

Written Consultation | May 10-31, 2022 – Stakeholder Comments

Posted | June 8, 2022

1. ADC – Alberta Direct Connect Consumer Association
2. BluEarth Renewables
3. Capital Power Corporation
4. ENMAX Corporation
5. IPCAA – Industrial Power Consumers Association of Alberta
6. Suncor Energy Marketing Inc.

Stakeholder Comment Matrix – May 10, 2022

Request for Feedback on 2022-2023 ISO Tariff-Related Initiatives Plan



Period of Comment: May 10, 2022 through May 31, 2022 Comments From: Alberta Direct Connect Consumer Association – “ADC” Date: 2022/05/31	Contact: Colette Chekerda Phone: 780-920-9399 Email: colette@carmal.ca
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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 stakeholder.relations@aeso.ca by **May 31, 2022**.

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

	Questions	Stakeholder Comments
1.	Are there any additional tariff-related initiatives that in your view require the AESO’s and stakeholders’ attention in 2022 - 2023 that are not listed in the <i>2022- 2023 ISO Tariff-Related Initiatives Plan</i> ?	The AESO list covers the tariff related initiatives. The ADC stresses the importance of prioritizing these activities so that customers can move forward with certainty on their business plans in Alberta.
2.	Do you have suggested changes to the timing of initiatives in the 2022-2023 Plan schedule? If yes, please be specific to why you would like to see the timing changed and what the suggested timing should look like.	Alberta Energy is currently consulting on T-Reg changes which is expected to include changes to GUOC. The AESO should ensure any work on GUOC is aligned with potential T-Reg changes.
3.	Do you have any other suggestions or comments you would like to share with the AESO related to the <i>2022-2023 ISO Tariff-Related Initiatives Plan</i> ?	The ADC recommends the AESO ensure there are adequate resources available to respond and implement any Commission directions in the AESO tariff proceeding. ADC priorities are PILON and rate mitigation which may include interruptible/standby tariffs.

Thank you for your input. Please email your comments to: stakeholder.relations@aeso.ca.

Stakeholder Comment Matrix – May 10, 2022

Request for Feedback on *2022-2023 ISO Tariff-Related Initiatives Plan*



Period of Comment: May 10, 2022 through May 31, 2022	Contact: Laura Dahlke
Comments From: BluEarth Renewables	Phone: 587-582-8077
Date: [2022/05/25]	Email: laura@bluearth.ca

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

	Questions	Stakeholder Comments
1.	<p>Are there any additional tariff-related initiatives that in your view require the AESO's and stakeholders' attention in 2022 - 2023 that are not listed in the <i>2022- 2023 ISO Tariff-Related Initiatives Plan</i>?</p>	<p><i>Outcomes of the TReg review with the GOA may need to be considered and the tariff revised accordingly.</i></p> <p><i>We request the AESO consider how to fast track a storage specific rate/ modernized DOS as the bulk tariff process timeline means uncertainty for investors in storage.</i></p>
2.	<p>Do you have suggested changes to the timing of initiatives in the 2022-2023 Plan schedule? If yes, please be specific to why you would like to see the timing changed and what the suggested timing should look like.</p>	<p><i>AMP implementation should be pushed back. Discussion currently underway in regulatory process.</i></p> <p><i>DOS and Storage Rate discussion should be added to the timeline in order for stakeholders to be able to understand the timeline for enabling storage projects specifically.</i></p>

<p>3.</p>	<p>Do you have any other suggestions or comments you would like to share with the AESO related to the 2022-2023 ISO Tariff-Related Initiatives Plan?</p>	<p><i>The AESO should anticipate that solutions coming out of the connection process review will likely require changes to the tariff. It should also be noted that there may be upcoming changes to the TReg, which could impact the tariff as well as the connection process review.</i></p> <p><i>The AESO needs to decide in tariff design what their priority is between these two items:</i></p> <ul style="list-style-type: none"> <i>(1) AESO ability to create and implement locational signaling; and</i> <i>(2) Strict adherence to exact cost causation when it comes to system cost allocation.</i> <p><i>Explanation: Section 28 of the Treg allows the AESO to determine what is a local connection cost and what is a system cost. The AESO has decided that all transmission system costs caused by the addition of a generation project are to be considered local costs. This seems in line with strict cost causation principals. It is not, however, in line with the intention of the TReg or the Transmission Development Policy Paper that preceded the TReg. (And is also potentially offside the definition of transmission system in the Act.) What's happening is that the direct system costs charged to generators are the most impactful part of generator connection cost. This leaves the AESO with no power to create a locational signal. If the AESO were to create a GUOC payment that was indicative of cost to connect in a given area instead, then the AESO would be able to influence generator siting. (There would also be fewer projects in the connection process because investors would be able to evaluate the economics of a project upfront instead of having to wait until mid to late stage 3 to understand connection costs.)</i></p> <p><i>In order to make full use of the existing transmission system the AESO would have to use grid analytics in its customer connection process. Without including the characteristics of the various generators in the system studies we're not able to know how many MW of capacity truly exist for a given project. This is currently causing project sizes to be reduced unnecessarily and giving the impression that further transmission line build out would be required to connect more MW.</i></p> <p><i>We suggest editing various forms where information is collected to reflect the correct level of granularity. For example –the SASR form in use asks for a specific day on which DTS and STS contracts will begin. As specific dates are clearly not available,</i></p>
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we suggest instead asking in which quarter the DTS and STS contracts are expected to start. This would allow the developer and the AESO to have a more accurate level of expectation between them.

