



NOTICE TO MARKET PARTICIPANTS AND STAKEHOLDERS

Date: February 1, 2013

Re: State of the Market Report Feedback and Related Initiatives

The MSA is currently seeking comments on its recently released State of the Market Report. As noted previously, comments and feedback are requested by **February 28, 2013** and should be sent to stakeholderconsultation@albertamsa.ca. Any comments received will be posted to the MSA's website. These comments will be valuable in assessing whether further work needs to be done and as to whether an alternate method could or should have been employed in assessing one or more aspects of the market. The MSA is also undertaking two other initiatives aimed at fostering helpful empirical work on the Alberta market: hiring local experts to provide a detailed critique of the State of the Market Report and engaging more broadly with the academic community. This notice provides more details about both initiatives.

Critique of State of the Market Report: The MSA is finalizing contracts with a small number of Alberta-based consultants and practitioners to independently critique the State of the Market Report. The MSA hopes this will provide a useful supplement to comments received from stakeholders in guiding further work the MSA should undertake. The consultants have been retained to provide private advice to the MSA and the MSA does not anticipate making the comments received public. The MSA has allocated a maximum of \$15,000 to this initiative.

Academic Outreach: Some aspects of the State of the Market Report use techniques and draw on concepts from the academic literature. These are footnoted throughout the Report and associated 'building block' papers. Some stakeholders may lack the resources or inclination to fully test some of these areas. To assist the MSA in making sure it adopts analytical best practices we are considering simple ways in which we might engage with interested academics or others to do independent analysis of the Alberta electricity market, thereby expanding the pool of knowledgeable persons and research conducted. To do this in an efficient manner the MSA has put together a Newsletter providing a brief summary of work conducted on the Alberta market, interesting research questions, data availability, and relevant work conducted in other jurisdictions. The newsletter is intended to be short, relatively simple, and be released on a semi-annual basis. The MSA will maintain a mailing list of interested parties, separate from its main subscription list, but will post any newsletters on its website. The MSA anticipates that the benefits from this strategy

will likely be longer term and intends to evaluate whether it has proven useful concurrent with the preparation of the next State of the Market Report, planned for 2015. The first newsletter and details of how to subscribe are posted on our website.

Regards,

/s/ Matt Ayres

Market Surveillance Administrator