

February 13, 2023

To: The Market Surveillance Administrator, market participants and other interested parties  
("Stakeholders")

Re: **Stakeholder Comments on Notice of Administrative Amendments to the ISO Rules in Pursuit of Red Tape Reduction ("Red Tape Administrative Amendments")**

Pursuant to Alberta Utilities Commission Rule 017, *Procedures and Process for Development of ISO Rules and Filing of ISO Rules with the Alberta Utilities Commission*, written comments received from the Stakeholders in response to the Alberta Electric System Operator's ("AESO") January 17, 2023 Notice regarding Red Tape Administrative Amendments have been posted on the AESO website. Comments were received from the following Stakeholders:

1. Morgan Stanley Capital Group Inc.; and
2. Powerex Corp.

Thank you to all Stakeholders who participated in this ISO rules comment process. All written comments received will be considered in the AESO's finalization of the Red Tape Administrative Amendments and responses to those comments will be posted on the AESO website.

If you have any questions, please submit them to [rules\\_comments@aeso.ca](mailto:rules_comments@aeso.ca)

Sincerely,

*Jackie Gow*

Legal Manager, ISO Rules and Alberta Reliability Standards  
Legal and Regulatory Affairs  
[rules\\_comments@aeso.ca](mailto:rules_comments@aeso.ca)

## Stakeholder Comment Matrix

### Administrative Amendments to the ISO Rules in Pursuit of Red Tape Reduction ("Red Tape Administrative Amendments")



**Period of Comment:** January 17, 2023 through February 7, 2023

**Comments From:** Morgan Stanley Capital Group Inc.

**Date:** [2023/02/06]

**Contact:** Jeremy Lamb

**Phone:** 604-658-8119

**Email:** jeremy.lamb@morganstanley.com

#### Instructions:

1. Please fill out the section above as indicated.
2. Please refer back to the "related material" on the Stakeholder Engagement page on the AESO website.
3. Please identify which ISO Rule and section you have comments for (if any) and place your comments/reasons for position in the appropriate column. Unidentified Rules will be interpreted as favourable comments.



| Red Tape Administrative Amendments  |            |                      |
|---|------------|----------------------|
| Table A: Removes a provision of the ISO Rule because it is no longer required |            |                      |
| ISO Rule  | Subsection | Stakeholder Comments |



|              |  |   |
|--------------|--|---|
| <p>203.6</p> | <p>s. 5(3)(b)</p> <p>&amp;</p> <p>s. 6(4)(c)</p> | <p>Thank you for providing the opportunity to file comments under the ISO Rules Red Tape Administrative Amendments stakeholder process. Morgan Stanley appreciates the AESO’s efforts on these initiatives.</p> <p>The AESO proposes to revise Section 203.6, Available Transfer Capability and Transfer Path Management such that curtailments issued by the ISO will no longer require an associated restatement in ETS. Morgan Stanley is supportive of this change and views it as a positive step forward for the AESO as well as for any market participant which transacts over the interties.</p> <p>In addition to the proposal, Morgan Stanley requests that AESO also consider an incremental change to the rule that would align with the theme of the current proposal while also adding further efficiencies to market participants. As justification for the section 203.6 change under the current proposal the AESO details:</p> <p style="padding-left: 40px;"><b>Adding the words “other than” removes an unnecessary requirement for pool participants to restate their available capability for interchange transactions in circumstances where an e-tag is curtailed by the ISO. Restating available capability in this circumstance is unnecessary because the pool participant would be repeating an instruction that was already given by the AESO through the curtailment of the e-tag. See table B for explanation on the additional changes in this provision.</b></p> <p>Morgan Stanley believes this logic can also be applied to the operators of the tie lines that connect the AESO to its adjacent balancing authorities. This would include the transmission providers of MATL and BCHA which operate as a function of ATC information they directly receive from the AESO as part of their regular ATC calculations.</p> <p>Morgan Stanley respectfully suggests including the following revisions in the proposed rule 203.6 language:</p> <p style="padding-left: 40px;"><b>(b) the transmission service for an energy interchange transaction is curtailed after procurement either by any transmission service provider OTHER THAN i) the ISO, OR ii) <u>TRANSMISSION SERVICE PROVIDER DIRECTLY INTERCONNECTED TO THE ISO</u>; then such a circumstance is a reason the pool participant must submit a restatement of available capability, and may be the basis for the determination of an acceptable operational reason under subsection (iv) of that definition</b></p> |
|--------------|--|---|

**Stakeholder Comment Matrix**

**Administrative Amendments to the ISO Rules in Pursuit of Red Tape Reduction  
("Red Tape Administrative Amendments")**



|  |  |  |
|--|--|--|
|  |  | <b>We appreciate the opportunity to submit these comments and look forward to your feedback.</b> |
|  |  |  |

