



NOTICE TO MARKET PARTICIPANTS AND STAKEHOLDERS

Date: October 23, 2014

Re: Stakeholder Meeting and Survey

On October 17, 2014 the MSA held a stakeholder meeting to solicit feedback on how it is doing and where it should go over the next few years. To stimulate discussion two documents were circulated prior to the meeting. A panel of stakeholders provided their views on them at the meeting. The MSA would like to thank the moderator and panelists for their contributions. The format and content of the meeting was different from previous years and the MSA welcomes feedback on whether this was successful - a link to an online survey is provided below. The remainder of this notice contains a brief summary of what the MSA heard.

At the beginning of the meeting the MSA provided some background on where legislative changes are likely to impact the MSA. First, at some point in the near future the MSA seems likely to be subject to the application of Alberta's *Freedom of Information and Protection of Privacy Act* (FOIP Act). The MSA recognizes that it receives commercially sensitive or confidential information from market participants as part of its mandate to monitor, surveil, or investigate. The MSA will be vigilant in not disclosing information which is properly exempt from disclosure under the FOIP Act. Second, the *Alberta Public Agencies Governance Act* (APAGA) was proclaimed in June 2013. The APAGA requires that all agencies have a publicly-available Mandate and Roles Document and a Code of Conduct. The MSA has had a publicly-available Code of Conduct for a number of years and work in conjunction with the Government of Alberta is underway to finalize a Mandate and Roles Document. Finally, the MSA also indicated that the term of appointment for Harry Chandler as Market Surveillance Administrator has been extended by one year.

Derek Olmstead, Retail Market Coordinator and Peter Lomas, Wholesale Market Coordinator provided some further description of the MSA's plans. During the portion of the meeting dedicated to soliciting feedback, the panel provided the following comments:

Retail Markets: One panelist noted the recent EPSP hearings had shown the MSA has an important role in providing independent, transparent oversight in retail markets. Another panelist expressed the view that the MSA should be more active in the defense of retail markets and retail competition. It was questioned what the MSA plans were with regard to working more closely with the Utilities Consumer Advocate (UCA). The MSA provided the clarification that while it could describe market events it lacked the expertise in communicating key messages to residential consumers. The MSA felt that this might be addressed by the MSA continuing to provide analysis but the UCA would have a natural advantage in communicating with the public.

Wholesale Markets: Some panelists expressed a view that the MSA should stay within the scope of what it has been doing. Divergent views were expressed by stakeholders to the extent to which the MSA should be involved in ISO rule matters – from “sticking to its knitting” to much more active involvement during the ISO’s rule consultation process. Other concerns were that the MSAs involvement might be disruptive. Others felt the MSA would be more objective as it was not the rule maker. The MSA clarified that it intends to release a document that articulates the principles underlying its involvement in rule matters.

The MSA’s plan to publish a paper regarding Power Purchase Arrangements (PPA) attracted specific comment. Concern was raised whether this was either desirable or within the MSA’s mandate. The MSA offered the clarification that the PPA paper was intended to be educational and while the MSA had no competition concerns regarding the expiration of the PPAs some stakeholders did.

Stakeholders had a variety of views on the role of the MSA. While stakeholders stressed the importance of MSA’s independence and objectivity, some expressed the desire that the MSA be an advocate for competition and play a role in conveying the importance of fair, efficient, and open competition to policy-makers. Others felt it should focus on monitoring, surveillance, and investigation.

The MSA acknowledged that the brief summaries of the work streams in its Strategic Plan may need to be expanded to provide more detail if this exercise in soliciting feedback is repeated. The MSA will consider what it heard and intends to release an updated Strategic Plan in due course.

An online survey (<https://www.surveymonkey.com/s/5NRFN28>) has been established to solicit specific feedback on the format of the meeting. Feedback would be useful in determining the format of future meetings or other events. More generally the MSA welcomes feedback on its planned activities for the next few years.

Yours truly,

/s/ Matt Ayres

Deputy Administrator and Chief Economist