

To: Market participants and other interested parties (“Stakeholders”)
Date: November 4, 2022
Subject: 2022 Tariff Modernization Application Next Steps

The purpose of this notice is to update Stakeholders on the AESO’s revisions to the scope and timing of the 2022 Tariff Modernization Application.

This update is being posted concurrently with the AESO’s responses to the comments received from Stakeholders regarding the 2022 Tariff Modernization Application.

Revised Scope of 2022 Tariff Modernization Application

As stated by the AESO in its September 9, 2022 presentation to Stakeholders, the intent of the AESO’s 2022 Tariff Modernization Application is to:

- propose revisions to the ISO tariff to better align with, and to provide clarity regarding existing AESO practices and process regarding system access service, and to reduce red tape;
- propose revisions to include emissions compliance costs in the existing ISO Tariff compensation formula for the provision of conscripted Transmission Must-Run (“TMR”) ancillary service; and
- respond to certain outstanding directions issued by the Commission in AUC Decision 22942-D02-2019.

With the exception of the TMR-related revisions, the revisions proposed by the AESO to Stakeholders were intended to be entirely administrative in nature (i.e., non-structural changes to the ISO tariff).

It is evident from the Stakeholder comments received that a number of the changes proposed by the AESO would benefit from additional consultation. To allow for such, while continuing to proceed with changes that appear to be broadly acceptable, the AESO has decided to remove the following items from the scope of the 2022 Tariff Modernization Application:

- “Critical Requirement” revisions to section 3 of the ISO tariff. The AESO may revisit these revisions as part of a future ISO tariff application.
- Proposed deletion of “long-term overall cost” from section 3 of the ISO tariff. The AESO may revisit this deletion as part of a future ISO tariff application.
- GUOC revisions that would result in the timing of GUOC evidence payment and GUOC payment being specified on the AESO’s website. The AESO may revisit these revisions as part of a future ISO tariff application.
- Totalization revisions to Section 10 of the ISO tariff to permit totalization of the same service, for the same market participant, within a substation. These revisions are required regardless of the AESO’s Adjusted Metering Practice (“AMP”), and will not themselves result in implementation of the AMP. Nevertheless, the AESO has decided to propose these revisions as part of the AESO’s upcoming AMP application.

As a result of the above items being removed from the scope of the Application, the AESO will also be deferring its responses to Directions, 9, 10, 11 from AUC Decision 22942-D02-2019 to a future stakeholder engagement process and ISO tariff application.

Given the narrowed scope of the application, the AESO does not consider any further stakeholder engagement to be necessary for purposes of the 2022 Tariff Modernization Application.

The AESO will post a revised blackline of its proposed ISO tariff changes, on or before November 10, 2022, to reflect the revised scope described above.

Timing of 2022 Tariff Modernization Application

In its September 9, 2022 presentation to Stakeholders, the AESO stated that it intended to file the 2022 Tariff Modernization Application by November 4, 2022.

The AESO wishes to advise Stakeholders that it now intends to file the application before the end of 2022.

The AESO thanks Stakeholders for their participation and flexibility in this engagement. Questions or comments in relation to the above may be submitted to Tariffdesign@aeso.ca.