

## Stakeholder Comment Matrix – Feb 25, 2020

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



**Period of Comment:** Feb. 25, 2020 through Mar. 13, 2020  
**Comments From:** Alberta Direct Connect Consumers Association “ADC”  
**Date:** 2020/03/13

**Contact:** [REDACTED]  
**Phone:** [REDACTED]  
**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](mailto:stakeholder.relations@aeso.ca) by Mar. 13, 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 Mar. 13, 2020.*

	Questions	Stakeholder Comments
1.	Please describe why you are interested in sub-hourly settlement and how it affects your business.	ADC members are interested in sub-hourly settlement as members represent the vast majority of the price responsive loads and have determined that both costs and productivity would be optimized by moving to sub-hourly settlement.
2.	Is your organization a load, supplier, both a load and supplier, a billing agent, or other. If other, please describe.	Our organization represents load interests.
3.	The AESO has described the scope for this process, general agenda items and timing for upcoming stakeholder engagements. Please describe if you believe the scope is appropriate. If not, please describe/provide your rationale.	No comment
4.	At the session, the AESO outlined the objectives of the sub-hourly settlement, which was to improve price fidelity and incent flexibility. Do you have any comments on the objectives of the sub-hourly settlement engagement?	The objectives of improving price fidelity and incent flexibility are desirable enhancements to the energy only market.

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5.	<p>Are there considerations other than the following that should be taken into account to determine the value in moving to sub-hourly settlement interval?</p> <ul style="list-style-type: none"> <li>• The expected enhancement in price fidelity and flexibility</li> <li>• The expected financial impact on loads and generators</li> <li>• Implementation costs for the AESO and market participants</li> <li>• Timing required to transition to a sub-hourly settlement interval</li> </ul>	<p>For the load side implementation, perhaps the AESO could offer a pilot restricted to self-retailers and price responsive loads to get a better assessment of the changes needed to the billing and load settlement process and requirements.</p>
6.	<p>Please describe the size of your business in the approximate total MWhs consumed or produced in 2019.</p>	<p>The ADC members consumed approximately 3,000,000 MWh in 2019.</p>
7.	<p>Do you currently have interval metering installed in your operations? If yes, please describe the approximate volume of your business that was measured using interval meters in 2019.</p>	<p>Yes, all ADC members have interval metering. All of the ADC main industrial complexes volume are measured with interval meters.</p>
8.	<p>Can you identify which of the following elements will be affected by the implementation of sub-hourly settlements at <b>five-minute intervals</b>?</p> <ul style="list-style-type: none"> <li>• Metering</li> <li>• IT systems</li> <li>• Data storage</li> <li>• Other</li> </ul>	<p>Our meter data is currently recorded into our own data historians on a real time basis. For members that provide LSSi services, the AESO records and stores real time data for the purposes of billing and compliance.</p>
9.	<p>For each of the elements listed in question 8 above, please describe the changes that would be required for your business.</p>	<p>Our revenue meters have pulses which allow our control systems use to provide visibility on a real time basis. They key change is the commodity billing from the AESO.</p>
10.	<p>The AESO is looking to understand the magnitude of costs during this initial phase. For each of the elements listed in question 8 above, please provide estimates of the cost required to implement these changes. If you are unable to provide cost estimates, please indicate when you can do so.</p>	<p>Since customers outside of price responsive load are largely indifferent to hourly or sub-hourly settlement, the ADC suggests that the AESO move forward with a voluntary pilot program for loads. A criteria could be that participating customers are self-retailers and price responsive loads so that any DFO costs are minimized while the AESO determines whether an expansion of the program to load customers is</p>

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		worthwhile.
11.	For each of the elements listed in question 8 above, please describe the timing required to implement these changes.	If the AESO were to move forward on a pilot basis for the load side, the elements already exist for the loads that would be most interested in participating.
12.	<p>Can you identify which of the following elements will be affected by the implementation of sub-hourly settlements at <b>15-minute intervals</b>?</p> <ul style="list-style-type: none"> <li>• Metering</li> <li>• IT systems</li> <li>• Data storage</li> <li>• Other</li> </ul>	Same as 8, although 15 minute data is already stored by the meter data managers as the wires invoices have 15 minute peak data as a billing determinant.
13.	For each of the elements listed in question 12 above, please describe changes that would be required for your business.	No changes to business.
14.	The AESO is looking to understand the magnitude of costs during this initial phase. For each of the elements listed in question 12 above, please provide estimates of the cost required to implement these changes. If you are unable to provide cost estimates by the end of the comment period (March 13, 2020), please indicate when you can do so.	For industrial complexes that already record and store interval metering, there is no additional cost.
15.	For each of the elements listed in question 12 above, please describe the timing required to implement these changes.	For industrial complexes that already record and store interval metering, there is no additional timing that would be required.
16.	The AESO has described some challenges that may impact market participants. Are there other challenges that have not been identified that are unique to the market participant or in general?	

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17.	Should sub-hourly settlement apply to all market participants? Is it fair for sub-hourly settlement to only apply to a subset of market participants?	The ADC suggests that full implementation of sub-hourly settlement is only beneficial to a subset of market participants and in particular price responsive load.
18.	Does payment to suppliers on the margin (PSM) sufficiently incent generator response without sub-hourly settlement? If we move to sub-hourly settlement, is PSM still required to address the mismatch between settlement and dispatch interval?	ADC believes the PSM is a mechanism that provides compensation for inter hour dispatch of generators. It does not necessarily reflect the value in the pool price of the flexibility.  If we move to sub hourly settlement, then PSM should no longer be required.
19.	Are there any other benefits that have not been identified? Please elaborate.	There is a productivity benefit that arises for price responsive loads. In hourly settlement, if the price is high at the start of the hour, the load may choose to stay off until the following hour because of the price averaging and therefore losing production. However, this only applies to a handful of loads. If the AESO examined how to better send the price signal to these loads through a sub hourly settlement pilot project or limit the program to these types of customers, that may result in a lowest cost solution and capture the value of sub hourly settlement.
20.	Is the approach used for this engagement effective? If no, please provide specific feedback on how the AESO can make these sessions more constructive.	No comment
21.	The AESO seeks to be transparent through this stakeholder engagement process and would like to publish all information as received.  Is the information provided in this feedback suitable to be published by the AESO on aeso.ca? If no, please indicate the sections of your response that should be redacted?	Yes
22.	Please provide any other comments you have related to the sub-hourly settlement engagement.	The ADC appreciates the opportunity to participate and a number of members would volunteer for a load pilot if that's the direction the AESO takes.

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