



## **Alberta Electric System Operator**

**2018 Independent System Operator Tariff – Interim Approval**

**November 28, 2017**

**Alberta Utilities Commission**

Decision 22942-D01-2017

Alberta Electric System Operator

2018 Independent System Operator Tariff – Interim Approval

Proceeding 22942

November 28, 2017

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## Contents

|          |   |          |
|----------|---|----------|
| <b>1</b> | <b>Introduction and request for interim approval.....</b> | <b>1</b> |
| <b>2</b> | <b>Commission findings.....</b>                           | <b>3</b> |
| <b>3</b> | <b>Order .....</b>  | <b>3</b> |
|          | <b>Appendix 1 – Proceeding participants .....</b>         | <b>5</b> |



1. In this decision the Alberta Utilities Commission has approved the Alberta Electric System Operator’s (AESO) request for interim approval of its proposed changes to its deferral account reconciliation methodology, Rider C (the deferral account adjustment rider) and Rate PSC (the primary service credit). This approval will remain in effect until either the Commission issues a final decision for the AESO tariff or a further interim approval is issued.

## **1 Introduction and request for interim approval**

2. On September 14, 2017, the AESO filed an application with the Commission requesting approval of its 2018 Independent System Operator (ISO) tariff. The Commission issued notice of the application the next day and requested interested parties file their statements of intent to participate (SIPs) by September 29, 2017.<sup>1</sup>

3. SIPs were received from the following parties:

- Industrial Power Consumers Association of Alberta (IPCAA)
- ATCO Electric Ltd.
- Alberta Direct Connect Consumers Association (ADC)
- AltaLink Management Ltd.
- Office of the Utilities Consumer Advocate (UCA)
- Cenovus FCCL Ltd.
- City of Medicine Hat
- FortisAlberta Inc.
- Suncor Energy Inc.
- TransCanada Energy Ltd.
- Balancing Pool
- Devon Canada
- TransAlta Corporation
- Energy Storage Canada
- ATCO Power Canada Ltd.
- Capital Power Corporation

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<sup>1</sup> Exhibit 22942-X0030.

- EPCOR Distribution & Transmission Inc. (EDTI)
- Consumers' Coalition of Alberta (CCA)
- Dual Use Customers (DUC)
- Kinder Morgan Canada
- ENMAX Energy Corporation, and
- cities of Red Deer and Lethbridge (the cities)

4. Included in the AESO's application was a request for approval, on an interim basis, of its proposed changes to its deferral account reconciliation methodology, Rider C and Rate PSC.<sup>2</sup> Specifically, the AESO requested that:<sup>3</sup>

- its proposed changes to the deferral account reconciliation methodology be approved on an interim basis for production year 2017; and
- its proposed changes to Rider C and Rate PSC be approved on an interim basis to be effective for the calendar quarter beginning at least 60 days after the Commission issues its approval granting interim approval.

5. In their respective SIPs, the ADC, Cenovus, the cities and Suncor all noted they supported the AESO's request for interim approval of its proposed changes.<sup>4</sup>

6. On November 9, 2017, the Commission issued a letter seeking parties' comments by November 14, 2017, regarding the AESO's request for interim approval of its proposed changes. The letter also stated that the Commission would proceed to make its ruling once comments had been received from any remaining parties.<sup>5</sup>

7. Comments were received from DUC, IPCAA, CCA, UCA and EDTI. The UCA took no position on the issue, the CCA advised that it did not oppose the request and the others indicated their support for it.<sup>6</sup>

8. The AESO also submitted a letter on November 14, 2017, stating it was able to implement the proposed changes more quickly than originally anticipated and that the proposed changes to Rider C and Rate PSC, if granted, could be implemented for the calendar quarter beginning at least 30 days after the Commission issues its approval. Consequently, the AESO requested the Commission issue a ruling on its request for interim approval by November 30, 2017, which would enable it to implement the proposed changes to Rider C and Rate PSC effective January 1, 2018, if approved. Additionally, the AESO explained that a positive ruling by November 30, 2017, would allow it to publish its Rider C 30 days prior to January 1, 2018, which, in turn, would enable the electric distribution system owners to incorporate the proposed Rider C in their quarterly AESO demand transmission service (DTS) deferral account riders.<sup>7</sup>

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<sup>2</sup> Exhibit 22942-X0002.01, application, paragraph 18.