**Red Tape Administrative Amendments  
Table B: Updates drafting style of the ISO Rule**

| ISO Rule | Subsection | Stakeholder Comments |
|----------|------------|----------------------|
|          |            |                      |
|          |            |                      |

## Stakeholder Comment Matrix

### Administrative Amendments to the ISO Rules in Pursuit of Red Tape Reduction ("Red Tape Administrative Amendments")



**Period of Comment:** January 17, 2023 through February 7, 2023

**Comments From:** Powerex Corp

**Date:** February 7, 2023

**Contact:** Connor Curson

**Phone:** 604-891-6028

**Email:** connor.curson@powerex.com

#### Instructions:

1. Please fill out the section above as indicated.
2. Please refer back to the "related material" on the Stakeholder Engagement page on the AESO website.
3. Please identify which ISO Rule and section you have comments for (if any) and place your comments/reasons for position in the appropriate column. Unidentified Rules will be interpreted as favourable comments.



| Red Tape Administrative Amendments  |            |                      |
|---|------------|----------------------|
| Table A: Removes a provision of the ISO Rule because it is no longer required |            |                      |
| ISO Rule  | Subsection | Stakeholder Comments |



| <p>203.6</p> | <p>5(3)(b),<br/>6(4)(c)</p> | <p>Powerex appreciates the opportunity to provide comments on the ISO Red Tape Administrative Amendments.</p> <p>With respect to the proposed change to section 203.6 (removing the requirements for pool participants to restate their available capability for interchange transactions in circumstances where an e-tag is <u>curtailed by the ISO</u>), Powerex believes that the requirement to restate the available capability of the interchange transaction when the associated e-tag is curtailed should be removed, <u>regardless of the entity</u> causing the reduction to the volume associated with an e-tag. The requirement to restate capability for curtailments issued by entities other than the ISO adds administrative burden, while doing nothing to support reliability or promote fair, efficient and open competition.</p> <p>The two e-tags included below (Y732779, Y782642) demonstrate situations which introduce challenges for pool participants to respond under the proposed rule amendments. In the examples below, the tags were curtailed by both AESO and BCHA with as little as one minute between curtailments. There is limited time for the pool participant to identify and restate capability for only non-AESO curtailments. Additionally, the ISO, as a party to the e-Tag, already has visibility into the curtailment regardless of the party issuing the curtailment. Therefore, restating the available capability for <u>only non-AESO curtailments</u> seems unnecessary because the pool participant would simply be reporting an instruction that the ISO is already aware of.</p> <p>1. Y732779</p> <table border="1" data-bbox="638 824 1871 1032"> <thead> <tr> <th colspan="6">Requests</th> </tr> <tr> <th></th> <th>Req</th> <th>Type</th> <th>Author</th> <th>Time</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td>&gt;&gt;</td> <td></td> <td>Current Tag</td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>3</td> <td>Curtailment</td> <td>BCHA (TSP)</td> <td>07/31/2022 19:41</td> <td>APPROVED</td> </tr> <tr> <td></td> <td>2</td> <td>Curtailment</td> <td>AESO (TSP)</td> <td>07/31/2022 19:40</td> <td>APPROVED</td> </tr> <tr> <td></td> <td>1</td> <td>Curtailment</td> <td>BCHA (TSP)</td> <td>07/31/2022 18:40</td> <td>APPROVED</td> </tr> <tr> <td></td> <td>0</td> <td>Creation</td> <td>PWX01 (PSE)</td> <td>07/31/2022 17:02</td> <td>APPROVED</td> </tr> </tbody> </table> <p>2. Y782642</p> <table border="1" data-bbox="625 1112 1866 1320"> <thead> <tr> <th colspan="6">Requests</th> </tr> <tr> <th></th> <th>Req</th> <th>Type</th> <th>Author</th> <th>Time</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td>&gt;&gt;</td> <td></td> <td>Current Tag</td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>3</td> <td>Curtailment</td> <td>AESO (TSP)</td> <td>12/2/2022 06:16</td> <td>APPROVED</td> </tr> <tr> <td></td> <td>2</td> <td>Curtailment</td> <td>AESO (TSP)</td> <td>12/2/2022 05:45</td> <td>APPROVED</td> </tr> <tr> <td></td> <td>1</td> <td>Curtailment</td> <td>BCHA (TSP)</td> <td>12/2/2022 05:40</td> <td>APPROVED</td> </tr> <tr> <td></td> <td>0</td> <td>Creation</td> <td>PWX01 (PSE)</td> <td>12/2/2022 04:02</td> <td>APPROVED</td> </tr> </tbody> </table> | Requests    |                  |          |  |  |  |  | Req | Type | Author | Time | Status | >> |  | Current Tag |  |  |  |  | 3 | Curtailment | BCHA (TSP) | 07/31/2022 19:41 | APPROVED |  | 2 | Curtailment | AESO (TSP) | 07/31/2022 19:40 | APPROVED |  | 1 | Curtailment | BCHA (TSP) | 07/31/2022 18:40 | APPROVED |  | 0 | Creation | PWX01 (PSE) | 07/31/2022 17:02 | APPROVED | Requests |  |  |  |  |  |  | Req | Type | Author | Time | Status | >> |  | Current Tag |  |  |  |  | 3 | Curtailment | AESO (TSP) | 12/2/2022 06:16 | APPROVED |  | 2 | Curtailment | AESO (TSP) | 12/2/2022 05:45 | APPROVED |  | 1 | Curtailment | BCHA (TSP) | 12/2/2022 05:40 | APPROVED |  | 0 | Creation | PWX01 (PSE) | 12/2/2022 04:02 | APPROVED |
|--------------|-----------------------------|---|-------------|------------------|----------|--|--|--|--|-----|------|--------|------|--------|----|--|-------------|--|--|--|--|---|-------------|------------|------------------|----------|--|---|-------------|------------|------------------|----------|--|---|-------------|------------|------------------|----------|--|---|----------|-------------|------------------|----------|----------|--|--|--|--|--|--|-----|------|--------|------|--------|----|--|-------------|--|--|--|--|---|-------------|------------|-----------------|----------|--|---|-------------|------------|-----------------|----------|--|---|-------------|------------|-----------------|----------|--|---|----------|-------------|-----------------|----------|
