

# Stakeholder Proposal Evaluation – May 4, 2020

Participant-Related Costs for DFOs (Substation Fraction) and DFO Cost Flow-Through Technical Session 2A



<b>Period of Comment:</b> May 4, 2020 through May 20, 2020	<b>Contact:</b> [REDACTED]
<b>Comments From:</b> AltaLink	<b>Phone:</b> [REDACTED]
<b>Date:</b> [2020/05/20]	<b>Email:</b> [REDACTED]

## Document purpose

The purpose of this document is to provide a structured and consistent guide to workshop participants to evaluate each of the proposals.

## Instructions

1. Please fill out the section above as indicated.
2. Please complete an evaluation on each of the proposals using the tables below (Tables 2-7). Please provide your reason(s) as to why you think the proposal does/does not meet each of the evaluation criteria.
3. Once you have completed an evaluation on each of the proposals, please choose your preferred proposal with an explanation as to why in Table 1: Overall evaluation.
4. **Please submit one completed evaluation per organization.**
5. Email your completed evaluation to [tariffdesign@aeso.ca](mailto:tariffdesign@aeso.ca) by **May 20, 2020**.

**Table 1: Overall evaluation**

Questions	Stakeholder Evaluation
<p>1. Which proposal did you prefer? Please explain why.</p>	<p>The Commission, in its decision concerning the ISO's 2018 Tariff Application (Decision 22942-D02-2019 paragraphs 740-750) found that both distribution and transmission connected generation benefit from the services provided by the transmission system and the grid as a whole and those that use the grid should pay their fair share for the value of the grid through appropriate tariff mechanisms.</p> <p>Principle #2, established as part of the AESO's stakeholder engagement process, aligns with the Commission's findings in the ISO's 2018 Tariff decision. AltaLink supports the Commission's finding in its decision in that those that use the grid should pay their fair share for the value of the grid through appropriate tariff mechanisms. Therefore, AltaLink supports stakeholder proposals that align with the Commission's decision as well as the principles developed by the AESO and stakeholders as part of this process. FortisAlberta Inc., the DCG Consortium, and Urica have provided reasonable proposals that will contribute to paying a fair share for the benefits of being connected to the grid.</p> <p>During Urica's presentation they mentioned that parity amongst transmission and generation connected generators needs to be looked at holistically, not just for connection costs. AltaLink agrees with Urica's statement as parity for connection costs is only one area that requires review to ensure there is a level playing field among both transmission and distributed connected generators. However, AltaLink does not believe a holistic review should be part of this AESO stakeholder process.</p>
<p>2. What are the challenges or unresolved questions with your preferred proposal?</p>	<p>1. One of the principles established by the AESO and stakeholders in this process is parity for interconnection costs amongst transmission connected generation and distribution connected generation. It is AltaLink's understanding that there have been some projects in the past where generators have paid a shared amount to connect to an existing transmission facility. AltaLink would like the AESO to confirm or not confirm this in order to</p>

Questions	Stakeholder Evaluation
	<p>determine if there is already parity between the transmission and distribution generators for interconnection costs.</p> <ol style="list-style-type: none"> <li>2. AltaLink would like to clarify if the proposals would also be applied to transmission connected dual-use customers at a DFO contracted POD (example: FortisAlberta Rate 65 customer).</li> <li>3. AltaLink understood that the grandfathering proposal made by the DCG Consortium would not result in retroactive ratemaking as any STS substation fraction amounts, as a result of a DCG connection, invoiced to date have been held in abeyance, and as a result no payments have been received. Confirmation of this by the DFOs would provide greater clarity.</li> </ol>
<p>3. What aspects from the other proposals would you like to see applied to your preferred proposal?</p>	<p>Nothing at this time.</p>
<p>4. Additional comments</p>	<p>AltaLink did not provide further comments for each proposal given its comments provided in Questions #1 and #2.</p>

