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| **Period of Comment:** | September 12, 2022 | through | October 4, 2022 |
| **Comments From:** | Company Name |
| **Date:** | [yyyy/mm/dd] |

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| **Contact:** | Company Representative  |
| **Phone:** | Contact Phone Number |
| **Email**: |  |

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Instructions:

1. Please fill out the section above as indicated.
2. Add your feedback to the following comment matrix.
3. Email your completed comment matrix to rules\_comments@aeso.ca.

The AESO appreciates stakeholders’ ongoing participation and feedback in this initiative. Information from the slide decks presented during the three Stakeholder sessions is available on aeso.ca and may be helpful in responding to the questions below. Additionally, the AESO posted a supplementary document on the proposed alternatives for standby reserve pricing.

In consideration of the London Economics report submitted by TransAlta, the AESO will be conducting further process on moving to a sealed-bid auction format. Therefore, the AESO is not seeking feedback on this topic through this matrix. The AESO will advise stakeholders on this additional process in the coming weeks.

|  | **Questions** | **Stakeholder Comments**  |
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| 1 | **Equilibrium pricing & AESO bid price**AESO bid pricesDo you have any feedback on the draft recommendation to set AESO bid prices of $150/MWh for regulating reserves and $50/MWh for spinning and supplemental reserves? |  |
| 2 | **Offer transparency**Inflexible blocksSome stakeholders expressed concerns that the ability to opt-out of partial clearing will negatively impact the market. Do you have any further information or specific examples to substantiate this concern? |  |
| 3 | **Offer transparency**Tie-break for equal priced marginal offersThe AESO’s draft recommendation is to divide volume between equally priced marginal offers instead of favouring the earliest submitted offer. Should this volume be divided evenly, or proportionately to the size of the offered volume? For example, if 10 MW were needed from equally priced offers of 20 MW and 80 MW, an even split would allocate 5 MW to each offer and a proportional split would allocate 2 MW to the 20 MW offer and 8 MW to the 80 MW offer.In cases when the even or proportional division is not possible using whole megawatts, the AESO’s draft recommendation is to use submission time as a secondary tie break, favouring the earliest submitted offers. This secondary tie break would only be necessary to allocate residual megawatts after allocating based on the even or proportional split. Do you have any feedback or alternatives to this proposal? |  |
| 4 | **Minimum qualification & offer size**Directive toleranceDo you have any feedback on the draft recommendation to set directive tolerance of 5% of maximum capability for assets with maximum capability <= 200 MW and 10 MW for assets with maximum capability > 200 MW? |  |
| 5 | **Hourly procurement**Maximized participationWith reserves still procured day-ahead, would your participation be maximized under hourly procurement, where participants offer for each hour separately, or block procurement, where reserves continue to be procured in blocks as they are defined today? |  |
| 6 | **Hourly procurement**Auction duration and formatIf hourly procurement were pursued, would longer than 10 minutes be needed in each procurement in the day-ahead market for you to effectively participate? If so, what duration would you prefer? Would any other changes to the timing or format of the procurement be helpful? |  |
| 7 | **Standby reserve pricing**Option 1 – *Single-part offers with only an activation price*Do you have any feedback on Option 1 for standby pricing, as described in the supplementary document? |  |
| 8 | **Standby reserve pricing**Option 2 – *Single-part offers with only a premium price*Do you have any feedback on Option 2 for standby pricing, as described in the supplementary document?If Option 2 were pursued, what mechanism should the AESO use to determine the order in which standby providers receive a dispatch? |  |
| 9 | **Standby reserve pricing**Option 3 – *Two-part offers with an indexed activation price*Do you have any feedback on Option 3 for standby pricing, as described in the supplementary document? |  |
| 10 | **Standby reserve pricing**Preferred optionDo you prefer one of the proposed options for standby pricing? |  |
| 11 | **Standby reserve pricing**Offer capsDo you have any feedback on the proposal to apply the recommended active offer caps of $150/MWh for regulating reserves and $50/MWh for contingency reserves to the activation price?Do you have any feedback on the proposal to retain the current $99/MWh offer cap for the premium price? |  |