

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: The City of Red Deer Electric Utility	Phone: [REDACTED]
Date: [2020/05/14]	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>We haven't developed our own detailed cost estimate of implementing 15-minute intervals but intuitively Red Deer feels the costs would outweigh the benefit at both interval levels.</p> <p>However, if a decision is made by the AESO and the industry to proceed with this change, 15-minute intervals would be easier and less costly to implement than 5-minute intervals.</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>Additional analysis of other ISO jurisdictions, which have already made this change, would be useful. Red Deer is not convinced that material net benefit exists for our customers at this time.</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 benefits to the vast majority of our customers would be small. Additional real-life analysis would be welcome, perhaps from other ISO jurisdictions, but based on what we see so far, this initiative should not be pursued at this time, especially given the current state of the Alberta economy and our regulator’s emphasis on fiscal restraint during a very difficult time economically.</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>	
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>	
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>	
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>Significant cost to changing settlement rules, processes, meters and MDM will be incurred.</p>

	Questions	Stakeholder Comments
8.	Please provide any other comments you have related to the sub-hourly settlement engagement.	

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