



## **Alberta Electric System Operator**

### **Request for Deferral of Payment of 2020 Interim Refundable Demand Transmission Service Charges**

**April 27, 2020**

**Alberta Utilities Commission**

Decision 25508-D01-2020

Alberta Electric System Operator

Request for Deferral of Payment of 2020 Interim Refundable Demand Transmission

Service Charges

Proceeding 25508

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## 1 Background

1. On March 18, 2020, the Government of Alberta announced that “Albertans who are experiencing financial hardship directly related to the COVID-19 pandemic can work with their utility company to defer electricity and natural gas bills until June 19, 2020 without any late fees or added interest payments.” This payment deferral option applies to residential, farm and small commercial electricity consumers with sites that consume less than 250,000 kilowatt hours of electricity per year and to residential, farm and small commercial natural gas consumers with sites that consume less than 2,500 gigajoules per year (Eligible Retail Consumers). The program is known as the Utility Payment Deferral Program.<sup>1</sup>

2. The structure of the electricity industry in Alberta is comprised of several parties, each of whom has a role to fulfill in the delivery of electricity services to Albertans. The roles are separated functionally and can be briefly summarized as follows:

- **Alberta Electric System Operator (AESO):** The AESO is the transmission planner and, among other things, is responsible for the operation of the electric transmission grid (Alberta Interconnected Electric System (AIES)). In this role, it charges, in accordance with its Alberta Utilities Commission-approved tariff, the distribution facilities owners (DFOs) and transmission-connected market participants that have an exemption under Section 101(2) of the *Electric Utilities Act* or are legal owners of industrial systems designated by the Commission, the costs of receiving transmission services. This is known as the demand transmission service (DTS) charge or Rate DTS.
- **Transmission Facilities Owners (TFOs):** These utilities are responsible for owning and operating the transmission voltage wires and related transmission facilities that are used to deliver electricity from generators to the DFOs over the AIES. Their costs are charged to the AESO through a tariff approved by the Commission.
- **Distribution Facility Owners (DFOs):** These utilities are responsible for owning and operating the distribution voltage wires and related distribution facilities that are used to deliver electricity to Albertans at their homes, farms and businesses. They are responsible for, among other things, the payment of the transmission wire costs (i.e., Rate DTS) to the AESO. The DFOs, in turn, charge customers for both the DTS charge and their own distribution wires costs. Distribution tariffs compensate DFOs for their wire costs and other costs are approved by the Commission.
- **Retail Electricity Service Providers (competitive electricity retailers or regulated rate option providers):** These are the companies that, among other things, are responsible for billing services and are the direct contacts with Alberta consumers, farms

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<sup>1</sup> <https://www.alberta.ca/utility-payment-deferral.aspx>.

and small commercial businesses. As part of the services they provide, they collect from their customers the transmission wires costs (DTS charges) and the distribution wires costs and pay the DFOs for these charges.

3. Consequently, when an Alberta consumer elects to defer the payment of its electricity bill further to the Utility Payment Deferral Program, each of the parties with a role in the delivery of electricity services to Albertans is affected.

4. On April 15, 2020, the Commission received an application from the AESO requesting approval to permit the deferral of the recovery of Rate DTS charges from DFOs that would otherwise apply, as approved by the Commission in Decision 25175-D01-2020<sup>2</sup> through two proposed deferral programs: (1) Retail Consumers Deferral Program and (2) Transmission-Connected Deferral Program.

