

Stakeholder Comment Matrix – March 28, 2019



Draft Proposed New ISO rule “Waivers and Variance Rule”

Period of Comment: March 28, 2019 through April 12, 2019
Comments From: AltaLink
Date [yyyy/mm/dd]: 2019/04/12

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Further to the next steps identified at the Stakeholder Session held on February 4, 2019, the ISO is requesting feedback on the items below. Please place your comments/reasons for position underneath (if any).

Item #		Stakeholder comments
1	Applicability Whether you agree that a <i>Waiver and Variance Rule</i> should be applicable to electricity market participants and the ISO, and why or why not.	Agree. AltaLink believes a Rule would be beneficial to standardize the process and requirements for seeking Variances on ISO Rules.
2	Scope Whether you agree that a request for a waiver or variance should be available for the Division 502 – Technical Requirements, Section 304.3, <i>Wind and Solar Power Ramp Up Management</i> and Section 304.9, <i>Wind and Solar Aggregated Generating Facility Forecasting</i> , and why or why not.	Agree. AltaLink supports the ability to request waivers or variances, especially on Division 502 Rules, where appropriate.

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3	<p><i>Grounds for requesting a waiver or variance</i></p> <p>Whether you agree that the grounds for requesting a waiver or variance should include one or more of the following circumstances where compliance with the requirements of the subject ISO rule:</p> <ul style="list-style-type: none"> (a) is not technically possible or is precluded by technical limitations; (b) is operationally infeasible; (c) cannot be achieved by the required compliance date regardless of good faith efforts by the market participant; (d) would pose safety risks or safety issues; (e) would conflict with a separate statutory or regulatory requirement that is applicable and cannot be waived or exempted; and (f) would require the incurrence of significant unnecessary costs or severe economic hardship. <p>Which grounds and why or why not?</p>	<p>Agree. AltaLink believes all six circumstances are reasonable and should be included. In particular, AltaLink has experience with instances where a requirement is not technically possible, would pose safety risks and would require the incurrence of significant unnecessary costs.</p>

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4	<p>Criteria for evaluating a request</p> <p>Whether you agree that the criteria the AESO should use to evaluate requests for a waiver or variance should include one or more of the following:</p> <ul style="list-style-type: none"> (a) technical feasibility; (b) operational feasibility and burden; (c) safety; (d) economics (including significant unnecessary costs to the applicant, or unfair costs to other market participants); (e) material impacts on a fair, efficient, openly competitive market; (f) whether appropriate mitigation measures, mitigation plans, or remediation plans can be or are put in place; (g) reliability of the Alberta interconnected electric system; and (h) public interest. <p>Which criteria and why or why not?</p>	<p>Agree with a modification. AltaLink asks that criteria (d), economics, be modified to also include 'unfair or unnecessary costs to the ratepayer of Alberta'. AltaLink also requests information on how the AESO would assess public interest.</p>

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5	<p>Submission of information</p> <p>Whether you agree that the applicant must:</p> <ul style="list-style-type: none"> (a) make a request for a waiver or variance to the AESO in writing; (b) use the form the AESO specifies (which will require the submission of all relevant information – e.g. facility details, the relevant ISO rules and requirements, the grounds for the request and information that will allow the AESO to effectively assess the request based on the criteria for granting a request); and (c) respond to requests from the AESO for additional information, studies or analysis; <p>and why or why not.</p>	<p>Agree with a modification. AltaLink supports the requirement for a standardized process for requesting waivers and variances but asks that the submission may also include the date a decision is required by the Market Participant.</p>
6	<p>Evaluation process</p> <p>Whether you agree that the process for waivers and variances should be:</p> <ul style="list-style-type: none"> (a) submission of a written request; (b) acknowledgement of receipt; (c) information requests, as necessary, and applicant responses; (d) updates on progress; (e) written decision; and (f) if denied, reasons/rationale; <p>and why or why not.</p>	<p>Agree with a modification. AltaLink supports the development of a standardized evaluation process but asks that the process include a defined and reasonable timeline for the entire process.</p>

