Information Document
Demand Opportunity Service
ID #2025-003

Information documents are not authoritative. Information documents are for information purposes only and are intended to provide guidance. In the event of any discrepancy between an information document and any authoritative document[1] in effect, the authoritative document governs.

1 Purpose

This information document relates to the following authoritative documents in effect at the time that this information document was posted:

- Section 9 of the ISO tariff, *Demand Opportunity Service* ("Section 9 of the ISO Tariff");
- Rate DOS of the ISO tariff, *Demand Opportunity Service* ("Rate DOS");
- Section 5.2 of the ISO tariff, *Events Resulting in Adjustments to Construction Contributions and Contract Capacity* ("Section 5.2 of the ISO tariff");
- Section 5.3 of the ISO tariff, *Reductions or Terminations of Contract Capacity* ("Section 5.3 of the ISO tariff");
- Section 3.2 of the ISO tariff, *Applying for System Access Service or Change to an Existing System Access Service*;
- Section 103.1 of the ISO Rules, *Confidentiality;*
- Section 201.1 of the ISO Rules, *Pool Participant Registration*; and
- Section 203.1 of the ISO Rules, *Offers and Bids for Energy*.

The purpose of this information document is to provide guidance on applying for Demand Opportunity Service ("DOS" or "Rate DOS"). This document reflects Rate DOS as approved in Alberta Utilities Commission Decision 28989-D01-2024. If any changes are made to DOS in the future, this information document will be updated.

2 What is Demand Opportunity Service?

In Alberta, Demand Transmission Service ("DTS" or "Rate DTS") is the default rate for market participants receiving system access service. For market participants that qualify, DOS is a recallable non-firm service that offers market participants the opportunity to utilize additional electric energy, above and beyond their DTS. The incremental revenue generated by DOS offsets costs that would otherwise be paid by market participants taking service under DTS.

The AESO does not expand or enhance the transmission system to serve market participants on DOS. DOS is an "as available" service with no guarantee that there is, or will continue to be, capacity on the transmission system for market participants to access DOS capacity.

3 Eligibility for DOS

The commercial eligibility criteria for Rate DOS are set out in Section 9 of the ISO Tariff. Some of the key eligibility components are:

[1] "Authoritative document" is the general name given by the AESO to categories of documents made by the AESO under the authority of the *Electric Utilities Act* and associated regulations, and that contain binding legal requirements for either market participants or the AESO, or both. Authoritative documents include the ISO rules, the reliability standards, and the ISO tariff.

- the applicant is able to curtail their DOS capacity within 10 minutes of a dispatch or directive issued by the AESO;
- the applicant would not request system access service under any other applicable rate**;** and
- there is sufficient transmission capacity and suitable system operating conditions exist to accommodate incremental electrical energy at the location.

4 DOS Services

DOS Dispatchable and DOS Term are the two services offered by the ISO tariff. Both are dispatchable in the energy market:

(a) **DOS Dispatchable**: Is primarily used to pursue commercial opportunities that would not be economic under Rate DTS. DOS Dispatchable can provide considerable savings on a $/MWh basis compared to the cost of Rate DTS.

(b) **DOS Term**: Is primarily used by owners of generating facilities requiring additional energy for planned maintenance outages who would otherwise exceed their contracted DTS capacity and incur additional charges. DOS Term is considerably more expensive than the $/MWh cost of Rate DTS.

5 Qualifying for Demand Opportunity Service

To qualify for DOS, market participants begin by submitting a qualification application to the AESO. A rigorous application and review process is conducted by the AESO to determine if an applicant qualifies. This ensures that DTS revenue will not be eroded as a result of DOS qualification. The AESO verifies that the applicant would not have increased their metered demand under DTS, or any other applicable rate, before approving DOS.

5.1 Submitting Rate DOS Qualification Application Documents

To apply for Rate DOS, transmission-connected market participants submit the following documents:

If Rate DOS Type is DOS Dispatchable:

- Rate DOS Application Form
- Schedule A – Evidence of Eligibility; and
- Schedule B – Demand Characteristics.

If Rate DOS Type is DOS Term:

- Rate DOS Application Form; and
- Schedule A – Evidence of Eligibility.

If the DOS end-user[2] is connected to the distribution system, it is the Distribution Facility Owner (DFO) who applies for DOS and submits the Rate DOS application forms and fee. The AESO works with the DFO to ensure that the DFO and DOS end-user are both set up appropriately to take DOS.

The Rate DOS Application Form, as well as Schedules A and B, can be found on www.aeso.ca.