5. Decision 25175-D01-2020 approved, on an interim and refundable basis, 2020 Independent System Operator (ISO) tariff rates, to be effective on April 1, 2020. Decision 25175-D01-2020 approved the AESO request for interim and refundable approval of 2020 ISO tariff rates in order to minimize amounts to be recovered or refunded through its Rider C Deferral Account Adjustment Rider, to reduce deferral account balances, and to potentially reduce amounts transferred between market participants<sup>3</sup> in future deferral account reconciliations.<sup>4</sup>

6. The AESO's April 15, 2020, application reflected direction received by the AESO from the Associate Minister of Energy as part of the Government of Alberta's efforts to address financial hardships affecting Albertans as a consequence of the COVID-19 pandemic.<sup>5</sup>

7. The Commission issued a filing announcement of the application on April 16, 2020.<sup>6</sup> In addition, the AESO also filed a letter<sup>7</sup> dated April 16, 2020, on the record of Proceeding 25175<sup>8</sup> that advised interested parties participating in that proceeding that an application for approval to implement payment deferral programs regarding Rate DTS charges had been filed.

8. In response to the filing announcement, the Commission received statements of intent to participate from the Industrial Power Consumers Association of Alberta (IPCAA),<sup>9</sup> the Alberta Direct Connect Consumers Association (ADC),<sup>10</sup> AltaLink Management Ltd.<sup>11</sup> and

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<sup>2</sup> Decision 25175-D01-2020: Alberta Electric System Operator, 2020 ISO Tariff Update – Interim, Proceeding 25175, February 28, 2020.

<sup>3</sup> Electricity market participants are defined in section 1(p.2) of the *Electric Utilities Act* as (i) any person that supplies, generates, transmits, distributes, trades, exchanges, purchases or sells electricity, electric energy, electricity services or ancillary services, or (ii) any broker, brokerage or forward exchange that trades or facilitates the trading of electricity, electric energy, electricity services or ancillary services.

<sup>4</sup> Proceeding 25175, Exhibit 25175-X0002.01, paragraph 8.

<sup>5</sup> Exhibit 25508-X0006.

<sup>6</sup> Exhibit 25508-X0004.

<sup>7</sup> Proceeding 25175, Exhibit 25175-X0063.

<sup>8</sup> Proceeding 25175 pertains to an application filed by the AESO on January 31, 2020, to approve the AESO's application in respect of its 2018 ISO tariff compliance filing and its 2020 ISO tariff update application.

<sup>9</sup> Exhibit 25508-X0009.

<sup>10</sup> Exhibit 25508-X0011.

<sup>11</sup> Exhibit 25508-X0012.

FortisAlberta Inc.<sup>12</sup> IPCCCA and ADC supported the AESO's application but noted that some or all of their members would be ineligible and recommended that the DFOs work with the AESO to enable their eligibility. This request is outside the scope of this application and has not been considered further by the Commission.

9. On April 21, 2020, the AESO filed an amendment to its application. In the amendment, the AESO revised the provisions of its Retail Consumers Deferral Program to define the ISO tariff billing charges included within the program, and to revise the period of time for which the program would initially operate. References to the AESO's application in this decision refer to the application as amended on April 21, 2020.<sup>13</sup>

## **2 Relief requested by the AESO**

10. The AESO has proposed two distinct programs to temporarily facilitate the deferral of the collection of certain charges determined in accordance with Rate DTS in the ISO tariff.

### **2.1 Retail Consumers Deferral Program**

11. The first program, referred to as the Retail Consumers Deferral Program, would permit each DFO and the City of Medicine Hat (collectively DFOs) to defer payment of the following ISO tariff charges billed to a DFO as a result of Eligible Retail Consumers during the 90-day period of the Utility Payment Deferral Program, from March 18, 2020, until June 19, 2020 (Retail Consumers Deferral Period or RC Deferral Period), and any extension (Extended Transmission-Connected Deferral Period), if such charges are not paid by a Retail Electricity Service Provider to the DFO:

- (a) Charges determined under Rate DTS in respect of the transmission of electric energy consumed by Eligible Retail Consumers; and
- (b) Charges applied pursuant to Rider C, Deferral Account Adjustment Factor, of the ISO tariff (Rider C), and Rider F, Balancing Pool Consumer Allocation Rider, of the ISO tariff (Rider F).<sup>14</sup>

12. As a result of the Utility Payment Deferral Program and the flow-through of the Rate DTS, Rider C and Rider F charges from a DFO to Retail Electricity Service Providers, payment by Eligible Retail Consumers of the transmission-related charge portion of their electricity utility provider's invoice would be deferred for the duration of the RC Deferral Period, following the conclusion of the RC Deferral Period or any Extended RC Deferral Period.<sup>15</sup>

13. The AESO requested that the Commission grant the following specific relief prior to May 1, 2020, in support of its proposed Retail Consumers Deferral Program:

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<sup>12</sup> Exhibit 25508-X0007.

