

Stakeholder Comment Matrix – May 14, 2020

Request for feedback on sub-hourly settlement, session 1 material



Period of Comment: Apr. 23, 2020 through May 14, 2020	Contact: [REDACTED]
Comments From: Greengate Power Corporation	Phone: [REDACTED]
Date: 2020/05/07	Email: [REDACTED]

The AESO is seeking comments from stakeholders on its approach to reviewing sub-hourly settlement, and content from session 1.

- 1. Please fill out the section above as indicated.*
- 2. Please respond to the questions below and provide your specific comments.*
- 3. Email your completed matrix to stakeholder.relations@aeso.ca by May 14, 2020*
- 4. Stakeholder comments will be published to aeso.ca, in their original state, with personal or commercially sensitive information redacted, following May 14, 2020.*

	Questions	Stakeholder Comments
1.	<p>In an effort to narrow the scenarios for implementation cost estimates, the AESO provided analysis that indicated, based on past observations, that a 15 minute interval would be the easiest to implement and that there were limited economic gains to be made from reducing the settlement interval to 5 minutes.</p> <ul style="list-style-type: none"> - Do you have comments related to the analysis presented? - Would you suggest additional analysis be completed to better understand the benefits of a shorter settlement interval? 	<p>Greengate agrees that generally the analysis indicates that minimal economic gains will occur with sub-hourly settlement, be it 15 or 5 minutes. The easiest method for maintaining the confidence in the Alberta market is to keep settlement at one hour.</p> <p>Greengate is concerned with the reduction in wind revenues, and the uncertain impact on solar (awaiting AESO analysis on solar impact) from sub-hourly settlement.</p> <p>Given the limited economic gains from moving to sub-hourly settlement, Greengate supports maintaining the current hourly approach.</p>
2.	<p>In an effort to narrow the scenarios for implementation cost estimates, the AESO provided assessments that sub-hourly settlement for all generation and load sites with interval meters could be mandatory and cumulative meter sites could be billed using: a) new shaping to account for 15 minute settlement or b) remain on an hourly billing approach with a true up payment.</p> <ul style="list-style-type: none"> - Do you have comments related to the participation approach suggestion made by the AESO? - Do you have comments related to the true-up analysis presented by the AESO? - Would you suggest additional analysis be completed to better understand participation options? 	<p>Greengate is not supportive of mandated participation. Greengate strongly requests that sub-hourly settlement not occur at this time. Maintaining the existing hourly settlement will improve market certainty. For the sake of a cost estimate, Greengate can understand that DFO's and other market participants require direction on the settlement interval. For the sake of the cost estimate, Greengate is supportive of the AESO's direction.</p>

	Questions	Stakeholder Comments
3.	<p>At the session the AESO presented information, based on historical observations that suggested a move to sub-hourly settlement would provide limited economic benefits to load and generation in Alberta.</p> <ul style="list-style-type: none"> - Do you have comments related to the analysis? - Do you have comments related to the qualitative benefits that would be provided to the market from a move to sub-hourly settlement? - Do you have suggestions on how the AESO could estimate the future benefits of sub-hourly settlement that could be included in the economic evaluation? For example, approaches to estimate load / generation operation changes? - Do you believe the sub-hourly settlement initiative should continue to be pursued by the AESO and industry? 	<p>The AESO's analysis shows minimal overall annual revenue change to groups of generators from sub-hourly settlement. This does raise the question, what is the problem?</p> <p>Greengate suggests that the AESO discontinue the pursuit of sub-hourly settlement and put AESO resources on other high impact consultation issues.</p>
4.	<p>At the session the AESO presented information that suggested energy market bids / offers could continue to be made on an hourly basis. Do you have comments related to this element of the analysis?</p>	<p>Greengate supports continuation of hourly offers and bids.</p>
5.	<p>At the session the AESO presented information that suggested energy dispatch could continue to be made on an as-needed basis regardless of the settlement interval. Do you have comments related to this element of the analysis?</p>	<p>Greengate supports an AESO session to review how the AESO currently conducts its energy dispatch.</p>
6.	<p>Cost question – given the narrowing of implementation options noted in questions 1 and 2, if your cost estimates will have changed from what you provided subsequent to session one, would you please provide an update here.</p> <p>LSAs and MDMs please do not answer; the AESO will be contacting you for participation in an additional session.</p>	<p>N/A</p>
7.	<p>At the session, the AESO explored potential impacts to other areas. Are there other potential impacts that should be considered and why?</p>	<p><i>Greengate reiterates its concerns that moving to sub-hourly settlement will create market uncertainty for existing and new potential generation projects. At this time of great uncertainty caused by Covid-19, Greengate suggests that it would be prudent to move AESO resources from sub-hourly settlement analysis to other key areas .</i></p>

	Questions	Stakeholder Comments
8.	Please provide any other comments you have related to the sub-hourly settlement engagement.	<i>Thank you for the opportunity to participate.</i>

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