

March 30, 2018

Mr. Doyle Sullivan, P.Eng.
Director, Tariff Design
Alberta Electric System Operator
Via e-mail – ISOTariffnotice@aeso.ca



RE: Proceeding 22942 – Consultation on 12 CP Method

Dear Doyle,

The Alberta Direct Connect Consumer’s Association “ADC” participated in the March 12th Stakeholder session and provides the following comments for the AESO’s consideration.

The ADC continues to support the AESO 2018 GTA bulk system 12 CP cost methodology as applied for in the 2018 GTA. We remain convinced that there is no immediate issue needing resolution on 12 CP in this GTA period.

Significant effort will be required by the AESO and stakeholders to consult on the scope, studies, and analysis needed to move forward with any change to the tariff structure. There are other significant efforts underway that may also impact the tariff design process such as the requirement for the AESO to develop the capacity cost allocation tariff and possible changes to the transmission regulation. It seems inefficient to the ADC that we would tackle the DTS tariff design without consideration of these other key developments.

ADC is very concerned about the cost of transmission and the competitiveness of our energy intensive trade exposed industries. In order to remain competitive, our members have made significant investments to manage their electricity costs within the current market structure and tariff design. Any change that results in rate shock to these industries must be carefully considered and transitioned in over a sufficient period of time commensurate with any notice requirements of DTS contract changes.

The ADC suggests that the AESO leave the 2018 interim DTS tariff in effect and proceed with the rest of the items in the 2018 GTA proceeding. This will allow the other elements to get resolved in a timely manner and provide adequate time to strike a workgroup to begin consultation on both the transmission and capacity tariffs.

Regards,

A handwritten signature in black ink, reading 'Colette Chekerda', is positioned above the typed name.

Colette Chekerda, P.Eng.
ADC Executive Director