<sup>13</sup> Exhibit 25508-X0003.01, Application for Approval to Permit Payment Deferral of Charges Under Interim 2020 Tariff Rates.

<sup>14</sup> Subsections 8(3) and 8(4) of Rate DTS in the ISO tariff require the AESO to apply Rider C and Rider F to system access service provided under Rate DTS.

<sup>15</sup> Exhibit 25508-X0003.01, paragraphs 7 and 8.

- (a) That, concerning Rate DTS system access service obtained by a DFO during the Retail Consumers Deferral Period from March 18, 2020, until June 19, 2020, the AESO be authorized to permit a DFO to defer payment of its charges determined by the AESO under Rate DTS in respect of the transmission of electric energy distributed by a DFO to Eligible Retail Consumers and charges applied pursuant to Rider C and Rider F, and in respect of which a DFO is not paid by a Retail Electricity Service Provider.
- (b) That, in the event that the Government of Alberta requests the AESO to extend the Retail Consumers Deferral Period, the AESO may continue to permit payment deferrals for the Extended Retail Consumers Deferral Period, requested by the Government of Alberta, provided that, prior to doing so, the AESO shall inform the Commission in writing.
- (c) That the AESO be authorized to establish and accrue in a deferral account for each DFO the amount of deferred payments under the Retail Consumers Deferral Program and associated carrying costs, based on the actual borrowing rate incurred by the AESO, being a cost-based interest charge applied to the deferral amount and calculated monthly.
- (d) That following the conclusion of the Retail Consumers Deferral Program and any Extended Retail Consumers Deferral Period, the AESO be authorized to recover the amount of deferred payments and associated carrying costs based on the actual borrowing rate incurred by the AESO, being a cost-based interest charge applied to the deferral amount and calculated monthly, in a manner consistent with the implementation plan that is finalized by the Government of Alberta regarding the Retail Consumers Deferral Program.
- (e) In the event that the AESO is unable to recover from a DFO the entire balance of its deferral account, the AESO may apply to the Commission for approval to recover the remaining balance of the deferral account under such regulatory options available to the AESO as it considers appropriate at the time.

## 2.2 Transmission-Connected Deferral Program

14. The AESO indicated that its proposed Transmission-Connected Deferral Program would apply to:

- (a) persons who have entered into an arrangement directly with the AESO for the provision of system access service under subsection 101(2) of the *Electric Utilities Act*;
- (b) the legal owners of industrial systems that have been designated as such by the Commission; and
- (c) the City of Medicine Hat.

(collectively, Transmission-Connected Market Participants)

15. The AESO proposed that under the Transmission-Connected Deferral Program, Transmission Market-Connected Participants would be able to defer payment of any increase in their charge determined by the AESO from Rate DTS in place prior to April 1, 2020, to the interim Rate DTS approved in Decision 25175-D01-2020 or any final Rate DTS approved in an

AESO tariff decision during the period April 1, 2020, to June 30, 2020 (Transmission-Connected Deferral Period) or during the period of any extension to the Transmission-Connected Deferral Period (Extended Transmission-Connected Deferral Period).