| Requests     |                             |   |             |                  |          |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |          |             |                  |          |          |  |  |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |          |             |                 |          |
|              | Req                         | Type  | Author      | Time             | Status   |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |          |             |                  |          |          |  |  |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |          |             |                 |          |
| >>           |                             | Current Tag   |             |                  |          |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |          |             |                  |          |          |  |  |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |          |             |                 |          |
|              | 3                           | Curtailment   | BCHA (TSP)  | 07/31/2022 19:41 | APPROVED |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |          |             |                  |          |          |  |  |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |          |             |                 |          |
|              | 2                           | Curtailment   | AESO (TSP)  | 07/31/2022 19:40 | APPROVED |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |          |             |                  |          |          |  |  |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |          |             |                 |          |
|              | 1                           | Curtailment   | BCHA (TSP)  | 07/31/2022 18:40 | APPROVED |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |          |             |                  |          |          |  |  |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |          |             |                 |          |
|              | 0                           | Creation  | PWX01 (PSE) | 07/31/2022 17:02 | APPROVED |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |          |             |                  |          |          |  |  |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |          |             |                 |          |
| Requests     |                             |   |             |                  |          |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |          |             |                  |          |          |  |  |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |          |             |                 |          |
|              | Req                         | Type  | Author      | Time             | Status   |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |          |             |                  |          |          |  |  |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |          |             |                 |          |
| >>           |                             | Current Tag   |             |                  |          |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |          |             |                  |          |          |  |  |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |          |             |                 |          |
|              | 3                           | Curtailment   | AESO (TSP)  | 12/2/2022 06:16  | APPROVED |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |          |             |                  |          |          |  |  |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |          |             |                 |          |
|              | 2                           | Curtailment   | AESO (TSP)  | 12/2/2022 05:45  | APPROVED |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |          |             |                  |          |          |  |  |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |          |             |                 |          |
|              | 1                           | Curtailment   | BCHA (TSP)  | 12/2/2022 05:40  | APPROVED |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |          |             |                  |          |          |  |  |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |          |             |                 |          |
|              | 0                           | Creation  | PWX01 (PSE) | 12/2/2022 04:02  | APPROVED |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |             |            |                  |          |  |   |          |             |                  |          |          |  |  |  |  |  |  |     |      |        |      |        |    |  |             |  |  |  |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |             |            |                 |          |  |   |          |             |                 |          |





|  |  |  |
|--|--|--|
|  |  | Powerex’s above request is consistent with earlier comments made by Powerex and other pool participants, including the MSA (see MSA ISO Rule Proposal to amend an existing ISO rule dated 01/16/2020). It is our understanding that the ISO intended to adopt the requested action in 2019, however the amendment was withdrawn when the capacity market application was terminated. Powerex submits that the rationale for the earlier requests remains the same today and removing the requirement would enhance efficiency and reduce the administrative requirements that are not necessary to either support reliability or promote fair, efficient and open competition. |
|  |  |  |

**Red Tape Administrative Amendments**  
**Table B: Updates drafting style of the ISO Rule**

| ISO Rule | Subsection | Stakeholder Comments |
|----------|------------|----------------------|
|          |            |                      |
|          |            |                      |