

Stakeholder Comment Matrix – Dec. 19, 2019
Request for feedback on 2020 plan for market-related initiatives



Period of Comment: Dec. 19, 2019 through Jan. 17, 2020	Contact: [REDACTED]
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Date: 2020/01/17	Email: [REDACTED]

The AESO is seeking comments from stakeholders on its 2020 Plan for Market-Related Initiatives.

	Questions	Stakeholder Comments
1.	<p>Is the publication of the <i>2020 Plan for Market-Related Initiatives</i> useful to you? Would any additional information be helpful? Please be specific.</p>	<p>The AESO's publication of the 2020 Plan is useful for planning and resourcing for the upcoming year. Ideally, this Plan would have been available earlier to coincide with the budgeting schedules of stakeholders that are generally finalized in Q3. To facilitate this in the future, TCE recommends that the AESO's extend the Plan beyond a single year and that it be continually updated on a quarterly basis.</p> <p>TCE further recommends that the AESO provide more specific detail regarding the purpose of each market-related initiative and the problem the AESO intends to solve. For example, under the Dispatch Tolerance initiative, the AESO states that the current rule "may not be sufficient to ensure future dispatch response will be adequate as net demand variability increases". The AESO has recently completed a net demand variability study and is thus in a position to provide stakeholders with a more precise timeline as to when the current rule may become problematic, which would be more useful to stakeholders than stating the rule <u>may</u> need to be updated at an unspecified future date.</p>
2.	<p>Are there any additional market-related initiatives that in your view require the AESO's and stakeholders' attention in 2020 that are not listed in the <i>2020 Plan for Market-Related Initiatives</i>?</p>	<p>TCE does not propose to add any additional market-related initiatives for 2020. Instead, TCE submits that the current 2020 Plan seems ambitious and is likely not achievable in 2020 considering the likelihood that some issues can be expected to be contentious. As such, TCE recommends that the AESO engage stakeholders to triage the Plan to identify and focus on those initiatives deemed to be of higher priority. TCE provides more comments on this issue in Question #3 below.</p>

<p>3.</p>	<p>Do you have suggested changes to the timing of initiatives in the <i>2020 Plan for Market-Related Initiatives</i> schedule? If yes, please be specific to why you would like to see the timing changed and what the suggested timing should look like.</p>	<p>As stated above, the 2020 Plan appears to be ambitious for 2020 and may benefit from prioritizing the timing of certain initiatives over others.</p> <p>In particular, the energy storage initiative needs to be prioritized to ensure that developers of energy storage projects that are expected to enter commercial operation within the next two years have sufficient clarity of the market rules. This is not currently the case. While the AESO's 2020 Plan has split the energy storage initiative into short- and long-term initiatives, the AESO has yet to inform stakeholders how the scope of issues will be allocated between the two initiatives. Indeed, the AESO may want to hear from stakeholders before making a scoping determination.</p> <p>With respect to the Price Cap, Price Floor and Shortage Pricing initiative, TCE recommends that the AESO engage stakeholders as soon as possible considering the report to government is due by July 31, 2020.</p> <p>TCE questions the need for the Dispatch Tolerance and Ramp Table Submissions initiatives in the 2020 Plan. Both of these initiatives address possible issues related to net demand variability. The AESO's net demand variability study concluded that the AESO would be able to adequately manage the anticipated variability in the short- to medium-term under the assumption of the prior government's renewable energy program, which was subsequently cancelled. Further, the Dispatch Tolerance initiative was raised during the capacity market consultation due to the concern that the capacity market may cause generators to alter their dispatch behaviour. Like the renewable energy program, the capacity market has been cancelled, which should mitigate any concerns that generators may change their dispatch behaviour. On this basis, the need for these initiatives is questionable and TCE recommends that the AESO remove these initiatives from the 2020 Plan. Instead, TCE recommends that the AESO monitor net demand variability to determine at what point, if ever, these initiatives should be incorporated into a future plan.</p>
<p>4.</p>	<p>Do you have any other suggestions or comments you would like to share with the AESO related to the <i>2020 Plan for Market-Related Initiatives</i> publication?</p>	<p>The 2020 Plan states that during the Conception phase the AESO will conduct an options analysis for which input <u>may</u> be gathered through stakeholder engagement. TCE recommends that the AESO engage stakeholders during the options analysis as standard procedure as it will likely avoid regulatory inefficiencies.</p> <p>The AESO also states that it may develop recommendations during the Conception phase. For regulatory efficiency, TCE strongly encourages the AESO to engage stakeholders prior to developing recommendations.</p>

Thank you for your input. Please email your comments to: stakeholder.relations@aeso.ca.