

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: ATCO

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 by Mar. 13, 2020
4. Stakeholder comments will be published to 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.	<i>This initiative impacts ATCO's metering, meter data management and load settlement systems, may impose costs on ATCO's load customers and may increase distributed generation connection cost and complexity.</i>
2.	Is your organization a load, supplier, both a load and supplier, a billing agent, or other. If other, please describe.	<i>ATCO is the Wires Owner and LSA for load. The MDM function is for both load and suppliers.</i>
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.	<i>The objectives are well defined; however, the scope of change is potentially far reaching because it could impact retail and tariff billing processes.</i>
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?	<i>No comment.</i>
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"> • The expected enhancement in price fidelity and flexibility • The expected financial impact on loads and generators • Implementation costs for the AESO and market participants • Timing required to transition to a sub-hourly settlement interval 	<p><i>In addition, the following should be considered:</i></p> <ul style="list-style-type: none"> - <i>The benefit of price signals to the end customers through tariff billing and retail pricing.</i> - <i>The cost recovery for wires owner and cost impact to end customers.</i> - <i>Jurisdictions with similar electricity market structure as Alberta.</i>

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6.	Please describe the size of your business in the approximate total MWhs consumed or produced in 2019.	<i>Total POD energy consumption for 2019 was 12.5 million MWh.</i>
7.	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.	<i>Yes. The number of interval meters installed are as follows:</i> <ul style="list-style-type: none"> - 500 for POD, interchange and distributed generator (12.5 million MWh) - 1100 load customers (7.6 million MWh)
8.	Can you identify which of the following elements will be affected by the implementation of sub-hourly settlements at five-minute intervals ? <ul style="list-style-type: none"> • Metering • IT systems • Data storage • Other 	<i>Metering, IT systems, data storage and human resources.</i>
9.	For each of the elements listed in question 8 above, please describe the changes that would be required for your business.	<i>Metering: Installation and reprogramming of meters</i> <i>IT systems: Enhancements of MDM, Load Settlement, Customer Care & Billing and head-end systems.</i> <i>Data Storage: Increased data storage.</i> <i>Human Resources: Additional resources to address increased work load (related to operational, customer service, and administrative burden and complexity).</i>
10.	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.	<i>Cost estimates are not currently available and will vary greatly depending on the scope of implementation. For example:</i> <ul style="list-style-type: none"> - Full settlement (supply, load, distribution, inertia, Operating Reserve) at 5-minute intervals.

	Questions	Stakeholder Comments
		<ul style="list-style-type: none"> - <i>Partial settlement (distribution settlement stays hourly).</i> - <i>Partial settlement (depending on the extent of interval meter installations required for various customer classes).</i>
11.	For each of the elements listed in question 8 above, please describe the timing required to implement these changes.	<i>Timing will vary greatly depending on the scope of implementation as described in the response to question 10 above.</i>
12.	Can you identify which of the following elements will be affected by the implementation of sub-hourly settlements at 15-minute intervals ? <ul style="list-style-type: none"> • Metering • IT systems • Data storage • Other 	<i>The elements affected by implementation of 15-minute intervals are similar to the response outlined in question 8 above. The impacts are potentially reduced due to the fact that ATCO currently performs metering and billing based on 15-minute intervals for approximately 1100 load customers and 50 supply customers. The 1150 customers equate to 0.50% of the total customers.</i>
13.	For each of the elements listed in question 12 above, please describe changes that would be required for your business.	<i>Metering: Installation of meters</i> <i>IT systems: Enhancements of MDM, Load Settlement, Customer Care & Billing and head-end systems.</i> <i>Data Storage: Increased data storage.</i> <i>Human Resources: Additional resources to address increased work load (related to operational, customer service, and administrative burden and complexity).</i>
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.	<i>Cost estimates are not currently available and will vary greatly depending on the scope of implementation. For example:</i> <ul style="list-style-type: none"> - <i>Full settlement (supply, load, distribution, inertia, Operating Reserve) at 15-minute intervals.</i> - <i>Partial settlement (distribution settlement stays hourly).</i> - <i>Partial settlement (depending on the extent of interval meter installations required for various customer classes).</i>

	Questions	Stakeholder Comments
15.	For each of the elements listed in question 12 above, please describe the timing required to implement these changes.	<i>Timing will vary greatly depending on the scope of implementation as described in the response to question 14 above.</i>
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?	<i>Meter changes and system upgrades are ongoing; therefore, timing of this initiative will impact business processes and potential sunk costs.</i>
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?	<i>Depends on cost benefit analysis and impact to end customers.</i>
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?	<i>ATCO has no position on this matter.</i>
19.	Are there any other benefits that have not been identified? Please elaborate.	<i>At this point evidence of benefits for load customers and most distributed generation customers is unclear.</i>
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.	<i>The engagement approach is effective; however, implementation scenarios should be more clearly defined prior to requesting cost estimates.</i>
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 aesoc.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.	<i>ATCO has no further comments.</i>

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