Information included in Rate DOS Qualification Application documents submitted to the AESO are treated in accordance with Section 103.1 of the ISO Rules, *Confidentiality*.

[2] A DOS end-user may be connected to the transmission system, or the distribution system. In the case of a distribution connected DOS end-user, the DFO is the party connected to the transmission system, so they are the ISO tariff market participant that requests and receives system access service.

5.2 Description of Rate DOS Qualification Application Documents

Rate DOS Application Form – Seeks general, commercial, and technical information and asks applicants to indicate whether DOS Dispatchable or DOS Term is requested. The form also includes a signed undertaking that commits the applicant to DOS obligations.

Schedule A - Evidence of Eligibility ("Schedule A") asks applicants to provide a site description as well as the information necessary for the AESO to verify Rate DOS eligibility in accordance with Section 9 of the ISO tariff.

Schedule B – Demand Characteristics ("Schedule B") is only applicable to DOS Dispatchable applications. It is an interactive workbook that allows applicants to input project information to determine if the use of additional electric energy under Rate DOS will increase total transmission system revenue.

5.3 Completeness Review and DOS Qualification Application Fee

The AESO performs an initial review of the submitted documents to assess if they contain sufficient information for the AESO to proceed with an evaluation. If the submitted documents are complete, the AESO will request payment of the $10,000 (plus GST) non-refundable Rate DOS application fee. Once payment is received, the AESO will begin a comprehensive evaluation of the application.

The AESO may contact the applicant if further information is needed.

5.4 Completing Schedule A – Evidence of Eligibility

Schedule A is used to demonstrate that the additional energy consumed under Rate DOS will be used for one of the following:

Replace an Alternative Source of Energy: Rate DOS replaces a costlier alternative energy source available to the market participant. Crucially, the alternative energy source would not be substituted under Rate DTS.

Market Opportunity: To take advantage of an opportunity that requires additional electric energy, where the cost of that additional energy under Rate DTS would render the opportunity uneconomic and the only other alternative would be to not pursue the opportunity.

Planned Generator Maintenance *(DOS Term only)*: To use additional energy for a scheduled maintenance[3] of a generating unit that normally provides energy to an industrial process on-site and who would reduce the demand from its industrial process rather than pay the cost of receiving additional electric energy under Rate DTS.

5.5 Completing Schedule B – Demand Characteristics

Schedule B is included with applications for DOS Dispatchable. Schedule B allows the AESO to assess a DOS Dispatchable application according to Section 9 of the ISO tariff. Schedule B is an interactive workbook where applicants input project information to assess whether the requested additional electric energy under Rate DOS would increase total transmission system revenue.

Schedule B has two calculation spreadsheet tabs. DOS applicants should use the spreadsheet tab relevant to their request.

[3] Rate DOS is not for stand-by use. The use of additional electric energy because of an unplanned outage or derate of an on-site generating unit is prohibited.

i) "No Rate DTS Reduction" Spreadsheet (Tab 1 of Schedule B)

If the DOS applicant is not reducing their Rate DTS contract amount, they should use the "**No Rate DTS Reduction**" spreadsheet. Applicants input proposed demand characteristics for two scenarios:

Scenario 1 - "Rate DTS Only": Allows the AESO to assess whether acquiring additional energy under Rate DTS would render the applicant's business opportunity uneconomic per Section 9 of the ISO tariff. Using billing determinants from the case, an Average Transmission Cost ($/MWh) is shown.

Scenario 2 - "With Rate DTS and Rate DOS – Dispatchable**"**: Models the transmission charge using the existing DTS contract capacity and the additional energy under Rate DOS. Using billing determinants from the case, an Average Transmission Cost ($/MWh) is shown.

ii) "With Rate DTS Reduction" Spreadsheet (Tab 2 of Schedule B)

The "With Rate DTS Reduction" spreadsheet in Tab 2 of Schedule B is for when the applicant requests a Rate DTS capacity reduction in combination with the Rate DOS addition. The AESO assess whether the applicant will pay more in total transmission charges if the Rate DOS application is approved, despite a proposed DTS reduction.

Applicants may input proposed demand characteristics for two scenarios:

Scenario 1 - "Rate DTS Only (Existing Demand Profile)": Using billing determinants resulting from the case, the Average Transmission Cost ($/MWh) is shown.

Scenario 2 - "With Rate DTS and Rate DOS – Dispatchable**"**: Using billing determinants resulting from the case, the Average Transmission Cost ($/MWh) is shown.

5.6 Reducing DTS Contract Capacity – SASR Submission

In addition to completing Schedule B, market participants applying to reduce their current Rate DTS contract capacity should complete a System Access Service Request ("SASR") to change their existing DTS contract. The SASR should indicate whether the market participant's request to reduce their current DTS contract capacity is contingent on Rate DOS approval.