We suggest reviewing the concept of inclusion criteria with the stakeholder group and making sure that it is well understood. It's currently a bit confusing. Along the same lines, we need to understand at which other stages competing projects existing can knock your project out of the connection process. For example – The AESO is currently refusing to write two functional specs that contradict each other, and this means that the projects are basically being told to race to the end of stage 2. This type of incident is what incents generators to get SASRs in as quickly as possible, meaning the AESO should expect to receive many SASRs. According to what was shared in the kickoff meeting this is the opposite of the desired outcome for the AESO.

The AESO mentioned in the opening session that projects are being assessed by the AESO and resources being assigned to projects that are showing certain signs of advancement. We suggest some caution as the AESO moves to this kind of approach. Information on progress such as offtake contracts and procurement contracts is usually shared in confidence, and if they AESO starts to show predictable behavior around these types of milestones it will imply certain things to competitors.

Thank you for your input. Please email your comments to: stakeholder.relations@aeso.ca.

Stakeholder Comment Matrix – May 10, 2022

Request for Feedback on 2022-2023 ISO Tariff-Related Initiatives Plan



Period of Comment: May 10, 2022 through May 31, 2022 Comments From: Capital Power Date: 2022/05/30	Contact: Megan Gill Phone: 403.827.3566 Email: mjill@capitalpower.com
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1. Please fill out the section above as indicated.
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3. **Please submit one completed evaluation per organization.**
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The AESO is seeking comments from Stakeholders with regard to the following matters:

	Questions	Stakeholder Comments
1.	Are there any additional tariff-related initiatives that in your view require the AESO's and stakeholders' attention in 2022 - 2023 that are not listed in the <i>2022- 2023 ISO Tariff-Related Initiatives Plan</i> ?	<p>Capital Power is generally supportive of the initiatives included in the Plan and would suggest that there should also be consideration of other tariff-related matters that have arisen in other AESO-initiated engagements. For example, there has been discussion about the potential for an application fee requirement in the AESO's connection process streamlining engagement which would require changes to the tariff. At a minimum, it would be helpful if the AESO noted the activities and initiatives that are ongoing and deemed outside the scope of the Plan (i.e. connection process streamlining, potential changes resulting from policy discussions such as the current Transmission Regulation (e.g. impacting GUOC) and/or Bill 22 and provide stakeholders information about when and how these initiatives will be incorporated into forthcoming tariff discussions.</p> <p>Capital Power supports the AESO's initiative to amend Section 8 of the ISO tariff to contemplate emissions costs for the provision of unforeseeable TMR. Although outside the scope of tariff-related initiatives, Capital Power would like to reiterate the importance of also amending the (foreseeable) TMR reference price in its ISO rules to contemplate emissions costs.</p>

2.	Do you have suggested changes to the timing of initiatives in the 2022-2023 Plan schedule? If yes, please be specific to why you would like to see the timing changed and what the suggested timing should look like.	Capital Power supports the Totalization at a Single Substation activity and submits the timeline could be accelerated considering it is a minor administrative change.
3.	Do you have any other suggestions or comments you would like to share with the AESO related to the <i>2022-2023 ISO Tariff-Related Initiatives Plan</i> ?	<p>In the AESO’s 2022-23 Schedule, it is noted that the development phase would typically include stakeholder engagement that may include a range of approaches from “inform” to “consult” but does not provide any further details. In Capital Power’s view, it would be useful for the AESO to provide stakeholders with more precise information about its intended approach to stakeholder consultation for each of the activities, including whether the approach will be to “consult” or “inform”. This additional information would assist stakeholders to plan resources, especially considering many of the activities are expected to overlap. It is unclear if the AESO intends to consult separately on the activities that overlap or if those would be rolled into one consultation process. Capital Power generally understands the efficiencies to be gained with a modular approach, however if taken too far it will likely lead to redundancy and additional burden for stakeholders. For example, it would likely be more efficient and effective to consolidate the consultation and regulatory activities under “Tariff Modernization” considering they all follow the same timeline.</p> <p>Capital Power requires more information to understand what specifically the AESO is analyzing and developing with respect to “the process the AESO intends to follow to update GUOC rates” before being capable of commenting on the proposed schedule. What specific AUC direction is this in response to? Will there be discussions related to the feedback from stakeholders on GUOC from the ongoing Transmission Regulation Policy discussions with the Department of Energy? Furthermore, with respect to consultation on this activity, it is unclear if the AESO intends to “inform” or “consult” based on the description provided (it states the AESO “plans to provide stakeholders with the process the AESO intends to follow to update GUOC rates to gather input” but it is not clear if they are intending to incorporate any input on any revisions to the process).</p>

Thank you for your input. Please email your comments to: stakeholder.relations@aeso.ca.