16. The AESO requested approval of the following relief prior to May 1, 2020, in support of its proposed Transmission-Connected Deferral Program:

- (a) That, concerning Rate DTS system access service obtained by a Transmission-Connected Market Participant during the Transmission-Connected Deferral Period from April 1, 2020, to June 30, 2020, the AESO be authorized to permit Transmission-Connected Market Participants to defer payment of any increase in their charge from Rate DTS in place prior to April 1, 2020, to the interim Rate DTS approved in Decision 25175-D01-2020 or any final Rate DTS approved in an AESO tariff decision during the period April 1, 2020, to June 30, 2020 (Transmission-Connected Deferral Period) or during the period of any extension to the Transmission-Connected Deferral Period (Extended Transmission-Connected Deferral Period).
- (b) That, in the event that the Government of Alberta requests the AESO to extend the Transmission-Connected Deferral Period, the AESO be authorized to continue to permit payment deferrals during the Extended Transmission-Connected Deferral Period requested by the Government of Alberta provided that, prior to doing so, the AESO shall inform the Commission in writing.
- (c) That the AESO be authorized to accrue in a deferral account the amount of deferred payments under the Transmission-Connected Deferral Program and associated carrying costs, based on the actual borrowing rate incurred by the AESO, being a cost-based interest charge to be applied to the deferral amount and calculated monthly.
- (d) That the AESO be authorized to, over a period of three months following the conclusion of the Transmission-Connected Deferral Period or following the conclusion of any Extended Transmission-Connected Deferral Period, and over a period of months equal to the total number of months for which the payment of incremental Rate DTS charges are deferred, collect from Transmission-Connected Market Participants whose payment of incremental Rate DTS charges is deferred, the amount accrued in the deferral account for their deferred payments and associated carrying costs, based on the actual borrowing rate incurred by the AESO, being a cost-based interest charge to be applied to the deferral amount and calculated monthly.
- (e) That, commencing in the month (settlement period) following the conclusion of the Transmission-Connected Deferral Period or any Extended Transmission-Connected Deferral Period:
  - (i) the AESO be authorized to include in its statement of account (statement) for each applicable Transmission-Connected Market Participant the amount of the deferred payment and associated carrying cost for the AESO's April 2020 settlement period; and
  - (ii) that the AESO be authorized to continue to include in each subsequent monthly statement the amount of the deferred payment and carrying cost for each

remaining month in the Transmission-Connected Deferral Period and any Extended Transmission-Connected Deferral Period until the deferral account balance is nil.

17. The AESO requested that the Commission authorize the above-noted relief requested in relation to its proposed Transmission-Connected Deferral Program on or before May 1, 2020.

18. In respect of both its proposed Retail Consumers Deferral Program and its proposed Transmission-Connected Deferral Program, the AESO requested that the Commission approve the orders requested in the application without giving notice, and without holding a hearing pursuant to subsection 9(1) of the *Alberta Utilities Commission Act*.

19. In addition, pursuant to subsection 8(5)(d) of the *Alberta Utilities Commission Act*, the AESO requested that the Commission grant such partial, further or other relief that the Commission considers to be just and proper in the circumstances, as if such partial, further or other relief has been applied for.

### **3 Commission findings**

#### **3.1 Discretion to issue a decision without notice or hearing**

20. In its request, the AESO argued that in the current circumstances it is appropriate and reasonable for the Commission to grant the orders requested by the AESO without notice or a regulatory process in order to enable the AESO to implement the requested relief as soon as practicable.

21. Notwithstanding, it advised that it has nevertheless informed market participants of this application by way of a posting to the AESO's website and in the AESO's stakeholder newsletter.

22. Section 9 of the *Alberta Utilities Commission Act* permits the Commission to make an order or decision without giving notice or holding a hearing provided that its decision does not directly and adversely affect the rights of a person. Section 9(2) states:

- (2) If it appears to the Commission that its decision or order on an application may directly and adversely affect the rights of a person, the Commission shall
- (a) give notice of the application in accordance with the Commission rules,
  - (b) give the person a reasonable opportunity of learning the facts bearing on the application as presented to the Commission by the applicant and other parties to the application, and
  - (c) hold a hearing.