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7	<p>Content of a waiver or variance</p> <p>Whether you agree that the content of an approved waiver or variance must include an effective date and any of the following as applicable:</p> <ul style="list-style-type: none"> (a) conditions; (b) expiry date; (c) milestones for mitigation or remediation plans; and (d) reporting requirements; <p>and why or why not.</p>	<p>Agree with a modification. AltaLink supports the development of a standardized approval process and template but asks that that the process includes the ability/steps for the proponent to question any of the conditions, expiry date, mitigations or reporting requirements that are prescribed if they also meet the evaluating criteria set out in Item #4.</p>
8	<p>Ongoing Management</p> <p>Whether you agree that the following should apply to the ongoing management of granted waivers and variances:</p> <ul style="list-style-type: none"> (a) the applicant must notify the AESO of a material change to the facts or circumstances underlying the approval of the waiver or variance; (b) the AESO may amend or revoke a waiver or variance with at least 30 days' notice if there is a material change to the facts or circumstances underlying the approval of the variance; and (c) waivers and variances may be transferred to a new legal owner; <p>and why or why not.</p>	<p>Agree to (a), (c) provided the new legal owner accepts the same conditions in the waiver/variance. Agree with modifications to (b). AltaLink requests that a criteria and/or process be implemented to allow the applicant to question/challenge why the waiver or variance to be revoked.</p>

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9	<p>Confidentiality of requests and decisions</p> <p>Whether you agree that requests for a waiver or variance, and any resulting decision should remain confidential, subject to Section 103.1 of the ISO rules, <i>Confidentiality</i>, and why or why not.</p>	<p>Agree. AltaLink believes that requests and decisions associated with waivers or variances to the ISO Rules should be subject to the confidentiality practices already in place.</p>
10	<p><i>Treatment of waivers and variances language in current ISO rules</i></p> <p>Which of the following 3 options you support, if any, for dealing with the waivers and variances language in current ISO rules, why or why not, or suggestions for alternative options.</p> <p><i>Issue:</i></p> <p>Various waivers and variances language is currently found in the majority of Division 502 ISO rules, including:</p> <p>“2(2) The functional specification referred to in subsection 2(1) must be generally consistent with the provisions of this section 502.X, but may contain material variances approved of by the ISO based upon its discrete analysis of any one or more of the technical, economic, safety, operational and reliability requirements of the interconnected electric system related to the specific facility project.”</p> <p><i>Options:</i></p> <p>The AESO is of the opinion that there are 3 main options for dealing with this language.</p> <ol style="list-style-type: none"> 1. Leave the current language in the ISO rules. As long as there is no conflict, duplication is not problematic. 2. Amend the ISO rules over time. As long as there is no conflict, duplication is not problematic. However, for the sake of clarity and consistency, when the subject ISO rules are open under other future 	<p>AltaLink considers Option 2 to be the most reasonable for updating the language of the ISO Rules.</p>

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	<p>development initiatives, the AESO would propose the removal of the duplicate provisions.</p> <p>3. Amend in conjunction with the proposed new ISO rule and propose the deletion of the duplicate provisions. While duplication is not problematic, for the sake of clarity and consistency, the AESO would propose to delete the waivers and variances language in the Division 502 ISO rules at the same time as making the application for approval of the proposed Waivers and Variances Rule.</p>	
11	<p>Other</p> <p>Please provide any other feedback or suggestions you have on the proposed Waiver and Variance Rule.</p>	

Information Document - The AESO intends to develop an information document to accompany the proposed Waiver and Variance Rule. At a minimum, the AESO suggests that such an information document would contain a template submission form, contact information, and examples of the eligible grounds and criteria. Please provide your views on the type of content that should be included in an information document associated with the proposed Waiver and Variance Rule.

AltaLink asks that the information document be written in a way that provides suggestions and examples of possible eligible grounds and criteria, but that it not be written in a way to limit the wording of the Rule.