Market participants should be aware that a Payment in Lieu of Notice (PILON) or a construction contribution adjustment may be applied when reducing an existing Rate DTS contract, as outlined in Section 5.2 and 5.3 of the ISO tariff.

6 Metering and Billing for Distribution Connected DOS

DOS is additional to DTS, so DOS charges are based on the metered energy through the same point of delivery for the market participant's DTS.

In the case of a DFO requesting DOS on behalf of a DOS end-user, the revenue meters needed for the DOS and the associated DTS transmission settlement should isolate the metered flows associated with the DOS end-user from the DFO's other customers/end-users. Rate DOS may not be available for all distribution-connected customers.[4] It is the responsibility of the DFO contracting Rate DOS on behalf of the end-user to determine how any charges incurred for DOS usage are billed.

[4] See AUC Decision 30423-D01-2026.

7 Assessment of the Qualification Application

The AESO may consider the following questions when reviewing the application:

1. Does the proposed use of DOS, as demonstrated in Schedule B, result in more incremental transmission revenue than would be generated from their contracted DTS amount alone?
2. Does the proposed use of DOS satisfy the commercial eligibility criteria, and has the market participant provided proof that it would not increase its DTS contract capacity if DOS were unavailable?
3. Is the information provided to support the market participant's eligibility reasonable (e.g., do the demand characteristics match existing consumption patterns)?
4. Has the applicant demonstrated that they would be able to respond to a dispatch or directive within the specified recall time?
5. Does the transmission system have adequate capacity for the requested volume of DOS? Are there any voltage, overload or limiting considerations that would preclude the use of DOS?

8 AESO Decision on the Rate DOS Qualification Application

Within 90 days of receipt of the required application fee, the AESO will advise the market participant if they have qualified for Rate DOS**.**

If the Rate DOS application is denied, the AESO will provide an explanation.

If the Rate DOS application is approved, the qualification will be valid for five years from the date of the approval.

DOS end-users that want to continue under Rate DOS after the five-year qualification term should submit a new qualification application at least 90 days before the end of the existing term to avoid a lapse in service.

9 Post Approval Steps to Access Rate DOS

DOS users should be aware that there are a number of AESO Authoritative Documents that are applicable when taking service under Rate DOS. After receiving approval, several additional steps are necessary to access the rate. These include:

Register as a Pool Participant: DOS end-users are expected to register as pool participants and submit bids into the Energy Trading System (ETS) in accordance with the ISO rules. Bids into the energy market are visible in the merit order, which includes price and volumes. Bid information could appear in reports published by the AESO or the Market Surveillance Administrator. More information on becoming a Pool Participant can be found on the AESO website and in Information Document #2010-002R: *Becoming a Pool Participant*.

Establish or Map SCADA Connections: DOS end-users are asked to submit a Single Line Drawing with their facilities identified for the purposes of establishing or mapping existing SCADA connections. Compliance with Section 9 of the ISO tariff, as well as the ISO rules is monitored through SCADA. Applicants should be aware that it can take up to 100 days to establish, map, and test SCADA connections.

Register for ADaMS: AESO dispatches and directives are communicated through the Automated Dispatch and Messaging System (ADaMS), an online platform. ADaMS is also used to communicate relevant real-time market and system information. Market participants and/or DOS end-users are expected to register for ADaMS in order to receive instructions from AESO system controllers. More information on ADaMS can be found in the ADaMS Participant Manual.

10 DOS Audits and Disqualification

Market participants are reminded that they are expected to notify the AESO of any material financial, operational and/or technical change in the information contained in their DOS Application, Schedule A or Schedule B.

The AESO has an audit process to verify a market participant's eligibility for Rate DOS as outlined in Section 9 of the ISO tariff. Market participants may be charged for the cost of the audit.

If a market participant is deemed to be not compliant with the Rate DOS qualification and eligibility requirements, they will be disqualified and the Rate DOS contract will be terminated.

All metered energy delivered to the market participant will be billed under Rate DTS as of the effective date of the Rate DOS disqualification. Additionally, the AESO may recover retroactive amounts for the period during which the market participant did not qualify for, but was billed under, Rate DOS.

11 References

To access the rates and billing practices for DOS, see the Tariff on the AESO website: www.aeso.ca > Rules, Standards and Tariff > Tariff. The DOS Application Form, Schedule A and Schedule B are also available on the Tariff page of the AESO website.

Revision History

Posting Date	Description of Changes
2026-03-24	Initial release.