

Stakeholder Comment Matrix – October 15th, 2020

DER Market Participation Options



Period of Comment: October 15 th , 2020 through October 30 th , 2020 Comments From: Lionstooth Energy Date: 2020/10/30	Contact: Phone: Email:
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Instructions:

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 comment matrix to stakeholderrelations@aeso.ca by **October 30th, 2020**.

The AESO is seeking comments from Stakeholders with regard to the following matters:

	Questions	Stakeholder Comments
1.	In your view, are there barriers or issues with DER participation in the energy and/or OR market that should be addressed now? What are those barriers or issues and how should they be best addressed?	Yes. The most significant barrier is regulatory and market design instability and uncertainty. This should be immediately addressed by correcting / preventing market design changes where unintended consequences have resulted in further barriers to market participation. Over the longer-term, the status quo must be maintained until such time that any future regulatory / market design changes are clearly understood, and their impacts studied.
2.	Is it important for market participation for DER / small DCG to be addressed with market design changes now, or can this be deferred into the future? Can you identify priority items that should be addressed first?	Both market design and tariff changes that impact market participation for small DER / DCG can and should be deferred into the future. It is good to have identified how our market differs from others, especially in light of other jurisdictions having much lower minimum asset size requirements. However, the costs of pursuing any such changes at this time, including AESO costs, almost definitely outweigh any benefits. Lionstooth believes that the AESO should prioritize modelling, planning, and integrating all forms of DERs / DCGs, including dispatchable / controllable, into system

		<p>models, the LTO and LTP.</p> <p>DERs / DCGs want to have a meaningful impact and provide benefit to the integrated electric system. If the access to more data would support the AESO's efforts to better model and plan the system, we would support identifying other, creative ways for more DERs / DCGs to share this data.</p>
3.	<p>If voluntary energy market participation were to be permitted for small DER (<5 MWs), would you anticipate parties to use the opportunity to directly participate in the energy market? i.e. submit bids and offers, accept and respond to dispatches, comply with all applicable ISO rules? Why or why not? Please explain.</p>	<p>Voluntary participation would entirely depend on the nature of the project and the participant. Having said this, market compliance requires dedicated effort and has real costs. We do not envision many small DERs / DCGs signing up for voluntary participation at this time.</p> <p>Lionstooth does appreciate concepts, like voluntary participation, being considered as our market transitions and looks to integrate a greater amount of DERs / DCGs.</p>
4.	<p>a) Do you support lowering the minimum market participation thresholds in the energy and/or operating reserves markets? Please provide rationale as to why or why not. If yes, to what level?</p> <p>b) Do you support lowering the minimum market participation thresholds now, or at a future date? Please explain.</p>	<p>A. Yes. It is the customers of our market that are driving change and increases in DERs / DCGs. This will continue and include more, and smaller generation, serving first individual customers, then the local system, and eventually the Tx grid. Our market must transform to support this changing behavior, or risk alienating customers.</p> <p>B. Lowering the minimum market participation thresholds can be pursued at a future date. Again, it is good to have analyzed how Alberta compares to other jurisdictions. However, the costs to pursue and implement any such changes at this time, including the impacts on other market elements, like the ADV, most likely outweigh any short-term benefits.</p>
5.	<p>If market participation thresholds are lowered for energy and/or operating reserve market participation, is there a need to review aggregation rules surrounding market participation (outside of aggregation for the purpose of meeting the market participation threshold)? Please explain.</p>	<p>No comment.</p>
6.	<p>When considering aggregation, has the AESO missed any essential components?</p>	<p>Lionstooth would support more consultation on cross-site dispatch. While this concept is intriguing and could provide benefits to small DERs and the wires system, the considerations and discussion during the Session suggest further thought, analysis, and understanding of impacts is required.</p>
7.	<p>Do you have any concerns or suggestions on the DER market participation process and timeline?</p>	<p>Lionstooth supports the AESO's efforts to prioritize aspects of the DER Roadmap. As outlined above, near term focus should be on better incorporating DERs / DCGs into AESO models and planning, so that DERs / DCGs are better represented in next</p>

		year's LTO and LTP.
8.	Do you have any other suggestions or comments you would like to share on DER market participation or the engagement activities?	<p>A few additional comments:</p> <ul style="list-style-type: none"> • Aligned Definitions: All would benefit from the use of clear and consistent terminology and definitions for DERs / DCGs, especially in light of the introduction of “small DCGs.” • DER / DCG Inventory: The session provided a handful of slides with additional analysis on existing DER / DCG inventories. While some information is available through the AESO's Microgeneration Report, other information is not. Perhaps the Microgeneration Report can be expanded to include some of this additional detail. • Joint Sessions: We appreciate the AESO's efforts to schedule joint sessions when topics are related. Having seen this now applied twice (here and in the B&R Tariff Design Session #2), perhaps a better approach would be to schedule the sessions on the same day, allowing for a complete break (i.e. lunch) in between. This will allow stakeholders to attend whichever session they would like, without flipping back and forth between major concepts. This could also allow for more time for Q&A, as in some instances this had to be cut short due to time overruns on other topics.

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