

Stakeholder Comment Matrix – Sept. 24, 2020

Bulk and Regional Tariff Design Session 2



Period of Comment: Sept. 24, 2020 through Oct. 8, 2020	Contact: Colette Chekerda
Comments From: Alberta Direct Connect “ADC”	Phone: 780-920-9399
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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 tariffdesign@aeso.ca by **Oct. 8, 2020**.

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

	Questions	Stakeholder Comments
1.	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?	The ADC found the session valuable. Presenting the Option A and B as bookends was alarming to our members. The ADC feels that the session could have been more helpful with more comprehensive information that included potential designs for a standby tariff or interruptible tariff.
2.	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.	The ADC believes that the engagement approach could work, but the AESO needs to be cognizant that different consumer groups as well as the TFO's have strong opinions on how the tariff redesign should go, and they won't be aligned. It will be up to the AESO to take a long term approach that is best for Alberta's economy and employment. If 65 customer's see a 100% plus increase for the benefit of a 4% decrease for the masses, we need to ask if that is the right decision if it means accelerated grid defections and loss of employment.
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>The ADC does not support the AESO perspective that the status quo is not a reasonable outcome.</p> <p>The CP method has been in place since 2006 and has resulted in a flexible and responsive grid. The sites with on-site generation that use the grid for standby and those with interruptible loads have not required firm service and have behaved consistently during this period. The ADC went through great lengths in 2010 to lobby against Bill 50. Members stated clearly that the proposed CTI infrastructure would be unaffordable to the energy intensive trade exposed loads. The current 12 CP rate design has actually helped keep these customers connected to the grid and located in Alberta. In the absence of this tariff design, members will have no choice but to further reduce their reliance on the grid or shift production to other jurisdictions. This will have the unintended consequence of not only losing their tens of millions of contribution to the revenue requirement, it could also mean businesses can no longer remain competitive in the province. In this case, it could mean significant job losses and reduced economic activity and local tax base for many Alberta communities.</p>

	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>The ADC does not believe that Bookend A is a reasonable option and it should be rejected outright. Bookend B if based on the DTS peak instead of regional, and targeted peak hours in the winter and summer, not just one hour each weekday could have potential. Cash flow is also a concern, so the ADC suggests that CP performance in the current year could establish charges in the following year.</p> <p>This rate design would be more similar to bulk system recovery in other jurisdictions. The ADC had previously submitted a study by BAI on this.</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 comment</p>
6.	<p>Additional comments</p>	<p>The ADC is very concerned about the timing of the process. With COVID, scarce resources and limited information to work with, the ADC suggests adding 6 months or longer to the process. Key considerations for timing should include resolution of the self supply and export issue as well as the review of the transmission regulation. A review and updating of the regulation could in fact change the requirements of who could be allocated costs.</p>

Thank you for your input. Please email your comments to: tariffdesign@aesoc.ca.