

<b>Period of Comment:</b> February 25, 2021 through March 18, 2021	<b>Contact:</b> Mark Thompson
<b>Comments From:</b> TransCanada Energy Ltd. (TCE)	<b>Phone:</b> 403-589-7193
<b>Date:</b> 2021/03/18	<b>Email:</b> markj_thompson@tcenergy.com

Instructions:

1. Please fill out the section above as indicated.
2. Please respond to the questions below and provide your specific comments (if any). Blank boxes will be interpreted as favourable comments.

**The AESO is seeking comments from Stakeholders on proposed amendments to the Financial Settlement Rules with regard to the following matters:**

	Development of a Proposed ISO Rule	Stakeholder Comments and/or Alternate Proposal
1.	Do you agree or disagree that the issue identified in the letter of notice requires the proposed amendments to the Financial Settlement Rules? Please comment.	<p>TCE supports the government of Alberta’s red-tape reduction initiative and the work the AESO is doing to reduce regulatory requirements. TCE submits that the intent of this initiative is to improve the efficiency of the electricity market, which is best achieved by reducing the regulatory requirements facing market participants. Reducing the AESO’s regulatory requirements should be the secondary focus of the initiative as this is less likely to provide significant efficiency benefits.</p> <p>TCE does not support the removal of requirements on the basis that they have become “standard business activities” even if they are transferred to an information document. Transferring such requirements to an information document opens the door for the AESO to subsequently amend or remove the requirement without consultation or Alberta Utility Commission (“Commission”) oversight. Moreover, TCE questions whether transferring requirements from a Rule to an information document, particularly when market participants rely upon such requirements, are consistent with the intent of the red-tape reduction initiative.</p> <p>However, TCE does support the removal or streamlining of requirements that are redundant or obsolete.</p>
2.	Do you agree or disagree with the potential purpose of the proposed amendments to the Financial Settlement Rules? Please comment.	<p>For the reasons expressed in #1 above, TCE submits that some of the proposed amendments do not meaningfully reduce or streamline regulatory requirements (see #4 below for more detail). This may be achieved for those proposed amendments that remove redundant or obsolete requirements. Enabling electronic funds transfer is welcome and is likely to improve efficiencies.</p> <p>The AESO states that it has proposed amendments that will “clarify the interest calculation”. Yet, in the proposed subsections 15(2) and 18(7), it appears that the AESO is introducing a new interest charge and a new mechanism to withhold payment. TCE requests that the AESO confirm that these proposed changes are new rather than clarifications. If not confirmed, please explain how these are clarifications.</p>
3.	Do you agree or disagree with the proposed consultation and timelines? Please comment.	The proposed consultation and timeline seems reasonable. Depending upon the AESO’s response to TCE’s request in #2 above more consultation may be needed for participants to understand the AESO’s need for a new interest charge and mechanism to withhold payment.

4.	Do you agree or disagree with the proposed amendments to the Financial Settlement Rules? Please comment.	<p><u>ISO Rule 103.4, Power Pool Financial Settlement</u></p> <ol style="list-style-type: none"> <li>1. For the reasons expressed in #1 above, TCE does not support the removal of references to the preliminary power pool statements or ISO Reporting of Import and Export Transactions as this information is required by market participants and any changes to these requirements ought to require consultation and Commission oversight. This includes the proposed removal of subsections 13(1) – (4) and subsection 18. However, there is an opportunity to streamline subsection 18 by removing those sections referencing dates in 2011 as they are now obsolete.</li> <li>2. It appears that the requirements in subsection 17 may be redundant with those contained within subsection 9.6.2.4.1 of Commission Rule 021. If this is the case, TCE would support the removal of this subsection. If not, TCE submits that this subsection should remain.</li> <li>3. TCE supports a streamlined dispute resolution process. However, as currently proposed, it is not clear whether the dispute process is separate and distinct from the process set out in Rule 103.2. For example, it is not clear whether a written dispute pursuant to subsection 23 of Rule 103.4 is to be submitted in accordance with subsection 3 of Rule 103.2. Further, if a financial settlement dispute is to follow the Rule 103.2 process, it is not clear how parties are to “make reasonable efforts to resolve a written dispute” as this is not contemplated within the Rule 103.2 process. TCE recommends that the AESO transfer the financial settlement dispute process from Rule 103.4 to Rule 103.2, Dispute Resolution as it may assist in removing repetitive requirements and provide clarification to the issues identified above. To the extent that there are differences between a general written dispute and a financial settlement dispute, these could be made explicit in Rule 103.2.</li> <li>4. As stated in #2 and #3 above, TCE needs further information from the AESO to better understand whether the proposed changes to the interest and payment withholding provisions are clarifications and if not, why the change is needed. Nevertheless, with regard to the proposed subsection 18(7), TCE submits that any payments withheld should be limited to the error in the metering data.</li> <li>5. As stated above, TCE supports the AESO's proposed change to enable payments via electronic funds transfer.</li> </ol> <p><u>ISO Rule 103.6, ISO Fees and Charges</u></p> <p>As a market participant, having access to an up-to-date, schedule of fees and charges is necessary. As such, TCE does not support the removal of this requirement.</p>
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		<p>However, TCE does not see a need for the requirements to specify which fees must be published provided all of the fees and charges are published. As such, TCE recommends that suggests that the AESO remove specific references to fees and simply state in subsection 2 that it must post a schedule of all current ISO fees and charges on the AESO website.</p> <p>TCE further supports the removal of subsections 4(2) and 4(4) provided they are provided in an information document.</p>
5.	Do you have any additional comments?	TCE has no additional comments at this time.