

In this document, you can find details of the transitional election provisions which were proposed in the Amended 2018 ISO Tariff Compliance Filing. Throughout this document, the tariff approved by the Alberta Utilities Commission on November 30, 2020 will be referred to as the "Proposed Tariff", and can be found [here](#). The tariff that is currently in effect will be referred to as the "Current Tariff", and can be found [here](#).

Overview

Eligible projects may elect to comply with the provisions in the Proposed Tariff regarding execution of the system access service (SAS) agreement and payment of the generating unit owner's contribution (GUOC) (Provisions). Eligible projects that do not elect to comply with the Provisions in the Proposed Tariff will be automatically grandfathered under the applicable provisions of the Current Tariff and are not required to take any action. See subsection 3.8 of the Proposed Tariff for more details.

This is a transitional, temporary process which allows eligible projects the opportunity to elect to comply with the Provisions of the Proposed Tariff and therefore meet the AESO's project inclusion criteria earlier. The project inclusion criteria will be detailed in an update to [ID 2018-018T Provision of System Access Service and the AESO Connection Process](#), which will be posted prior to the effective date of the Proposed Tariff.

Eligibility

The following projects are eligible to elect to comply with the Provisions of the Proposed Tariff:

- Connection projects in Stage 4 or 5 prior to the effective date of the Proposed Tariff; and
- Behind the Fence (BTF) projects in Stage 5 with power plant approval prior to the effective date of the Proposed Tariff.

A project is not eligible if GUOC has already been paid. Load projects are not eligible.

Process

1. Election

Once the Proposed Tariff becomes effective on January 1, 2021, to elect to comply with the Provisions of the Proposed Tariff, the following must be completed by no later than 11:59 pm Mountain Time on January 15, 2021 (Election Period):

- The market participant submits a completed [Election Form](#) to customer.connections@aesoh.ca.
The information provided on the Election Form should match the latest approved information the AESO has on file for the project. If changes to the project information is required, a Change Proposal is expected to be submitted a minimum of three weeks prior to the start of the Election Period to allow the AESO sufficient time to review the Change Proposal.
- The generation facility owner (GFO) provides evidence satisfactory to the AESO that the GFO has sufficient funds available to pay the GUOC.
For the purpose of this requirement, the AESO will accept financial security that meets the requirements of section 103.3 of the ISO rules, [Financial Security Requirements](#). As described in subsection 8(1), the financial security must be a letter of credit, a cash collateral deposit, or a third-party written guarantee.

To ensure the above can be completed by the required deadline, the AESO recommends that the GFO completes the following steps **prior** to the effective date of the Proposed Tariff:

- Request a GUOC assessment from the AESO Project Manager which will be based on the maximum capability (MC) of the generator and the rates set out in section 7.3(1) of the Proposed Tariff; and
- Initiate discussions with the AESO regarding the options, timing, and process for providing financial security by contacting Chun Seto, Credit Risk Analyst at:

Phone: **403-539-2900**

Email: chun.seto@aeso.ca

2. Assessment

After the Election Period has concluded, the AESO will conduct a technical assessment of all the projects which completed section 1 above using the information provided on the Election Forms. The AESO's assessment will determine the project or combination of projects which allow the greatest amount of maximum authorized real power (MARP) to connect in an area without causing N-0 violations (the AESO's Assessment Criteria). The AESO will consider system transmission projects that can facilitate the addition of more generation in a region. In the event that two or more combinations of projects of identical total MARP meet the AESO's Assessment Criteria, the AESO will select projects based on the order in which the projects entered Stage 5.

Following completion of the AESO's technical assessment, those projects that satisfy the AESO's Assessment Criteria will be notified and deemed to have satisfied the AESO's project inclusion criteria. Those projects which do not satisfy the AESO's Assessment Criteria will be notified and automatically grandfathered, and therefore will be required to execute the SAS agreement and pay GUOC in accordance with the Current Tariff.

3. System Access Service (SAS) Agreement

For those projects which satisfy the AESO's Assessment Criteria, the AESO will prepare and send the SAS agreement to the market participant for execution. The market participant will have until the 90th day following the effective date of the Proposed Tariff to sign the SAS agreement.

For Connection projects in Stage 4, the SAS agreement is effective upon issuance of permit and license (P&L). For all other projects, the SAS agreement is effective upon signing.

4. Generating Unit Owner's Contribution (GUOC)

The GUOC payment is due 30 days after the SAS agreement is effective. Upon payment, the financial security will be returned to the GFO.

Frequently Asked Questions

Can I see the AESO's technical assessment?

The AESO's studies are confidential and cannot be evaluated by external parties.

Can I see which projects elected to comply with the Provisions of the Proposed Tariff?

The list of projects which elect will remain confidential.

What happens if my project doesn't satisfy the AESO's Assessment Criteria?

The project will be required to comply with the applicable provisions of the Current Tariff and the financial security will be returned to the GFO. The AESO will work with the market participant to determine next steps.

What if I can't provide my GUOC evidence during the Election Period?

The election will be denied and the project will be required to comply with the applicable provisions of the Current Tariff.

What happens if my power plant approval is being amended with the AUC when the Proposed Tariff becomes effective?

The project is eligible to elect provided that a power plant approval has previously been granted by the AUC and is only being amended.

What happens if the market participant and GFO are different parties?

Both the market participant and the GFO are required to sign the Election Form. The market participant will sign the SAS agreement, and the GFO will provide the GUOC evidence and pay the GUOC.