ISO Rules
Part 200 Markets
Division 201 General
Section 201.6 Pricing

aeso
ALBERTA
ELECTRIC
SYSTEM
OPERATOR

Applicability

1   Section 201.6 applies to:

(a) the **ISO**.

Requirements

Pool Asset Marginal Price

2   The **ISO** must, for each **pool asset**, set the **pool asset** marginal price for each minute of a **settlement interval** at the price specified for the highest priced **operating block** in the **offer** or **bid** which has received a **dispatch**.

System Marginal Price

3(1)   The **ISO** must set the system marginal price at each minute as:

(a) the highest **pool asset** marginal price, excluding imports and exports, as set in accordance with subsection 4;

(b) one thousand dollars ($1000) per MWh if to maintain the reliable operation of the system the **ISO** has issued a **directive** to the **legal owner** of an **electric distribution system** to shed **firm load** in accordance with subsection 6(1) of section 202.2 of the **ISO rules**, *Supply Shortfall and Short Term Adequacy*; or

(c) as prescribed in section 202.7 of the **ISO rules**, *Market Suspension or Limited Markets Operations*,

(2)   Notwithstanding subsection 3(1)(a), the **ISO** must not use the reference price, as calculated in subsection 5, to set the system marginal price.

Pool Price

4   The **ISO** must set the **pool price** for each **settlement interval** based on the time weighted average of the sixty (60) one-minute system marginal price values determined for each minute of the **settlement interval**.

Reference Price

5(1)   The **ISO** must calculate the reference price as follows:

reference price = (12.5 gigaJoules) multiplied by (the gas price)

Where:

the gas price is the monthly Canadian natural gas price for the month in $/gigaJoule at AECO C and Nova Inventory Transfer, the Alberta Bidweek Spot Price, as published on www.ngx.com, and also in the "Canadian Gas Price Reporter."

(2)   The **ISO** must use reasonable efforts to use the current month's gas price beginning at midnight on the second (2nd) **business day** of the same month but until the **ISO** can update the gas price for the current month, the **ISO** must continue to use the previous month's Alberta Bidweek Spot Price.

(3)   If the gas price is no longer available on www.ngx.com, the "Canadian Gas Price Reporter", or otherwise, then the **ISO** must approve a reasonably equivalent gas price that it will use for purposes of

determining the reference price and must subsequently, update this section of the **ISO rules** to indicate the new source for obtaining the gas price.

(4) If the **ISO** uses a price other than the gas price identified in subsection 5(1) to calculate the reference price, then the **ISO** must:

(i) correct the gas price as soon as practicable; but

(ii) not modify the **pool price** due to any errors in the reference price.

Forecast Dispatch Price and Forecast Pool Asset Marginal Price

6(1) The **ISO** must use reasonable efforts to publish a forecast **dispatch** price for each **settlement interval** on the AESO website no later than seventy (70) minutes prior to the start of such **settlement interval**.

(2) The **ISO** must set the forecast **dispatch** price for a **settlement interval** at the highest **pool asset** marginal price of all **pool assets** forecast to be required to meet the forecast load requirement, using the expected energy market **merit order** for the **settlement interval** including importer **operating blocks** and the **ISO** expected import **available transfer capacity** for the **interconnections** for the **settlement interval**.

(3) The **ISO** must set the forecast **pool asset** marginal price for a **pool asset** for each **settlement interval** at the price specified for the **operating block** in the **offer** or **bid** which corresponds to the forecast energy market **dispatch** level of the **pool asset** to meet the forecast load requirement.

Revision History

Effective	Description
2014-07-02	Added new subsection 6 for subject matter and drafting consistency.
2013-09-24	Updated to bold the term "firm load".
2013-01-08	Initial Release