

## Stakeholder Comment Matrix – Sept. 24, 2020

### Bulk and Regional Tariff Design Session 2



<b>Period of Comment:</b> Sept. 24, 2020 through Oct. 8, 2020	<b>Contact:</b> Vittoria Bellissimo
<b>Comments From:</b> Industrial Power Consumers Association of Alberta (IPCAA)	<b>Phone:</b> 403 966 2700
<b>Date:</b> 2020/09/25	<b>Email:</b> Vittoria.Bellissimo@IPCAA.ca

#### Instructions:

1. Please fill out the section above as indicated.
2. Please respond to the questions below and provide your specific comments.
3. **Please submit one completed evaluation per organization.**
4. Email your completed comment matrix to [tariffdesign@aeso.ca](mailto:tariffdesign@aeso.ca) by **Oct. 8, 2020**.

***The AESO is seeking comments from Stakeholders with regard to the following matters:***

	Questions	Stakeholder Comments
1.	<p>Please comment on Session 2 hosted on Sept. 24, 2020. Was the session valuable? Was there something the AESO could have done to make the session more helpful?</p>	<p>Suggestions for next time:</p> <ol style="list-style-type: none"> <li>1. Facilitate a separate session for energy storage</li> <li>2. Provide more time for technical questions and schedule this time directly after the relevant presentation material</li> <li>3. Break up the session into half-day sections</li> <li>4. Release a bill estimator and the promised “analysis tools for bulk and regional cost recovery impact analysis” along with the “bookend” options so that customers can understand the impact of these AESO options on their bill. This should be done prior to the next session.</li> </ol>
2.	<p>Are you supportive of the proposed engagement approach for the AESO’s Bulk and Regional Tariff Design? Why or why not? Please be as specific as possible.</p>	<p>The proposed approach will not be sufficient for customers to understand a proposed tariff overhaul, if that is the AESO’s intent.</p> <p>Of the Session 2 objectives, several were not met, including:</p> <ul style="list-style-type: none"> <li>• Review and gain acceptance on process and approach to complete a rate design</li> <li>• Reconfirm tariff rate design objectives and balance of trade-offs</li> <li>• Understand rate design bookends</li> <li>• Identify initial implications of rate design bookends</li> <li>• Provide technical clarity around rate design bookends</li> </ul> <p>Customers will need much more help than what was provided in Session 2. It would be useful for the AESO to host customer-specific sessions for clarification and understanding.</p> <p>IPCAA understands that the AESO wants to provide one major stream for stakeholder engagement; however, customers will not ask their account-specific questions live on a recorded webinar with the broad industry listening in. In order to ensure all stakeholders receive the same information, the AESO could consolidate the general information and provide it to the industry at large.</p>

<p>3. Do you support the AESO's perspective that 12-CP (status quo) is not a reasonable continued outcome of the Bulk and Regional Tariff Design? Please be as specific as possible.</p>	<p>After Session 1, Session 2, TDAG and all of the sub-working groups, the AESO has not provided any information to support the claim that the status quo is not a reasonable continued outcome. CP is a very common approach throughout North America. The only solid case that has been made is that CP in the shoulder seasons may not provide value to the system.</p> <p>If anything, it is even more rational now, during a global pandemic and economic downturn, to continue with the status quo and avoid introducing any additional uncertainty for consumers who are doing their best to operate their businesses during these challenging times.</p> <p>The AESO should provide stakeholders with a clear understanding of:</p> <ul style="list-style-type: none"> <li>• Why changes are required at this time</li> <li>• What issues are driving the need for change</li> <li>• How we should quantify these issues</li> <li>• Will additional changes be required in short order when:             <ul style="list-style-type: none"> <li>○ The Transmission Regulation is re-examined by government</li> <li>○ The AUC makes any changes highlighted during the Distribution System Inquiry (such as aligning transmission and distribution rates)</li> <li>○ Changes are made regarding self-supply and export</li> <li>○ Sub-station fraction and DCG credit issues are resolved</li> </ul> </li> </ul> <p>Large capital investments require a stable regulatory environment. We have considerable uncertainty already. It would be a mistake to make a significant change, only to have to make another significant change in short order when these issues are resolved.</p>
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	Questions	Stakeholder Comments
4.	<p>Are the AESO's bookends A and B reasonable starting points for the Bulk and Regional Tariff Design, considering future determination of modifications and mitigation? Why or why not? Please be as specific as possible.</p>	<p>No – the AESO's "bookends" are not reasonable starting points and are clearly not bookends. The AESO is effectively looking to shift ~\$100M to a sub-set of customers. More information needs to be provided on bill impacts; however, we estimate the cost savings to a typical residential customer to be in the order of ~\$1.20 per month. This is static savings. If these proposed cost shifts put companies out of business, which they very well could, the cost savings will quickly disappear.</p> <p>The AESO has provided no information on possible modifications and/or mitigation for consideration at this point.</p> <p>Implementing a major tariff overhaul resulting in either AESO option A or B, during a pandemic and economic downturn, is <b><u>irresponsible</u></b>.</p>
5.	<p>Are their considerations or objectives relating to energy storage tariff treatment that you feel the AESO has missed? If yes, please describe and be as specific as possible.</p> <p>Do you have additional clarifying questions that need to be answered to support your understanding?</p>	<p>No comments at this time.</p>
6.	<p>Additional comments</p>	<p>The AESO needs to demonstrate that they have done everything in their ability to reduce costs to customers and take responsibility for previous decisions that have put customers this position.</p>

Thank you for your input. Please email your comments to: [tariffdesign@aeso.ca](mailto:tariffdesign@aeso.ca).