

## 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>Comments From:</b> TransCanada Energy Ltd. (TCE) <b>Date:</b> 2020/05/14	<b>Contact:</b> [REDACTED] <b>Phone:</b> [REDACTED] <b>Email:</b> [REDACTED]
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*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>TCE has reviewed the AESO's analysis and find it to be reasonable. As expected, the results demonstrate that there are no incremental benefits of moving to a 5-minute settlement interval compared to a 15-minute interval. Consequently, further analysis on the benefits of shorter settlement intervals is not required.</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>	<p>TCE submits that the most simple and cost-effective approach would be to make sub-hourly settlement mandatory for all generators and loads with interval meters. TCE further submits that loads with cumulative meters should continue with an hourly settlement interval. The AESO's analysis demonstrates that the true-up payments are very small and should be manageable. The alternative; however, would require the AESO to determine a shape for all of the cumulative-metered</p>

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	<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>loads. The determination of the shaping would likely be complicated and contentious.</p>
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>	<p>The AESO's historical analysis is reasonable, but likely understates the benefits for those price-responsive loads whose behaviour would change as a result of sub-hourly settlement.</p> <p>TCE believes the AESO should continue to pursue sub-hourly settlement initiative provided it can be done cost-effectively with as few changes to the existing market structure as possible. For example, the current dispatch and energy market bids/offers should remain as-is.</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>TCE agrees that the energy market bids/offers can continue on an hourly basis. Please also see the comments to #3 above.</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>TCE agrees that energy dispatch can continue on an as-needed basis regardless of the settlement interval. Please also see the comments to #3 above.</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>Narrowing the scope to 15-minute intervals and those with interval meters will significantly reduce the potential implementation costs of this initiative.</p>

	Questions	Stakeholder Comments
	LSAs and MDMs please do not answer; the AESO will be contacting you for participation in an additional session.	
7.	At the session, the AESO explored potential impacts to other areas. Are there other potential impacts that should be considered and why?	
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](mailto:stakeholder.relations@aeso.ca).