23. The meaning of the key phrase "directly and adversely affect" has been considered by the Alberta Court of Appeal on multiple occasions, and the legal principles set out by the court guide the Commission when it applies Section 9. A two-part analysis is conducted. The first test is legal: a person must demonstrate that the right being asserted is recognized by law. This could include property rights, constitutional rights or other legally recognized rights, claims or interests. The second test is factual: a person must provide enough information to show that the

Commission's decision on the application may "directly and adversely affect" the person's right, claim or interest.

24. The Commission assesses the potential for a "direct and adverse effect" on a case-by-case basis. The relief requested by the AESO in this application is intended to enable the AESO to suspend the collection of all or a portion of DTS charges. In the circumstances and at this time, the Commission finds that those parties who would have otherwise been required to pay these DTS charges under the AESO tariff are not adversely affected by the suspension of the requirement to pay. In addition, the Commission considers, in the circumstances and at this time, that no other party will be directly and adversely affected by granting the requested relief. Consequently, the Commission has the authority to issue this decision without providing a hearing.

25. Notwithstanding this finding, the Commission has nonetheless issued a filing announcement and provided notice to parties registered in Proceeding 25175 of this application. As well, although no formal process was established, Commission staff heard brief oral submissions from the AESO and the DFOs on April 20, 2020, regarding the application and the AESO's amended application reflects these submissions. In the current circumstances, the Commission has taken appropriate steps to provide an opportunity for submissions while recognizing the need to provide a timely decision.

### **3.2 Authority to grant relief**

26. Pursuant to Section 30 of the *Electric Utilities Act*, the AESO must charge rates sufficient to recover, among other things, the amounts to be paid under its approved tariff. Further, pursuant to Section 31 of the *Electric Utilities Act*, a market participant who obtains system access service must pay the AESO the rates prescribed in the approved ISO tariff and comply with the terms and conditions of that tariff. Consequently, the AESO cannot, unilaterally, amend the provisions of its Commission-approved ISO tariff nor can market participants fail to comply with their tariff obligations notwithstanding the government's direction to the AESO to address financial hardships affecting Albertans as a consequence of the COVID-19 pandemic.

27. Section 8(2) of the *Alberta Utilities Commission Act* grants the Commission broad authority in the exercise of its powers as follows:

(2) The Commission, in the exercise of its powers and the performance of its duties and functions under this Act or any other enactment, may act on its own initiative or motion and do all things that are necessary for or incidental to the exercise of its powers and the performance of its duties and functions.

28. Further, Section 23(1) of the *Alberta Utilities Commission Act* grants the Commission general power to, among other things, order any person:

- (a) to do any act, matter or thing, forthwith or within or at a specified time and in any manner directed by the Commission, that the person is or may be required to do under this Act or any other enactment or pursuant to any decision, order or rule of the Commission,
- (b) to cease doing any act, matter or thing, forthwith or within or at a specified time, that is in contravention of this Act or any other enactment or any decision, order or rule of the Commission.

29. As part of its legislative duties, the Commission is required to approve the ISO tariff pursuant to Section 124 of the *Electric Utilities Act*. Further, pursuant to Section 47 of the *Transmission Regulation*, when approving an ISO tariff, the Commission must ensure that

- (i) the just and reasonable costs of the transmission system are wholly charged to DFOs, customers who are industrial systems and persons who have made an arrangement under section 101(2) of the Act, and exporters, to the extent required by the ISO tariff, and
- (ii) the amount payable by a DFO is recoverable in the DFO's tariff.

30. Because it has this authority, the Commission finds that its mandate is sufficiently broad to confer jurisdiction to grant the AESO's requested relief if the Commission determines that doing so is within the public interest.

### **3.3 Public interest to grant relief**

31. As discussed above, given the complex electricity industry structure, a substantive change to the functioning of one element necessarily has a domino effect on the other entities who are charged with a role in the delivery and billing of electricity to Albertans. Although the AESO's proposal will lead to an increase in tracking and reporting activity for certain affected market participants, the Commission considers that this activity will be manageable and will not result in a significant cost burden given the information regularly provided in tariff bill files. Further, in the event that DFOs incur additional costs to facilitate the relief proposed, namely, that the AESO carry the costs of the DTS charges of the electricity bills of Eligible Retail Consumers who have opted to defer payment of their electricity bills pursuant to the Utility Payment Deferral Program, these DFOs may apply to the Commission for recovery of their tracking and reporting costs as a Y factor adjustment.