Stakeholder Comment Matrix – May 10, 2022

Request for Feedback on 2022-2023 ISO Tariff-Related Initiatives Plan



Period of Comment: May 10, 2022 through May 31, 2022	Contact: Mark McGillivray
Comments From: ENMAX Corporation	Phone:
Date: 2022/5/31	Email: MMcGillivray@enmax.com

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1.	<p>Are there any additional tariff-related initiatives that in your view require the AESO's and stakeholders' attention in 2022 - 2023 that are not listed in the <i>2022- 2023 ISO Tariff-Related Initiatives Plan</i>?</p>	<p>The AESO's transmission tariff-related initiatives plan is lacking detail on the stages and as a consequence, ENMAX is unable to provide in-depth commentary at this time.</p> <p>In general, the AUC's current regulatory process for considering the AESO's bulk and regional tariff design may change many aspects of the AESO's plan. As a result, the AESO may need to adapt certain timelines. ENMAX also believes the AESO should prioritize its initiatives based on costs/benefits to the market.</p> <p>With Bill 22 anticipated to receive Royal Assent in the near future, will the AESO deal with the tariff treatment of unlimited self-supply export as part of the customer contribution initiative or as a separate initiative? Further insight on the timelines for when that engagement will occur will be useful for participants.</p> <p>ENMAX looks forward to continued discussion with the AESO on tariff modernization efforts.</p>
2.	<p>Do you have suggested changes to the timing of initiatives in the 2022-2023 Plan schedule? If yes, please be specific to why you would like to see the timing changed and what the suggested timing should look like.</p>	<p>Refer to response under question 1.</p>
3.	<p>Do you have any other suggestions or comments you would like to share with the AESO related to the <i>2022-2023 ISO Tariff-Related Initiatives Plan</i>?</p>	<p>Refer to response under question 1.</p>

Thank you for your input. Please email your comments to: stakeholder.relations@aeso.ca.

Stakeholder Comment Matrix – May 10, 2022

Request for Feedback on 2022-2023 ISO Tariff-Related Initiatives Plan



Period of Comment: May 10, 2022 through May 31, 2022	Contact: Vittoria Bellissimo
Comments From: Industrial Power Consumers Association of Alberta (IPCAA)	Phone: 403 966 2700
Date: <u>2022/05/30</u>	Email: Vittoria.Bellissimo@IPCAA.ca

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2.	Do you have suggested changes to the timing of initiatives in the 2022-2023 Plan schedule? If yes, please be specific to why you would like to see the timing changed and what the suggested timing should look like.	<p>The Alberta Department of Energy is currently undertaking a Transmission Policy Review stakeholder consultation. One of the discussion points for managing transmission costs is GUOC and whether the Transmission Regulation should “remove the charge of \$10,000/MW for upgrades, and the maximum charge of \$40,000/MW for new generation” and possibly enable the AESO to set the criteria. As such, the AESO should consider delaying its “Updated GUOC Rates Process” until the DOE process concludes – or alternatively consider scheduling more than one process.</p> <p>IPCAA assumes that the “implementation” for the 2023 ISO Tariff Rates Update scheduled for Q1 2023 means that rates will be updated for January 1, 2023. If this is not the case, please inform us.</p>
3.	Do you have any other suggestions or comments you would like to share with the AESO related to the <i>2022-2023 ISO Tariff-Related Initiatives Plan</i> ?	<p>Thank you for providing this schedule. If there are any changes to this schedule, it would be helpful if the AESO could post updates to its website.</p> <p>IPCAA recommends the AESO ensure there are adequate resources available to:</p> <ul style="list-style-type: none"> • Address any Commission directions arising from the AESO tariff proceeding; • Communicate any changes to Alberta consumers in a forum that is directed at establishing consumer understanding – and not dominated by generator issues; • Develop appropriate calculators, explanations and reference material to help customers understand the impacts of these tariff-related initiatives on their businesses and budgets.

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Request for Feedback on 2022-2023 ISO Tariff-Related Initiatives Plan



Period of Comment: May 10, 2022 through May 31, 2022	Contact: Horst Klinkenberg
Comments From: Suncor Energy Marketing Inc.	Phone: (403) 819 - 7125
Date: 2022/05/31	Email: horst.klinkenberg@suncor.com

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2.	Do you have suggested changes to the timing of initiatives in the 2022-2023 Plan schedule? If yes, please be specific to why you would like to see the timing changed and what the suggested timing should look like.	<i>Both GUOC and Ancillary Services are topics currently under review as part of the Transmission Regulation consultation. Both topics should have check-ins in the process before the Regulatory/Implementation step to ensure alignment with potential upcoming legislative changes.</i>
3.	Do you have any other suggestions or comments you would like to share with the AESO related to the 2022-2023 ISO Tariff-Related Initiatives Plan?	<i>From Suncor's perspective, the Bulk & Regional Tariff consultation was ultimately not very productive. While the current planning of tariff initiatives is helpful, ensuring those consultations are productive is equally important.</i>

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