<sup>3</sup> Exhibit 22942-X0002.01, application, Section 6.1.

<sup>4</sup> Exhibits 22942-X0034, 22942-X0038, 22942-X0039 and 22942-X0041.

<sup>5</sup> Exhibit 22942-X0082.

<sup>6</sup> Exhibits 22942-X0083, 22942-X0084, 22942-X0085, 22942-X0086 and 22942-X0087.

<sup>7</sup> Exhibit 22942-X0088.

## 2 Commission findings

9. Because final approval of the application will not occur until sometime in 2018, it is reasonable to issue an interim approval now rather than requiring the AESO to wait until sometime in 2018 to implement its proposed changes.

10. Parties who will be affected by the implementation of this interim tariff appear to agree. The Commission has reviewed all submissions regarding the AESO's interim request and notes that these parties either took no position, did not object or indicated support for the request.

11. Therefore, for all these reasons, the Commission approves the AESO's request for interim approval.

## 3 Order

12. It is hereby ordered that:

- (1) The Alberta Electric System Operator's request for interim approval of its proposed changes to its deferral account reconciliation methodology, Rider C and Rate PSC, is approved. This approval will remain in effect until either the Commission issues a final decision for the AESO tariff or a further interim approval is issued.

Dated on November 28, 2017.

### Alberta Utilities Commission

*(original signed by)*

Mark Kolesar  
Vice-Chair

*(original signed by)*

Neil Jamieson  
Commission Member

*(original signed by)*

Carolyn Hutniak  
Commission Member





**Appendix 1 – Proceeding participants**

| <b>Name of organization (abbreviation)<br/>Company name of counsel or representative</b> |
|--|
| Alberta Electric System Operator (AESO)<br>Stikeman Elliott LLP                          |
| Industrial Power Consumers Association of Alberta (IPCAA)                                |
| ATCO Electric Ltd.   |
| Alberta Direct Connect Consumers Association (ADC)<br>Ackroyd LLP                        |
| AltaLink Management Ltd.   |
| Office of the Utilities Consumer Advocate (UCA)<br>Brownlee LLP                          |
| Cenovus FCCL Ltd.  |
| FortisAlberta Inc.   |
| City of Medicine Hat   |
| Suncor Energy Inc.   |
| TransCanada Energy Ltd.  |
| Balancing Pool   |
| Devon Canada<br>Edmond de Palezieux  |
| TransAlta Corporation  |
| Energy Storage Canada<br>Brander Robert Bruce  |

| <b>Name of organization (abbreviation)<br/>Company name of counsel or representative</b> |
|--|
| ATCO Power Canada  |
| Capital Power Corporation<br>Borden Ladner Gervais LLP                                   |
| EPCOR Distribution & Transmission Inc. (EDTI)  |
| Consumers' Coalition of Alberta (CCA)  |
| Desiderata Energy Consulting Inc.  |
| Kinder Morgan Canada<br>Edmond de Palezieux  |
| ENMAX Energy Corporation   |
| Red Deer and Lethbridge (the cities)<br>Chymko Consulting Ltd.                           |

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| <p>Alberta Utilities Commission</p> <p>Commission panel</p> <ul style="list-style-type: none"> <li>M. Kolesar, Vice-Chair</li> <li>N. Jamieson, Commission Member</li> <li>C. Hutniak, Commission Member</li> </ul> <p>Commission staff</p> <ul style="list-style-type: none"> <li>C. Wall (Commission counsel)</li> <li>S. Albert (Commission counsel)</li> <li>J. Halls</li> <li>S. Karim</li> <li>C. Strasser</li> <li>D. Ward</li> </ul> |
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