

Stakeholder Comment Matrix – June 25, 2020

Participant-Related Costs for DFOs (Substation Fraction) and DFO Cost Flow-Through
Technical Session 3



Period of Comment: June 25, 2020 through July 17, 2020	Contact: [REDACTED]
Comments From: Peters Energy Solutions Inc.	Phone: [REDACTED]
Date: 2020/07/17	Email: [REDACTED]

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 **July 17, 2020**.

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

	Questions	Stakeholder Comments
1.	Please comment on Technical Session 3 hosted on June 25, 2020. Was the session valuable? Was there something the AESO could have done to make the session more helpful?	Yes, the session was valuable. The task of allowing all voices in a zoom format cannot be easy... but the moderator's efforts to keep things upbeat when there was clearly dissent was a little bit "soft hands" given the stakes. This is a hugely impactful issue and we see an opportunity for a slightly more assertive tone from the AESO. We are not saying that is an easy balance to strike – but fully surfacing and addressing the tough issues can make the next steps more likely to be successful.
2.	Please comment on your level of support for the AESO's revised proposal and the level to which AESO's revised proposal supports the principles (as developed through this stakeholder engagement). Please be as specific as possible.	<p>We are very supportive of the AESO's revised proposal, finding it very consistent with the principles. Where the AESO expressed "Principles 1 and 2 partially achieved:" we would counter and say that Principle 2's basis on an "appropriate share" based on "fairness" always had a high risk of subjectivity.</p> <p>We also applaud the courage of the AESO to reflect and re-examine and update its thinking and position on this matter. Recognising the specificity of the SSF formula and the unintended evolution into a larger problem, and then acknowledging that less intervention will more closely align with the principles, clearly took some big picture thinking. The easier path looked a lot like a "negotiated settlement" to appease but would have violated the real principles of cost causation.</p>
3.	Please comment on any outstanding risks or issues you see with the AESO's revised proposal. Please be as specific as possible.	The greatest risk is continuing uncertainty. The possibility that the DFO tariffs will attempt to allocate this cost moves the problem from one tariff into four tariffs, and not expediently. This leaves potential investors waiting for the other shoe to drop at a time when Alberta needs project investment and, though slightly less urgently, needs generation build to fill the gap of upcoming retirement.
4.	Please provide any further comments you may have on next steps regarding regulatory process and implementation. Please be as specific as possible.	The conclusion of the AESO that SF=1 makes sense based on principles must be emphasised to the AUC, and the rationale of "the ISO tariff isn't the place for this" should play a secondary role in discussing this outcome. This process has done real, hard analysis work and critics of the conclusion may dismiss it as "buck-passing" which would be an unjust assessment.
5.	Additional comments	

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