

Stakeholder Comment Matrix

Draft Proposed New and Amended ISO Rules and AESO Consolidated Authoritative Document Glossary (“CADG”) Terms and Definitions collectively referred to as the “TCM Updates”



Period of Comment: January 29, 2021 through February 16, 2021 Comments From: Heartland Generation Ltd. (“Heartland Generation”) Date [yyyy/mm/dd]: 2021-02-16	Contact: Kurtis Glasier Phone: (587) 228-9617 Email: Kurtis.Glasier@heartlandgeneration.com
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Instructions:

1. Please fill out the section above as indicated.
2. Please refer back to the *Letter of Notice of a Proposed ISO Rule* under the “Attachments” section to view related materials for the TCM Updates.
3. Please respond to the questions below and provide your specific comments, proposed revisions, and reasons for your position underneath (if any). Blank boxes will be interpreted as favourable comments.
4. Please be advised that general comments do not give the AESO any specific issue to consider and address, and results in a general response.

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1	Whether you understand and agree with the objective or purpose of the proposed TCM Updates and whether, in your view, the proposed TCM Updates meets the objective or purpose, and if not, why.	Heartland Generation understands the objective of the TCM Updates is to provide clarity on the TCM Rule and establish the ability for a generator to utilize an acceptable operational reason (“AOR”) to restate its available capability (“AC”) when the unit becomes electrically disconnected from the grid. The inclusion of “Appendix A: Proposed TCM Updates – Amendments and Rationales” was particularly helpful and is a good example of the documentation/rationale that should be provided in future consultations. However, Heartland Generation takes issue with how these objectives are met, as it seems to impose undue risk and obligations on generators for conditions outside their purview or control. The proposed changes to AOR definitions should not be implemented because generators will need to rely on outage information that Transmission Facility Owners (“TFO”) are not required to share with individual participants. Further, the proposed changes to AOR definitions appear contrary to market participant obligations under the fair, efficient, and open competitive (“FEOC”) Regulation.

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2	Whether you agree that the proposed TCM Updates is not technically deficient, and if not, why.	<p>The proposed TCM Updates change the definition of AOR, by adding the case whereby a generator must reflect a transmission/distribution outage or constraint as a change to a generator's AC. The AESO should explore if there are alternative ways to represent this information through the energy trading system, rather than by using an AOR to restate the generator's AC (since the generator's AC, but-for the unrelated wires constraint, is unaltered).</p> <p>Heartland Generation is concerned about the timelines of information exchanged between generators and transmission facility owners ("TFO"). There is no obligation that ensures TFOs will communicate facility outage information to generators in the timely manner that is required by the ISO Rules. Section 203.3 2(2) requires that generators restate their AC with an AOR "as soon as reasonably practicable". However, the TFOs are only under a "reasonable efforts" basis for the communication of <i>planned</i> facility outages, and for <i>forced</i> outages they are only obligated to report this information to the AESO directly (see Section 306.4). This creates a deficiency where the generator either does not have the information in a timely manner, and/or has access to non-public transmission outage/constraint information.</p>
3	Whether you agree that the proposed TCM Updates, taken together with all ISO rules, supports a fair, efficient and openly competitive market, and if not, why.	<p>The changes to the AOR definitions, specifically the new obligation for a generator to reflect transmission outage information through an AC restatement, presents concerns regarding the fair, efficient, and openly competitive ("FEOC") operation of the market.</p> <p>The <i>FEOC Regulation</i> section 2(e) prohibits a market participant from "misrepresenting the capability or operational status of a generating unit". This is in possible contradiction with the proposed TCM Updates changes, which obligate a generator owner to restate the AC of the generator when a wire outage or constraint occurs. The wires outage or constraint is completely and necessarily outside of the control of the generator, and the generator is otherwise capable of producing electric energy to the grid. Restating the AC of a generator, that is otherwise willing and able to produce electric energy, may constitute a misrepresentation of that unit's capability or operational status. Likewise, this may represent a misrepresentation "to the electricity market or to any other person the availability of electricity, electric energy, electricity services, or ancillary services" and run contrary to <i>FEOC Regulation</i> section 2(d).</p> <p>Since the proposed changes will require the generator and TFO to communicate transmission outage information, the situation may arise whereby the generator may have access to non-public transmission outage information. This has potential impacts</p>

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		on trading operations and further adds compliance risks upon the generator. Since the TFO is already obligated to communicate outage information to the AESO, some FEOC concerns may be resolved by removing the obligation for a generator to restate its AC in reaction to a wire outage or constraint. Indeed, it may make more sense to have the AESO communicate the effect of the outage or constraint on any generators to the market, without any additional generator obligation.
4	Whether you agree that the proposed TCM Updates supports the public interest, and if not, why.	For the reasoning above, Heartland Generation does not agree that the TCM Updates as proposed are in the public interest. As discussed, the proposed amendments would be contrary to the express provisions in the <i>FEOC Regulation</i> .
5	Any additional comments regarding the proposed TCM Updates	<p>Additionally, while the AESO is reviewing the TCM Rules, it should explore further improvements to support the FEOC operation of the market and overall transparency. Specifically, how the AESO reports TCM dispatches to the market, and to the individual asset that is being dispatched to relieve a transmission constraint. Currently, when an offer block is dispatched using TCM, there is no clear visibility to make this dispatch different from a regular dispatch through the merit order. This lack of communication can make the internal audit of that dispatch more difficult.</p> <p>Further, it is unclear how the AESO meets the reporting requirement of Section 302.1 4(1) to report the location and costs of resolving transmission market constraints in “as near to real time as possible”. The AESO may very well produce a report and Heartland Generation was unable to locate this as separate and distinct from the annual TCM costs report it produces (as described in Section 302.1 4(2)).</p> <p>In summary, the AESO should consider additional improvements to the TCM Rules to more clearly communicate when and how the TCM Rule is employed in real-time to the individual assets being dispatched outside the merit order and to the overall market when it is has employed constraint management.</p>