32. In the circumstances and at this time, the Commission finds that under the Retail Consumers Deferral Program, the disposition of the AESO's carrying costs and any shortfall experienced by the AESO will be determined by the Commission pursuant to the Government of Alberta's policy determination with respect to the recovery of those costs.

33. In the circumstances and at this time, the Commission finds that the Transmission-Connected Deferral Program will not result in the transfer of costs from one consumer group to another because the deferred amounts and the costs of deferral incurred by the AESO will be recovered from the same customer groups who benefited from the bill deferral.

34. Moreover, the proposed deferral programs are conceptually aligned with the Utility Payment Deferral Program and have been brought forward in response to the direction of the Alberta Department of Energy as part of the Government of Alberta's efforts to address financial hardships affecting Albertans as a consequence of the COVID-19 pandemic.

35. In recognition of the unique and urgent circumstances presented, the Commission has considered the application on the understanding that the AESO has been directed by the Associate Minister of Energy, as part of the Government of Alberta's efforts to address financial hardships affecting Albertans as a consequence of the COVID-19 pandemic, to be the party responsible for payment of the DTS, Rider C and Rider F charges that are not paid by a Retail Electricity Service Provider to a DFO and to limit payment deferral for Transmission-Connected Market Participants to the amount of Rate DTS charge increases. This decision is intended to

grant to the AESO the necessary approval to enable the AESO to fulfill this function notwithstanding the current provisions set out in the ISO tariff.

36. For these reasons, the Commission considers it to be in the public interest to approve the establishment of the two proposed deferral programs. The mechanics to facilitate the relief approved in this decision under these two proposed deferral programs are to be managed by the AESO, working with the affected market participants and the Commission.

### **3.4 Process for recovery of deferred payments by the AESO**

37. The AESO will be required to collect the DTS, Rider C and Rider F charges that are not paid by a Retail Electricity Service Provider to a DFO and the deferred portion of the Rate DTS charges of Transmission-Connected Market Participants at some future point. In accordance with this requirement, the AESO is hereby authorized to create any deferral accounts that may be required as part of the implementation of the relief requested in the application.

38. The AESO has authority to recover these revenue shortfalls through a rate rider or riders to its ISO tariff. Any proposal to collect amounts that may be accrued to the above-noted deferral accounts as a consequence of this decision and to be recovered through a rate rider shall be set out in an application from the AESO to be filed for approval by the Commission.

## **4 Order**

39. It is hereby ordered that, in respect of the Alberta Electric System Operator's proposed Retail Consumers Deferral Program, and to grant to the Alberta Electric System Operator the necessary approval to enable the Alberta Electric System Operator to fulfill the direction given to it by the Associate Minister of Energy:

- (1) Concerning Rate DTS system access service obtained by a DFO during the Retail Consumers Deferral Period, March 18, 2020, to June 19, 2020, the Alberta Electric System Operator is authorized to defer the collection of the demand transmission service charges determined by the Alberta Electric System Operator under Rate DTS in respect of the transmission of electric energy distributed by a DFO to Eligible Retail Consumers and the charges applied pursuant to Rider C and Rider F, and in respect of which a DFO is not paid by a Retail Service Provider (Retail Consumers Deferred Amounts).
- (2) In the event that the Government of Alberta so requests, the Alberta Electric System Operator is authorized to extend the Retail Consumers Deferral Period for any Extended Retail Consumers Deferral Period requested by the Government of Alberta. In such event, the Alberta Electric System Operator shall inform the Commission in writing.
- (3) The Alberta Electric System Operator is authorized to establish deferral accounts for each DFO within which the Retail Consumers Deferred Amounts and associated carrying costs are to be accrued. It is further ordered that any associated carrying costs applied by the Alberta Electric System Operator reflect a cost-based interest charge to be calculated monthly and added to the Retail Consumers Deferred Amounts set out in each established deferral account.

