



October 24, 2011

## Watt Exchange Trading System Update

NGX will be performing a software update of the Watt Exchange Trading System on Friday November 4<sup>th</sup> 2011, in preparation for trading on **Monday November 7<sup>th</sup> 2011**.

All customers will be required to update their software prior to the trading session on November 7<sup>th</sup> (updates can be done after 6 PM on November 4<sup>th</sup> and on the weekend of November 5<sup>th</sup>-6<sup>th</sup>). The update should take approximately 10 minutes. Please ensure all necessary technical resources are notified of the update, and any required permissions are in place. You will **not** be able to participate in the ancillary services trading until the update is completed.

The update will include the following important changes to functionality. These changes have been made to streamline the trading of ancillary services on WattEx, making it more efficient and transparent, while also reflecting the market changes proposed by the Alberta Electric System Operator (AESO) in recent stakeholder consultations.

Changes for this update include:

- **Modification to 'Standby Markets' posting functionality** – Standby markets will now more closely resemble a traditional auction platform. The AESO will post volume requirements (no bid price) and selling customers are then encouraged to offer for the respective Standby products.
- **Automated 'Sweep' Trading on 'Standby Markets'**- At the scheduled closing time for each market, the Wattex Trading system will automatically 'lock' trading (no changes or withdrawals permitted) and process the best offers in the queue, sweeping orders for the AESO based on their daily volume requirements. The Wattex Trading system will also rank and fill offers based on the new 'Blended Price' formula proposed by the AESO.
- **Less than 5 MW Trades on Standby Markets** – If less than 5 MW would be needed to fulfill the final amount of the AESO requested volume, the system will no longer fill the trade. The AESO will instead procure slightly less than their requested volume, and the final less than 5 will no longer fill in error and need to be 'broken'. This change is only on Standby Markets.
- **Change to Market Schedules-** Market trading hours will now change to the following times (All times in Mountain Prevailing Time).

9:00 - All Day-1 Markets open  
9:10 - Standby Regulating CLOSE  
9:20 - Standby Spinning CLOSE  
9:30 - Standby Supplemental CLOSE

9:35 - Active Regulating Lock  
9:40 - Active Regulating Close  
9:45 - Active Spinning Lock  
9:50 - Active Spinning Close  
9:55 - Active Supplemental Lock

10:00 - Active Supplemental Close

- **Ability to Add Standby Activation Price to Order Import file** – The order import file now has an 'Activation Price' column allowing sellers to more easily import both the premium and activation prices for the Standby Markets in one file. The older file, with just the one price input column, will also continue to work for order import, if required.

If you or your technical personnel require early access to the software in preparation for the installation, please contact Mandy Brown ([mandy.brown@ngx.com](mailto:mandy.brown@ngx.com)).

If you have any questions about any of these modifications, the update process in general, or require access to more technical information please contact NGX at 403-974-4357 or email to [ops@ngx.com](mailto:ops@ngx.com)