**Table 2: Evaluation of Proposal: Canadian Solar Solutions Inc.**

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	
3. Is the proposal feasible?	
4. Which stakeholders are best served by this proposal? Why?	
5. Which stakeholders are least served by this proposal? Why?	
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	
<p>7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of “Ease of understanding and implementation (simplicity)”? This additional principle was added based on stakeholder feedback.</p> <p>If not, are you supportive of the principles that are used in the development of the proposal?</p>	
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	
9. Additional comments	



**Table 3: Evaluation of Proposal: DCG Consortium**

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	
3. Is the proposal feasible?	
4. Which stakeholders are best served by this proposal? Why?	
5. Which stakeholders are least served by this proposal? Why?	
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	
<p>7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of “Ease of understanding and implementation (simplicity)”? This additional principle was added based on stakeholder feedback.</p> <p>If not, are you supportive of the principles that are used in the development of the proposal?</p>	
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	
9. Additional comments	



**Table 4: Evaluation of Proposal: FortisAlberta Inc.**

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	
3. Is the proposal feasible?	
4. Which stakeholders are best served by this proposal? Why?	
5. Which stakeholders are least served by this proposal? Why?	
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	
<p>7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of “Ease of understanding and implementation (simplicity)”? This additional principle was added based on stakeholder feedback.</p> <p>If not, are you supportive of the principles that are used in the development of the proposal?</p>	
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	
9. Additional comments	





**Table 5: Evaluation of Proposal: Lionstooth Energy**

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	
3. Is the proposal feasible?	
4. Which stakeholders are best served by this proposal? Why?	
5. Which stakeholders are least served by this proposal? Why?	
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	
<p>7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of “Ease of understanding and implementation (simplicity)”? This additional principle was added based on stakeholder feedback.</p> <p>If not, are you supportive of the principles that are used in the development of the proposal?</p>	
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	
9. Additional comments	



**Table 6: Evaluation of Proposal: Solarkrafte**

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	
3. Is the proposal feasible?	
4. Which stakeholders are best served by this proposal? Why?	
5. Which stakeholders are least served by this proposal? Why?	
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	
<p>7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of “Ease of understanding and implementation (simplicity)”? This additional principle was added based on stakeholder feedback.</p> <p>If not, are you supportive of the principles that are used in the development of the proposal?</p>	
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	
9. Additional comments	



**Table 7: Evaluation of Proposal: URICA**

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	
3. Is the proposal feasible?	
4. Which stakeholders are best served by this proposal? Why?	
5. Which stakeholders are least served by this proposal? Why?	
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	
<p>7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of “Ease of understanding and implementation (simplicity)”? This additional principle was added based on stakeholder feedback.</p> <p>If not, are you supportive of the principles that are used in the development of the proposal?</p>	
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	
9. Additional comments	



## Appendix A

Principle	Description
<b>Overarching</b>	Tariff design and implementation facilitates a fair, efficient and openly competitive market (FEOC) <ul style="list-style-type: none"> <li>• Fosters competition and encourages new market entry</li> <li>• Efficiency</li> <li>• Avoidance of undue discrimination</li> <li>• Fairness</li> </ul>
<b>Principle 1</b>	Parity between transmission interconnection costs calculation for transmission connected customers and distribution connected customers while enabling effective price signals to ensure optimal use of existing distribution and transmission facilities <ul style="list-style-type: none"> <li>• Fairness</li> <li>• Effective price signals</li> </ul>
<b>Principle 2</b>	Market participants should be responsible for an appropriate share of the costs of transmission facilities that are required to provide them with access to the transmission system (may include paying a contribution towards facilities paid for by other customers and refund to the customer that paid) <ul style="list-style-type: none"> <li>• Fairness</li> <li>• Cost Causation</li> </ul>
<b>Principle 3</b>	DCG participants should have cost certainty when making their final investment decision (FID) <ul style="list-style-type: none"> <li>• Certainty of future costs</li> <li>• Stability</li> </ul>
<b>Principle 4</b>	DFOs should be provided with reasonable certainty re: cost treatment/recovery <ul style="list-style-type: none"> <li>• Certainty of future costs</li> <li>• Stability</li> </ul>
<b>Principle 5 (added)</b>	Ease of understanding and implementation <ul style="list-style-type: none"> <li>• Simplicity</li> <li>• Stability</li> </ul>



