



NOTICE TO MARKET PARTICIPANTS AND STAKEHOLDERS

Date: October 6, 2011

Re: Market Data Transparency – Stakeholder Consultation & Request for Comments

The MSA is seeking input from market participants to inform its consultant's work on market data publication.

Background

On August 30, 2011 the MSA posted a RFP on its website seeking a consultant to assist the MSA in assessing whether the existing publication of market information (data) continues to be consistent with the promotion of a fair efficient and openly competitive market. Based on responses to the RFP the MSA has selected Charles River Associates to conduct the work.

Stakeholder Consultation: Request for Comments & Timetable

The MSA expects that the consultant will be in a position to present its report to stakeholders in early November. The MSA will post a notice on its website once a time and venue have been confirmed. The MSA will also indicate to stakeholders its initial reaction to the report. After the meeting the MSA will provide an opportunity for further written stakeholder feedback prior to finalizing its view. The AESO will be kept apprised of the issues and points of view expressed. In terms of the MSA's stakeholder consultation process

[http://albertamsa.ca/uploads/pdf/About%20Us/Principles and Framework for MSA Public Projects - Revised 01-15-08.pdf](http://albertamsa.ca/uploads/pdf/About%20Us/Principles_and_Framework_for_MSA_Public_Projects_-_Revised_01-15-08.pdf) we are currently at the "Filter" stage.

Input from stakeholders at this stage will greatly assist the consultant in its work. We welcome general comments on the costs / benefits of information currently provided, as well as views on what other information could be provided that would promote fair, efficient and open competition. A key consideration is the extent to which information availability enhances economic efficiency.

However, we particularly direct stakeholders' attention to the following questions.

The questions relate to three reports identified in the RFP that are published at or close to real time.

1: The Historical Trading Report (<http://ets.aeso.ca>) select historical / -- *Historical Trading* is published 5-10 minutes after the end of settlement interval and includes information on offer prices and quantities both after last restatement and on the previous day's offer. We note that in a recent AESO paper¹ a number of participants indicated that they found the Historical Trading Report useful for business decisions.

- Would removal of the report benefit / harm market participants' ability to compete? If so, how?
- Are there other costs / benefits (e.g. operational) of this information being made available? What are they and how important are these other costs and benefits? Please be as specific as possible when describing the importance of the costs and benefits, and provide specific examples if possible.
- Would those benefits (if any) still occur, or would the magnitude of these benefits be affected, if the information was released with a delay of 1 day, 1 week or 30 days?
- Are those benefits (if any) already realized in the publishing of merit order data after 60 days?
- A DDS historical trading report is also provided on the AESO website. Do any alternative considerations apply to the information made available in this report?

2: The System Marginal Price Report (<http://ets.aeso.ca>) select current / -- *system marginal price* is published close to real time and includes both the system marginal price and the block size of the block setting SMP. This information can readily be derived from the Historical Trading Report.

- Are there additional costs/ benefits associated with making the block size available close to real time? What are they and how important are these other costs and benefits? Please be as specific as possible when describing the importance of costs and benefits, and provide specific examples if possible.

3: The Current Supply & Demand report (http://ets.aeso.ca/ets_web/ip/Market/Reports/CSDReportServlet) contains summary and unit level information on maximum capability, total net generation and dispatched contingency reserves. The AESO has proposed providing greater detail on reserves.² Information is provided close to real time. We understand that some of the unit level information assists individual participants with compliance at units that they control.

¹ http://www.aeso.ca/downloads/Presentation_of_Market_Metrics_and_Information_Discussion_Paper.pdf

² Ibid Table 6

- Would removal of the ability to see information about other participants' units benefit / harm market participants' ability to compete? If so, how?
- Are there other costs / benefits (e.g. operational) of the information about other participants' units being made available? What are they and how important are these other costs and benefits? Please be as specific as possible when describing the importance of costs and benefits, and provide specific examples if possible.
- Are there costs/ benefits associated with allowing PPA owners as well as PPA buyers to view information associated with a PPA unit? What are they?
- Would costs / benefits identified (if any) still occur, or would the magnitude of these benefits be affected, if the information was released with a delay of 1 day, 1 week or 30 days?
- Would the costs / benefits identified (if any) still occur if only aggregate information (i.e. by fuel type) was made available close to real time? If not, please explain in detail why making information by asset type available would provide more benefits relative to providing aggregate information,
- Are the costs / benefits identified (if any) already realized in the publishing of the Metered Volume (All) report.
(http://ets.aeso.ca/ets_web/ip/Market/Reports/PublicSummaryAllReportServlet?beginDate=05012011&endDate=05012011&contentType=html) If not, please explain the additional benefits resulting from disclosing the information in the Current Supply & Demand report.
- Are there additional costs / benefits associated with providing greater detail on reserves as proposed by the AESO?

Written comments are requested by **October 21, 2011**. Comments should be sent via email to stakeholderconsultation@albertamsa.ca. All written comments received will be posted on the MSA's website. If a market participant has a concern that the posting of particular responses would reveal competitively sensitive information, we are prepared to hold these responses confidential. Where applicable we request that stakeholders submitting responses that would reveal competitively sensitive information do so separately from other comments, clearly marking the former "Confidential".

We appreciate stakeholders' assistance in these matters. Any questions should be directed to the undersigned (matt.ayres@albertamsa.ca, 403-705-3182).

Yours truly,

/s/ Matt Ayres

Chief Economist