

Date: Thursday, May 28, 2020

Time: 1:00 to 3:00 p.m.

Location: Virtual

Attendees:

Company	Member
AESO	Mike Law
AESO	Pauline McLean
AltaLink Management Ltd.	Scott Thon
Canadian Utilities Limited (ATCO Ltd.)	George Lidgett
Capital Power	Brian Vaasjo
ENMAX Power Corporation	Gianna Manes
EPCOR	Stuart Lee
FortisAlberta Inc.	Michael Mosher
Greengate Power Corporation	Dan Balaban
Heartland Generation	Robert Dutton
Suncor Energy Inc.	Kristopher Smith
TransAlta Corporation	Kerry O'Reilly

Summary

The following summary provides key themes and discussion highlights from the CEO Industry Roundtable. All pre-read material and the meeting agenda are available on the AESO's website.

Discussion highlights

Members agreed that the cost and competitiveness conversation is critical right now to support Alberta's economic recovery and that the Roundtable discussion needs to be structured around high-level industry goals and principles that consider costs, pricing of wires (transmission and distribution) and policy.

An important component of cost management, according to Roundtable members, is that the tariff design and coincident peak are addressed together with a more appropriate shaping of costs that reduces the upfront impact of new infrastructure and smooths it over time.

Concerns were raised that there is growing industry confusion with respect to the roles that the AESO, the Alberta Utilities Commission and the Department of Energy are playing in the distribution space and that clarifying accountability and alignment across the three entities is important to address.

Members supported the Roundtable initiative as a constructive forum to enable conversation on longer-term strategic priorities for Alberta's electricity industry and an opportunity to build common understanding and alignment in some key areas impacting the electricity value chain.

AESO 2019-2023 Strategic Plan

The AESO provided an overview of our current strategic plan and recent review with the AESO Board focused on shifts in priorities due to COVID-19 and low oil price impacts. The AESO refocused on three main priorities: cost management across the industry value chain; facilitating business in province; and creating a simpler and more agile approach to our own business processes.

Members agreed in principle with the AESO's high-level focus areas and emphasis on cost management.

Delivered Cost of Electricity Report

The AESO's *Delivered Cost of Electricity Report* reviews the historic and current delivered cost of electricity in Alberta, including variable and fixed costs. It provides a comprehensive analysis of the cost of electricity delivered to a range of Alberta customers, the components that make up those costs and the cost of alternatives currently available. The report was discussed at the roundtable and is published on our website.

Feedback on the report itself was positive in the analysis and visibility it provides on the cost of delivered electricity to various consumer types and the questions it raises for further industry discussion such as: Alberta's competitiveness and ability to facilitate business; sustainability of these delivered costs given the current environment and what if anything needs to be changed. There was general alignment that costs need to be kept down and agreement there are various approaches and constructs depending on what the market is driving to achieve. Members generally agreed this is a longer-term discussion to gain alignment on the desired end state, key challenges for industry to collaborate on and prioritization of addressing those challenges.

Next Steps

The AESO will assess feedback from the Roundtables and determine the most valuable topic and timing for the next meeting. The AESO also plans to provide greater visibility into our cost management initiatives as raised in the meeting.