

Development of Proposed New Waivers and Variances ISO Rule

Stakeholder Consultation Session

February 4, 2019

Fire safety: AESO building evacuation procedures

Calgary Place

Slow alarm:

- Stand by
- Listen to announcements

Fast alarm:

- Evacuate to muster point

Muster point:

- Courtyard at 5th Ave Place

BP Centre

Slow alarm:

- Stand by
- Listen to announcements

Fast alarm:

- Evacuate to muster point

Muster point *South*:

- Courtyard at 5th Ave Place

Muster point *West*:

- Courtyard by Chinese Cultural Center

SCC

When alarm sounds:

- Proceed to Guard House
- Wait for further instruction
(From your fire captain or fire department)



- One speaker at a time – avoid side discussions
- Speak clearly and use the microphone
- Webinar attendees – please submit questions or comments using the question button
- Presentation approach – present each section followed by a discussion

Agenda

Time	Item
9:00 – 9:45	Consultation overview and proposed scope of waivers and variances rule
9:45 – 10:30	Grounds for applying and criteria for approval of waivers and variances
10:30 – 10:45	Coffee break
10:45 – 11:30	Waiver and variance submission information, process considerations and content
11:30 – 12:00	Wrap up and next steps

- Consultation will be completed in accordance with AUC Rule 017 *Procedures and Process for Development of ISO Rules and Filing of ISO Rules with the Alberta Utilities Commission* (Rule 017)
- ✓ Form a consultation group
- **Collect feedback on the need for a rule, rule content and appropriate next steps for rule development**
- AESO determines whether there is a need to develop a rule
- Rule language drafted
- Written comment process
- Application to the AUC

Expectations of Participants

- Actively participate – this is your session to provide feedback
- Your positions aren't binding, but provide your input in good faith so we can work together to address the issues
- Engage in respectful and meaningful dialogue

- Session is recorded and will be used to assist in preparation of meeting minutes
- Meeting minutes will be circulated for review and ultimately posted to AESO.CA
- Company names will be incorporated where applicable

Questions or Comments



Division 502 – Technical Requirements

- Section 502.1 *Wind Aggregated Generating Facilities Technical Requirements*
- Section 502.2 *Bulk Transmission Technical Requirements*
- Section 502.3 *Interconnected Electric System Protection Requirements*
- Section 502.4 *Automated Dispatch and Messaging System and Voice Communication System Requirements*
- Section 502.5 *Generating Unit Technical Requirements*
- Section 502.6 *Generating Unit Operating Requirements*

Division 502 – Technical Requirements

- Section 502.8 *SCADA Technical and Operating Requirements*
- Section 502.9 *Synchrophasor Measurement Unit Technical Requirements*
- Section 502.13 *Battery Energy Storage Facility Technical Requirements*
- Section 502.14 *Battery Energy Storage Facility Operating Requirements*
- Section 502.15 *Reporting Facility Modelling Data*
- Section 502.16 *Aggregated Generating Facilities Operating Requirements*

Include proposed new Division 502 rules as approved, for example:

- Section 502.7 *Load Facility Technical Requirements*
- Section 502.10 *Revenue Metering Technical Requirements*
- Section 502.11 *Substation Technical and Operating Requirements*
- Section 502.17 *Voice Communication System Requirements*

Include technical requirements of:

- Section 304.3, Wind and Solar Power Ramp Up Management
- Section 304.9, Wind and Solar Aggregated Generating Facility Forecasting

- Over 90% of waiver and variance requests for ISO rules pertain to these technical requirements
 - AESO has concrete experience with requests to leverage in creating a new rule
- Manageable scope of consultation material
 - Similar considerations for technical matters
 - Limited number of issues to consider
- Timely Consultation and Implementation if rule is developed

Feedback on Scope of Proposed Waivers and Variances Rule?



Examples of Grounds for Applying for a Waiver or Variance

- General Model
 - grounds must not be frivolous or of little merit
- Detailed Model
 - Compliance with the requirement:
 - is not technically possible or is precluded by technical limitations
 - is operationally infeasible or could adversely affect reliability of the Alberta interconnected electric system to an extent that outweighs the reliability benefits
 - while technically possible and operationally feasible, cannot be achieved by the required compliance date

Examples of Grounds for Applying for a Waiver or Variance

Compliance with the requirement (cont.):

- would pose safety risks or issues that outweigh the reliability benefits of compliance with the requirement
- would conflict with a separate statutory or regulatory requirement that is applicable and cannot be waived or exempt
- would require the incurrence of costs that far exceed the benefits to the reliability of the Alberta interconnected electric system

Examples of Waiver and Variance Approval Criteria

- Technical, economic, safety, operational and reliability requirements of the interconnected electric system
- Material impacts on the: fair, efficient and openly competitive operation of the electricity market
- No detrimental effect on system reliability; and requirements would create severe hardship or unnecessary costs to an existing market participant

Examples of Waiver and Variance Approval Criteria

- Appropriate mitigation measures available to recover from any impacts to the reliability of the system
- A mitigation plan that achieves a level of reliability of the interconnected electric system comparable to or higher than compliance with the requirement
- Satisfactory remediation plan to achieve compliance

Feedback on Grounds for Applying for and Criteria for Approving a Waiver or Variance?



Examples of Information Required in a Waiver or Variance Request

- Confidentiality of the request
- Proposed effective dates with rationale
- Reasons for requesting a waiver or variance
- Impacts on fair, efficient and openly competitive operation of the electricity market

Examples of Information Required in a Waiver or Variance Request

- Impacts on the interconnected electric system
- Cost impacts if a waiver or variance is approved or denied
- Description of the facility
- Documented mitigation plan
- Documented remediation plan

- Submission of a Request to the AESO with required information
- Need for confidential processes and security of records
- Need for additional information (IR process)
- Clear and relevant criteria that will be considered in each case
- Formal AESO answer with rationale

- Timely process
- Compliance considerations
- Notice for changes to the facts or circumstances
- Amendments and revocations of a waiver or variance
- Transfers of a waiver or variance to new facility owner

Waiver or Variance Content

- Terms and conditions
- Effective and expiry dates
- Mitigation or remediation plans
- Milestone completion dates
- Reporting requirements to the AESO

Feedback on Variance or Waiver Request Information, Process Considerations and Content of a Waiver or Variance?



- Determine whether additional workgroup sessions are required
- AESO to determine whether development of a rule is necessary
- Develop a draft rule and complete written consultation
- Target completion of consultation by the end of Q1 2019

Thank You