



NOTICE TO MARKET PARTICIPANTS

Date: April 2, 2012

Re: Information Request - Market Share Offer Control

Market participants with offer control greater than 676 MW should provide information on their offer control to the MSA by April 20, 2012. The data provided will be used in the MSA's annual offer control assessment. Further, all market participants should be aware that in some instances mid-year reporting requirements apply.

Background

Section 5 of the Fair, Efficient and Open Competition Regulation ("Regulation") requires that the MSA publish, at least annually, certain metrics relating to market share offer control. To that end the MSA developed through stakeholder consultation a process, [Market Share Process](#) to collect the data required to perform the necessary calculations. The MSA's process outlines five steps involved in annual reporting and, in some instances, a requirement for mid-year updates.

Annual Reporting Requirements

Step 1 of the process is to confirm with the AESO the maximum capability of all units as defined in Section 5(1)(d) of the Regulation. The MSA carried out this step in late March; a [list of the maximum capability](#) of each unit is attached. Based on this the total maximum capability of units in Alberta was 13,529 MW on March 27, 2012. Note that while the regulation specifies the inclusion of 'generating units in Alberta' in the denominator of the offer control metric, the MSA has also included one asset (73MW) physically located outside the province but connected solely to the Alberta grid.

Step 2 of the process is for the MSA to determine the Annual Reporting Threshold. For 2012 the MSA has determined an Annual Reporting threshold of 5%.

Step 3 of the process is the publication of this notice requiring that any market participant with offer control greater than 676 MW (5% of 13,529 MW) on March 27, 2012 is required to provide information on their offer control as of that date to the MSA by **April 20, 2012**. Market participants with less than 5% offer control may report if they

wish to do so. The MSA may include those participants in its final report. Offer control is defined in section 5(e) of the Regulation, some additional guidance is also provided in the MSA's process document. To assist market participants in submitting data the MSA has included an [excel spreadsheet](#).

Submissions should be made to: reporting@albertamsa.ca.

Following the submission of the offer control data (Step 4) the MSA will publish a report (Step 5). The MSA expects to do this in May. In conjunction with the offer control assessment this year we expect to publish an expanded report which will evaluate the efficacy of market concentration metrics.

Mid-year Reporting Requirements

The MSA's Market Share Offer Control Process sets out some circumstances where additional reporting is required following the annual assessment (Section 3). Market participants with offer control above the 5% threshold or close to the 5% threshold should be aware that the MSA requests the market participants with changes in offer control after March 27, 2012 submit updated information on offer control if:

- the change in offer control is greater or equal to 100MW (at one unit or a combination of units) and:
- The market participant had offer control greater than 5% in the previous annual assessment; or
- The change in offer control would take the market participant above the 5% threshold based on the total maximum capability reported in the previous annual assessment
- if, based on the total maximum capability reported in the previous annual assessment the market participant would exceed 30% offer control.

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

Yours truly,

"Original signed"

Matt Ayres
Chief Economist