

AESO Restructured Energy Market Recommendation

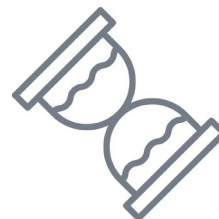
March 11, 2024



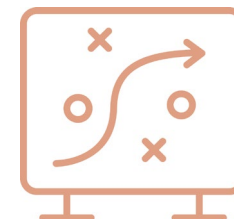
Significant impacts and change converging on the power system.



Changing supply mix, distributed energy resources, cost escalation, market pricing and reliability challenges.



Status quo is not sustainable. We must act now.



Change is here. We need to move forward together to transform the industry.

- The Restructured Energy Market (REM) is a significant change that is necessary to ensure reliability and affordability
- Input from stakeholders, fellow agencies, and Government informed the restructured market framework
- Some elements are still conceptual and flexible; stakeholder engagement necessary to create the detailed design
- Still considerable work ahead to land some critical and significant policy items, but cannot wait for all policy to be determined before we begin
- Need to move at pace, in parallel with short and long-term
- Clarity is more important than perfection

The AESO remains steadfast that a competitive, market-based structure will best meet our objectives:



Reliability



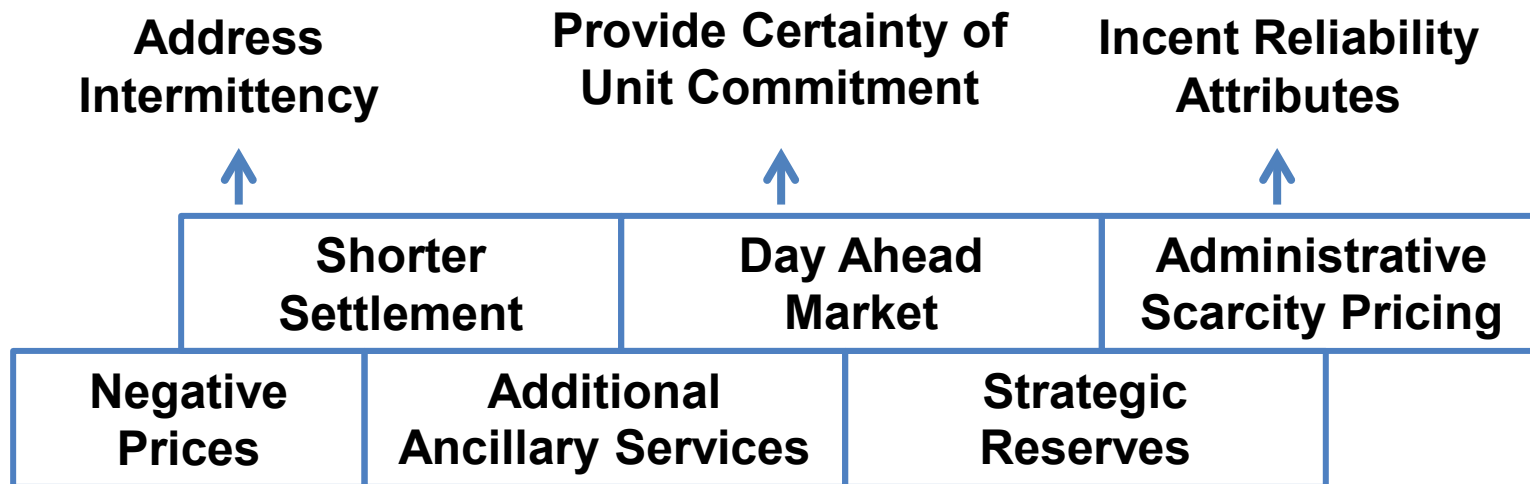
Affordability

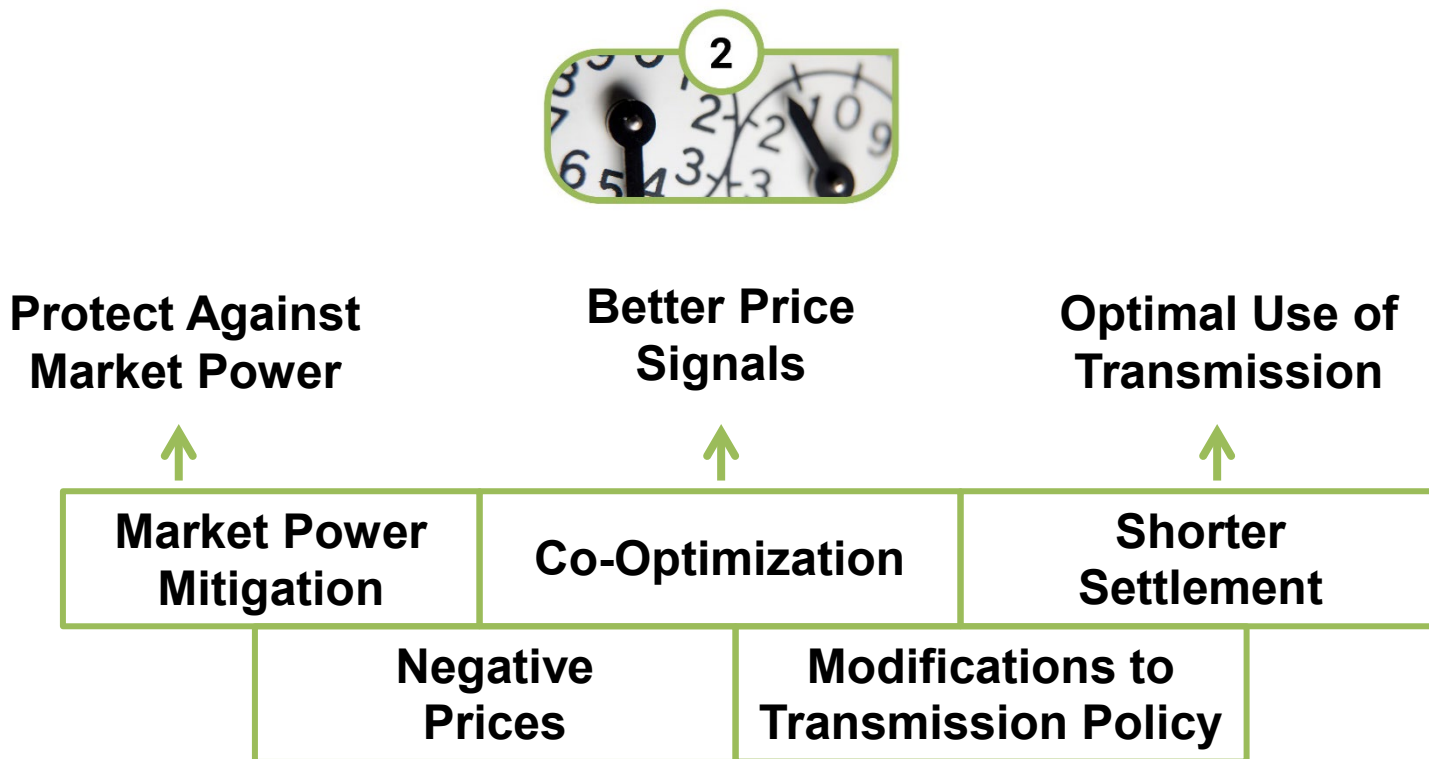


Decarbonization
by 2050



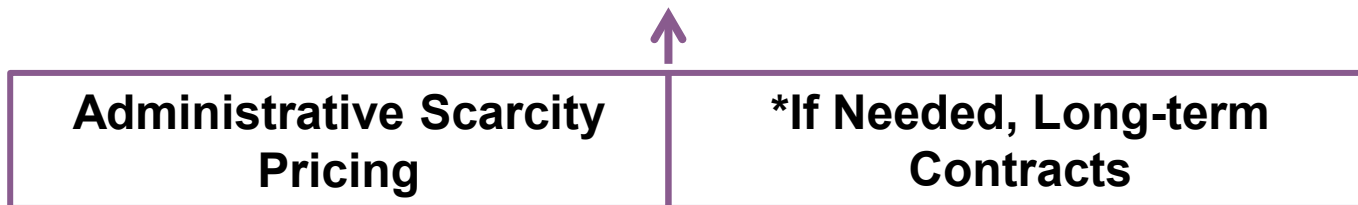
Reasonable
Implementation





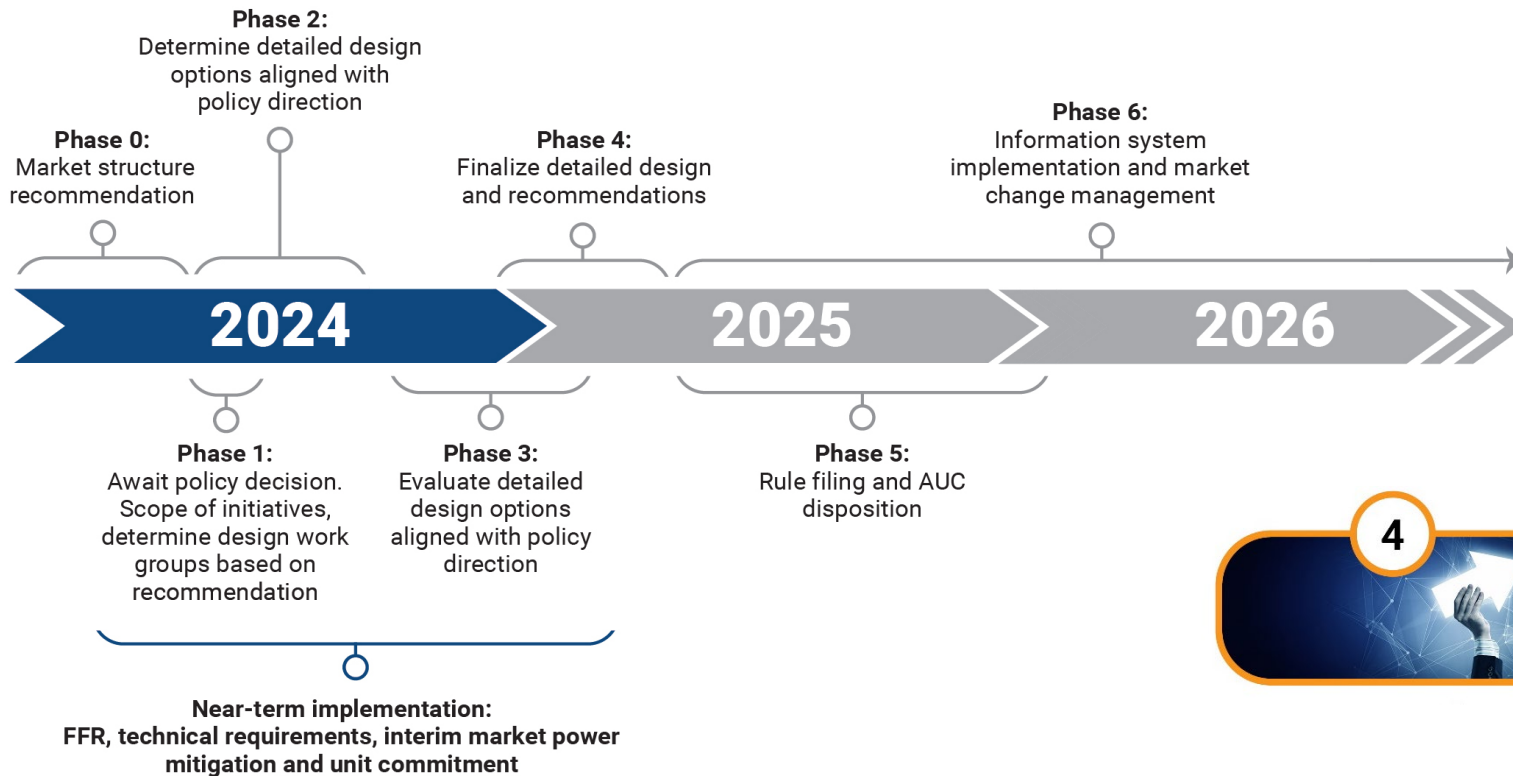


Promote Investment in Low Carbon Dispatchable Technologies



*Integration of renewable energy into the grid is necessary to **support a carbon-neutral future**. These resources must be operated with an accompanying **mix of controllable resources**.*

Reasonable Implementation



- Action forward will continue on aggressive schedules
 - Restructuring the energy market
 - Policy endorsement provided for AESO recommendation
 - AESO will engage stakeholders in building out design
 - Bridging to the restructured market a parallel priority
 - Support Affordability: Implement interim market power mitigation policy direction
 - Maintain Reliability: AESO continue to action needed changes on the system to maintain reliability, engaging with stakeholders where possible and also moving unilaterally as needed
- Watch for more information on upcoming engagement process in coming weeks

Thank you