

# Stakeholder Proposal Evaluation – May 4, 2020

Participant-Related Costs for DFOs (Substation Fraction) and DFO Cost Flow-Through Technical Session 2A



<b>Period of Comment:</b> May 4, 2020 through May 20, 2020	<b>Contact:</b> [REDACTED]
<b>Comments From:</b> Evolgen (Brookfield Renewable)	<b>Phone:</b> [REDACTED]
<b>Date:</b> 2020/05/20	<b>Email:</b> [REDACTED]

## Document purpose

The purpose of this document is to provide a structured and consistent guide to workshop participants to evaluate each of the proposals.

## Instructions

1. Please fill out the section above as indicated.
2. Please complete an evaluation on each of the proposals using the tables below (Tables 2-7). Please provide your reason(s) as to why you think the proposal does/does not meet each of the evaluation criteria.
3. Once you have completed an evaluation on each of the proposals, please choose your preferred proposal with an explanation as to why in Table 1: Overall evaluation.
4. **Please submit one completed evaluation per organization.**
5. Email your completed evaluation to [tariffdesign@aeso.ca](mailto:tariffdesign@aeso.ca) by **May 20, 2020**.

**Table 1: Overall evaluation**

Questions	Stakeholder Evaluation
<p>1. Which proposal did you prefer? Please explain why.</p>	<p>Evolgen is Brookfield Renewable's Canadian business. Brookfield Renewable is a global developer, owner and operator of renewable energy resources. Worldwide, Brookfield Renewable businesses and affiliates have a portfolio of over 19,000 MW of installed capacity and approximately \$50 billion in assets under management. Evolgen is actively seeking investment opportunities in Alberta.</p> <p>Evolgen supports the principles identified by the AESO in this consultation process to enable a fair, efficient and openly competitive market ("FEOC"). Our comments are guided by Evolgen's business priorities in the context of these principles.</p> <p>In particular, Principles 3 and 4 regarding the "Certainty of future costs" and "Stability" are crucial to promote investment in Alberta. Evolgen also urges the AESO to adopt straightforward and consistently applied regulation to enable Principles 1 and 2 regarding "Fairness," "Effective Price Signals," and "Cost Causation."</p> <p>Given the priorities outlined above, Evolgen generally supports Canadian Solar's proposal.</p>
<p>2. What are the challenges or unresolved questions with your preferred proposal?</p>	<p>As DCGs sit at the crossroad between Transmission and Distribution systems, and do not perfectly fit traditional definitions of grid resources (e.g. some DCGs are better classified as "suppliers" as opposed to "generators"), the AESO and other Albertan regulators need to design and apply tariff and regulation in a coherent and consistent manner.</p>
<p>3. What aspects from the other proposals would you like to see applied to your preferred proposal?</p>	<p>While Evolgen generally supports Canadian Solar's proposal, we also agree with other industry stakeholders that advocate for "Certainty of future costs" and "Fosters competition and encourages new market entry."</p>

Questions	Stakeholder Evaluation
4. Additional comments	Evolugen appreciates the opportunity to respond, and look forward to future consultations organized by the AESO.

**Table 2: Evaluation of Proposal: Canadian Solar Solutions Inc.**

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	10
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	Yes
3. Is the proposal feasible?	Yes
4. Which stakeholders are best served by this proposal? Why?	Investors seeking a fair, efficient and openly competitive market.
5. Which stakeholders are least served by this proposal? Why?	N/A
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	Yes
7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of “Ease of understanding and implementation (simplicity)”? This additional principle was added based on stakeholder feedback.  If not, are you supportive of the principles that are used in the development of the proposal?	Yes
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	N/A
9. Additional comments	N/A



**Table 3: Evaluation of Proposal: DCG Consortium**

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	N/A
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	N/A
3. Is the proposal feasible?	N/A
4. Which stakeholders are best served by this proposal? Why?	N/A
5. Which stakeholders are least served by this proposal? Why?	N/A
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	N/A
7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of “Ease of understanding and implementation (simplicity)”? This additional principle was added based on stakeholder feedback.  If not, are you supportive of the principles that are used in the development of the proposal?	N/A
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	N/A
9. Additional comments	N/A



