

August 23, 2016

Dear Market Participants and Other Interested Parties:

Re: **Invitation to Participate in Next Steps of the Process to Address Mothball Outages and Related Issues**

On July 25, 2016, the AESO held an initial stakeholder session to present some preliminary considerations regarding mothball outages and related issues. During the initial session, the AESO reviewed the current requirements set out in Section 306.7 of the ISO Rules, *Mothball Outage Reporting*, and communicated to attendees that the AESO would be initiating a comprehensive review of the issues and requirements related to mothball outages. The invitation to the initial stakeholder session can be found [here](#) and the presentation from the initial stakeholder session can be found [here](#).

Process Summary

As the AESO indicated during the initial stakeholder session, one of the issues that will be addressed as part of the comprehensive review is whether mothball outages will be implemented as a permanent feature in the Alberta market design framework. The AESO will seek written comment on this issue from stakeholders, and will also invite stakeholders to discuss this issue at working sessions facilitated by the AESO. The AESO has established the following stakeholder engagement process schedule:

Date/Submission Deadline	Process Step	Details
September 16, 2016	Written Stakeholder Input #1	Written comments regarding whether mothball outages should be a feature of the Alberta market design framework. Stakeholders to provide written comments for discussion at working sessions.
September 23, 2016	Working Session 1	Discuss stakeholder input. Identify and log issues related to mothball outages. AESO to facilitate discussion and provide meeting summaries.
October 17, 2016	Working Session 2 (placeholder)	Continued facilitated discussion (if necessary).
TBD	Written Stakeholder Input #2	Stakeholders to provide final written comments regarding whether mothball outages should be a feature of the Alberta market design framework.

Please note that written comments will be posted on the AESO website for the purpose of facilitating discussion at the working sessions. In the event the AESO determines that the comments are relevant to a matter addressed in a Commission proceeding, the comments may be filed with the Commission.

Invitation to Attend Working Sessions

Working Sessions 1 and 2 will be held as follows:

- Time:** 9:00 – Noon
- Date:** Friday, September 23, 2016 (Working Session 1);
Monday, October 17, 2016 (Working Session 2)
- Location:** AESO Offices, Main Boardroom
Calgary Place
2500, 330 - 5th Ave SW
- RSVP:** To register, please provide names and titles of all participants to Tatiana Aparicio-Caris at 403-539-2664 or Tatiana.Aparicio-Caris@aeso.ca by 5:00pm on September 16, 2016

Teleconference:

- | | |
|---------------------------------------|----------------|
| Toll-free dial-in number (Canada/US): | 1-855-453-6957 |
| Local dial-in number: | 403-410-3051 |
| Conference ID: | 4366631 |

Please note that the AESO will post initial written comments received by September 16, 2016 on the AESO website for all stakeholders to review before attending the working sessions. Upon receipt of these initial written comments, the AESO will draft an agenda that will be distributed to attendees of the working sessions. Please send your initial written comments to William Chow at William.Chow@aeso.ca by September 16, 2016. Late comments may not be considered by the AESO.

Additional Considerations

In providing comments regarding mothball outages and other related issues, the AESO encourages stakeholders to consider the market design principles laid out by the AESO in its initial stakeholder session: fairness, efficiency, open competition and transparency, and reliability. Additionally, stakeholders should address the following issues:

- Can mothball outages be included in the market design framework in a manner that adheres to the principles?
- What considerations need to be made to ensure that mothball outages adhere to the principles?
- Are there elements of the principles that are inconsistent or do not align with mothball outages? If so, please provide detail.
- Are there requirements that could be implemented to mitigate the inconsistencies that mothball outages present in relation to the principles?

Next Steps

Once the above process has been completed, the AESO will consider the next steps in completing a comprehensive review of mothball outages. Please note that the AESO expects to complete the steps set

out in the process summary above before the end of Q4 of 2016, and expects to complete all additional policy-related stakeholder engagement regarding mothball outages and related issues before the end of Q1 of 2017.

Yours truly,

William Chow
Market Design Analyst, Tariff and Market Design

cc: Doyle Sullivan, Director, Tariff and Market Design