- (4) The Alberta Electric System Operator is authorized to recover the Retail Consumers Deferred Amounts and associated carrying costs, based on the actual borrowing rate incurred by the Alberta Electric System Operator, being a cost-based interest charge to be applied to the deferral amount and calculated monthly, in a manner consistent with the implementation plan that is finalized by the Government of Alberta regarding the Retail Consumers Deferral Program.
- (5) In the event that the Alberta Electric System Operator is unable to recover the entire balance of any of the Retail Consumers Deferred Amounts, the Alberta Electric System Operator may apply to the Commission for approval to recover the remaining balance and to approve the mechanism for recovery.
- (6) Any DFO that incurs additional costs to facilitate the relief proposed may apply to the Commission for recovery of their tracking and reporting costs as a Y factor adjustment.

40. In respect of the Alberta Electric System Operator's proposed Transmission-Connected Deferral Program, it is hereby ordered that:

- (1) The Alberta Electric System Operator is authorized to permit Transmission-Connected Market Participants to defer payment of any increase between the demand transmission service rate in place prior to April 1, 2020, and the interim demand transmission service rate approved in Decision 25175-D01-2020 or any final demand transmission service rate approved in an Alberta Electric System Operator tariff decision during the period April 1, 2020, to June 30, 2020, (Transmission-Connected Deferral Period) and during the period of any extension to the Transmission-Connected Deferral Period (Transmission-Connected Deferral Amounts).
- (2) In the event that the Government of Alberta so requests, the Alberta Electric System Operator is authorized to extend the Transmission-Connected Deferral Period for such extended period. In such event, the Alberta Electric System Operator shall inform the Commission in writing.
- (3) The Alberta Electric System Operator is authorized to accrue in a deferral account the Transmission-Connected Deferral Amounts and associated carrying costs, based on the actual borrowing rate incurred by the Alberta Electric System Operator, being a cost-based interest charge to be applied to the deferral amount and calculated monthly.
- (4) The Alberta Electric System Operator is authorized to, over a period of three months following the conclusion of the Transmission-Connected Deferral Period or following the conclusion of any Extended Transmission-Connected Deferral Period and over a period of months equal to the total number of months for which the payment of incremental Rate DTS charges are deferred, collect from Transmission-Connected Market Participants whose payment of incremental rate demand transmission service charges are deferred, the amount accrued in the deferral account for their deferred payments and carrying costs.

- (5) Commencing in the month following the conclusion of the Transmission-Connected Deferral Period or any Extended Transmission-Connected Deferral Period, and unless further directed or prescribed by the Government of Alberta, the Alberta Electric System Operator is authorized to:
- (i) include in its statement of account (statement) for each applicable Transmission-Connected Market Participant the amount of the deferred payment and associated carrying cost for the April 2020 settlement period, and
  - (ii) continue to include in each subsequent monthly statement the amount of the deferred payment and carrying cost for each remaining month in the Transmission-Connected Deferral Period and any Extended Transmission-Connected Deferral Period until the deferral account balance is nil.

Dated on April 27, 2020.

**Alberta Utilities Commission**

*(original signed by)*

Mark Kolesar  
Chair

## Appendix 1 – Proceeding participants

<b>Name of organization (abbreviation) Company name of counsel or representative</b>
Alberta Electric System Operator (AESO)
Industrial Power Consumers Association of Alberta (IPCAA)
Alberta Direct Consumers Association (ADC)
FortisAlberta Inc.
AltaLink Management Ltd.

Alberta Utilities Commission
Commission panel M. Kolesar, Chair
Commission staff C. Wall (Commission counsel) D. Larder, QC (Commission counsel) H. Grenz F. Tiberi J. Halls