="list-style-type: none">- the setting of demand curve parameters including calculating Gross-CONE, setting the price cap, fixing the demand curve inflection point- the translation of reliability modelling results into a corresponding UCAP requirement, and- the performance of the Energy and Ancillary Services market forecast and application to the calculation of Net-CONE.