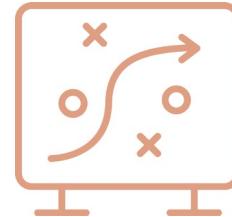
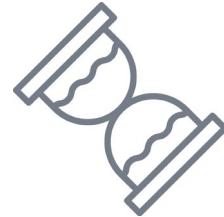
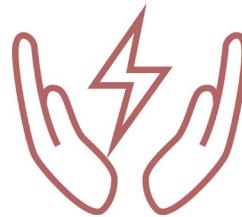




# AESO Restructured Energy Market Recommendation

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



**Address  
Intermittency**

**Provide Certainty of  
Unit Commitment**

**Incent Reliability  
Attributes**



**Shorter  
Settlement**

**Day Ahead  
Market**

**Administrative  
Scarcity Pricing**

**Negative  
Prices**

**Additional  
Ancillary Services**

**Strategic  
Reserves**



Protect Against  
Market Power

Better Price  
Signals

Optimal Use of  
Transmission



Market Power  
Mitigation

Co-Optimization

Shorter  
Settlement

Negative  
Prices

Modifications to  
Transmission Policy

3



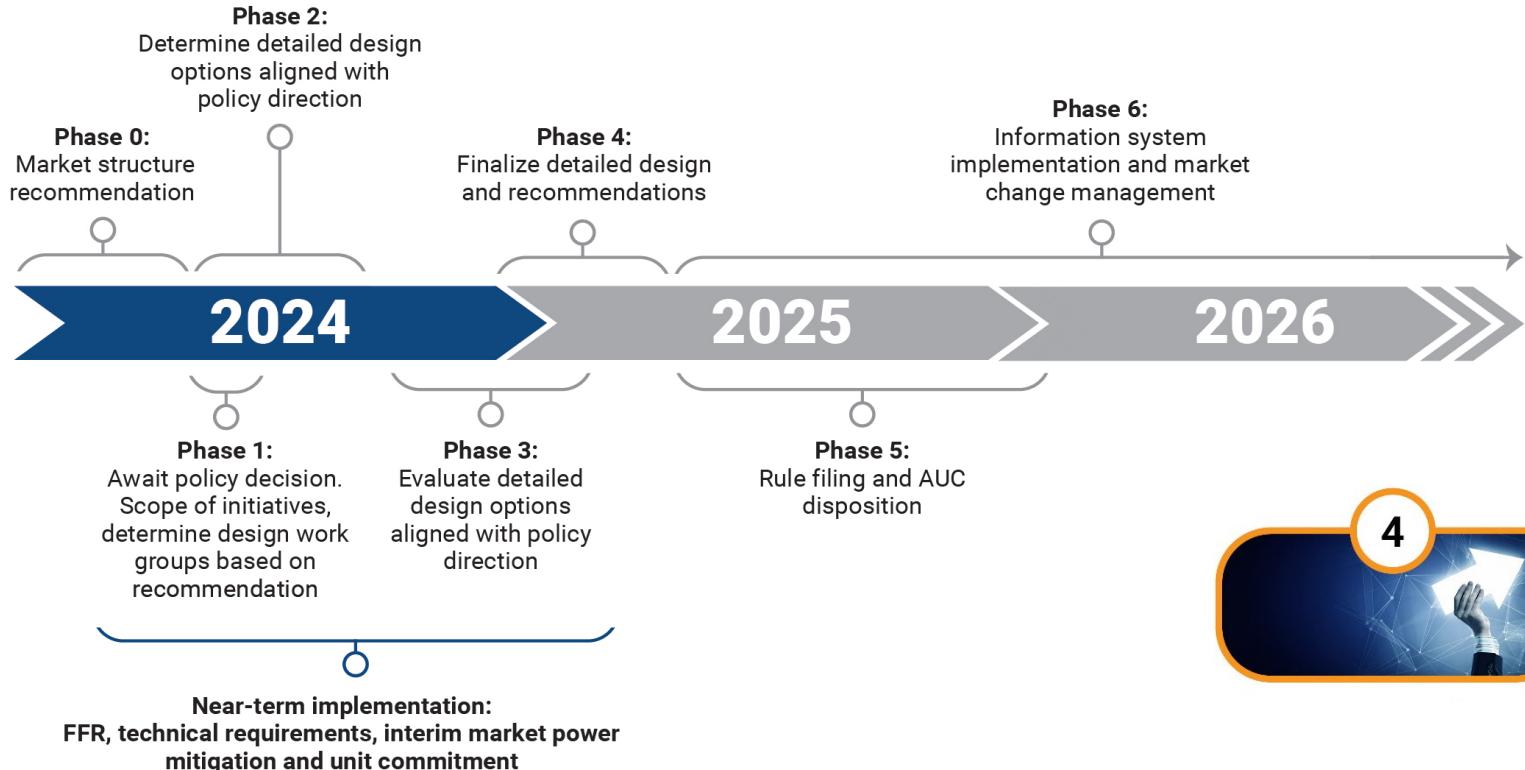
## Promote Investment in Low Carbon Dispatchable Technologies



**Administrative Scarcity  
Pricing**

**\*If Needed, Long-term  
Contracts**

*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.*



- 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