**Table 4: Evaluation of Proposal: FortisAlberta Inc.**

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	N/A
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	N/A
3. Is the proposal feasible?	N/A
4. Which stakeholders are best served by this proposal? Why?	N/A
5. Which stakeholders are least served by this proposal? Why?	N/A
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	N/A
7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of “Ease of understanding and implementation (simplicity)”? This additional principle was added based on stakeholder feedback.  If not, are you supportive of the principles that are used in the development of the proposal?	N/A
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	N/A
9. Additional comments	N/A





**Table 5: Evaluation of Proposal: Lionstooth Energy**

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	N/A
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	N/A
3. Is the proposal feasible?	N/A
4. Which stakeholders are best served by this proposal? Why?	N/A
5. Which stakeholders are least served by this proposal? Why?	N/A
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	N/A
7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of “Ease of understanding and implementation (simplicity)”? This additional principle was added based on stakeholder feedback.  If not, are you supportive of the principles that are used in the development of the proposal?	N/A
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	N/A
9. Additional comments	N/A



**Table 6: Evaluation of Proposal: Solar Krafte Utilities**

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	N/A
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	N/A
3. Is the proposal feasible?	N/A
4. Which stakeholders are best served by this proposal? Why?	N/A
5. Which stakeholders are least served by this proposal? Why?	N/A
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	N/A
7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of “Ease of understanding and implementation (simplicity)”? This additional principle was added based on stakeholder feedback.  If not, are you supportive of the principles that are used in the development of the proposal?	N/A
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	N/A
9. Additional comments	N/A



**Table 7: Evaluation of Proposal: URICA**

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	N/A
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	N/A
3. Is the proposal feasible?	N/A
4. Which stakeholders are best served by this proposal? Why?	N/A
5. Which stakeholders are least served by this proposal? Why?	N/A
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	N/A
7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of “Ease of understanding and implementation (simplicity)”? This additional principle was added based on stakeholder feedback.  If not, are you supportive of the principles that are used in the development of the proposal?	N/A
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	N/A
9. Additional comments	N/A



## Appendix A

Principle	Description
<b>Overarching</b>	<p>Tariff design and implementation facilitates a fair, efficient and openly competitive market (FEOC)</p> <ul style="list-style-type: none"> <li>• Fosters competition and encourages new market entry</li> <li>• Efficiency</li> <li>• Avoidance of undue discrimination</li> <li>• Fairness</li> </ul>
<b>Principle 1</b>	<p>Parity between transmission interconnection costs calculation for transmission connected customers and distribution connected customers while enabling effective price signals to ensure optimal use of existing distribution and transmission facilities</p> <ul style="list-style-type: none"> <li>• Fairness</li> <li>• Effective price signals</li> </ul>
<b>Principle 2</b>	<p>Market participants should be responsible for an appropriate share of the costs of transmission facilities that are required to provide them with access to the transmission system (may include paying a contribution towards facilities paid for by other customers and refund to the customer that paid)</p> <ul style="list-style-type: none"> <li>• Fairness</li> <li>• Cost Causation</li> </ul>
<b>Principle 3</b>	<p>DCG participants should have cost certainty when making their final investment decision (FID)</p> <ul style="list-style-type: none"> <li>• Certainty of future costs</li> <li>• Stability</li> </ul>
<b>Principle 4</b>	<p>DFOs should be provided with reasonable certainty re: cost treatment/recovery</p> <ul style="list-style-type: none"> <li>• Certainty of future costs</li> <li>• Stability</li> </ul>
<b>Principle 5 (added)</b>	<p>Ease of understanding and implementation</p> <ul style="list-style-type: none"> <li>• Simplicity</li> <li>• Stability</li> </ul>



