

## Stakeholder Comment Matrix – May 14, 2020

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



<b>Period of Comment:</b> Apr. 23, 2020 through May 14, 2020	<b>Contact:</b> [REDACTED]
<b>Comments From:</b> Rodan Energy Solutions	<b>Phone:</b> [REDACTED]
<b>Date:</b> [2020/05/14]	<b>Email:</b> [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](mailto:stakeholder.relations@aeso.ca) by May 14, 2020*
- 4. Stakeholder comments will be published to [aeso.ca](http://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"> <li>- Do you have comments related to the analysis presented?</li> <li>- Would you suggest additional analysis be completed to better understand the benefits of a shorter settlement interval?</li> </ul>	<p>Moving to sub-hourly settlement (5-minute) would allow for more detailed demand calculations, which could incentivise some consumers to be more mindful of their overall consumption patterns. Increased data resolution would, in turn, allow for a better balance of grid supply to market demand. This could also lend itself well to demand-side management initiatives, and perhaps other conservation programs.</p> <p>For dispatchables, it really makes sense to have the granularity of data at say every 5 minutes to determine the true market cost. Five-minute data is a much better representative and offers the best price signals.</p> <p>We believe that the additional analysis that should be done is looking at other jurisdictions that use sub-hourly settlement and the effects that 5 minute and 15 minute have.</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"> <li>- Do you have comments related to the participation approach suggestion made by the AESO?</li> <li>- Do you have comments related to the true-up analysis presented by the AESO?</li> <li>- Would you suggest additional analysis be completed to better understand participation options?</li> </ul>	<p>Rodan Energy does not have a comment on this.</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"> <li>- Do you have comments related to the analysis?</li> <li>- Do you have comments related to the qualitative benefits that would be provided to the market from a move to sub-hourly settlement?</li> <li>- 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?</li> <li>- Do you believe the sub-hourly settlement initiative should continue to be pursued by the AESO and industry?</li> </ul>	See Question 1
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>	No comment
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>	No comment
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>	Rodan Energy is an MDM and therefore does not have a comment
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>	<i>No comment</i>

	Questions	Stakeholder Comments
8.	Please provide any other comments you have related to the sub-hourly settlement engagement.	<p><i>Rodan proposes that no matter what sub-hourly interval is chosen for the Alberta market, the AESO should commence a transition to a 5-minute interval metering standard. This transition can commence immediately for new market participants, new metering installations and meters that require change out over the next 4 to 6 years or so. It will be a gradual process with minimal cost (since meters already have this capability), but with huge benefits.</i></p> <p><i>The aim would be to:</i></p> <ol style="list-style-type: none"> <li><i>1. Over time, obtain more refined data due to the added granularity.</i></li> <li><i>2. Have in place the metering that could support evolving markets and programs and to better handle new resources seeking to enter the market over the next 3 to 5 years.</i></li> <li><i>3. Allow the AESO to operate almost in real time should they elect to move to 5-minute settlement now or at some point in the future.</i></li> </ol>

Thank you for your input. Please email your comments to: [stakeholder.relations@aeso.ca](mailto:stakeholder.relations@aeso.ca).