Tariff Modernization Survey Results Summary

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Introduction

The Alberta Electric System Operator (AESO) initiated the Tariff Modernization project to identify ways to improve the overall structure, content and presentation of the ISO tariff and related materials to make them more accessible to users, and to identify possible improvements to the ISO tariff application and regulatory processes.

The objective of the survey was to gather insights from stakeholders that have experience working with the ISO tariff, or participating in a past ISO tariff regulatory process.
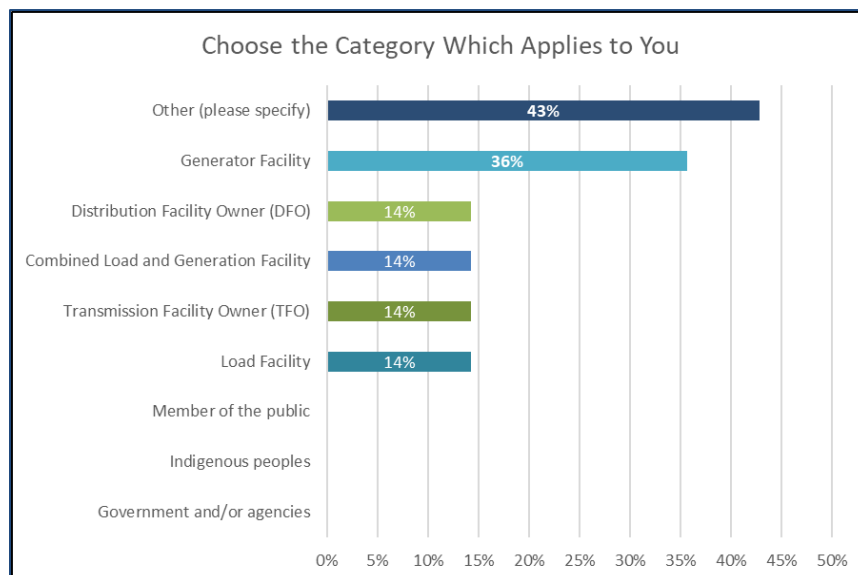
Summary of stakeholder feedback

On Dec. 10, 2020 the AESO posted a survey on www.aeso.ca requesting that stakeholders provide feedback on how the current ISO tariff could be modernized. All responses were required to be submitted by Jan. 15, 2021. All sensitive information collected will be kept confidential, and to that end we are providing a summary of what we heard.

We thank all those that took the time to provide insightful, thoughtful, and instructive comments. It is greatly appreciated and will be considered in guiding our ISO tariff modernization approach moving forward.

Respondents

A total of 14 respondents completed some or all of the online survey.

Representation included:

Choose the Category Which Applies to You

Category	Percentage
Other (please specify)	43%
Generator Facility	36%
Distribution Facility Owner (DFO)	14%
Combined Load and Generation Facility	14%
Transmission Facility Owner (TFO)	14%
Load Facility	14%
Member of the public	
Indigenous peoples	
Government and/or agencies	

(Answered: 14, Skipped: 0)

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The "Other" category contains responses from parties who self-identified as the following:

- Consultant (x2)
- Industry Association (x2)
- Load Association
- Customer Association
- Distribution Connected Generator

Please note, throughout the summary report, some results may add up to more than one hundred per cent due to rounding errors and a stakeholder's ability to make multiple selections on some questions. Additionally, stakeholder responses, where anonymity allowed and it made sense to do so, were included as they were written. Opinions are the writers' own, and content has not been vetted for accuracy.
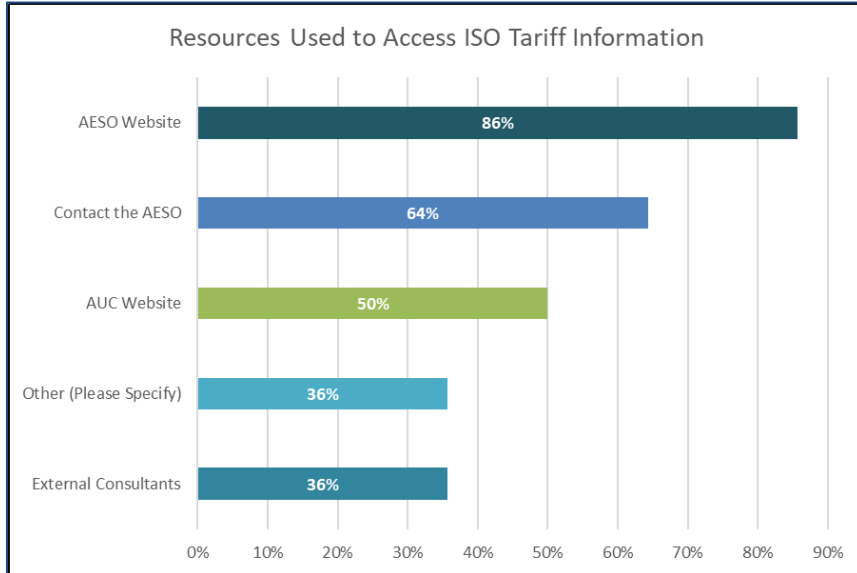
What we heard

We summarized the feedback received from stakeholders into the following sections:

1. Resources used to access ISO tariff information
2. Ways to improve value of AESO ISO tariff resources
3. Clarity and informative value of ISO tariff provisions
4. Additional information and materials related to ISO tariff that could be included on the AESO's website
5. Perspectives on modular ISO tariff applications
6. Red tape reduction recommendations
7. How the AESO can improve process for operational aspects of ISO tariff
8. How the AESO could expand analysis or data tools related to the ISO tariff

1. Resources used to access ISO tariff information

The primary method of accessing ISO tariff information for the majority of stakeholders is to use the AESO website. Popular secondary options include contacting the AESO directly, and using information found available on the Alberta Utilities Commission (AUC) website.
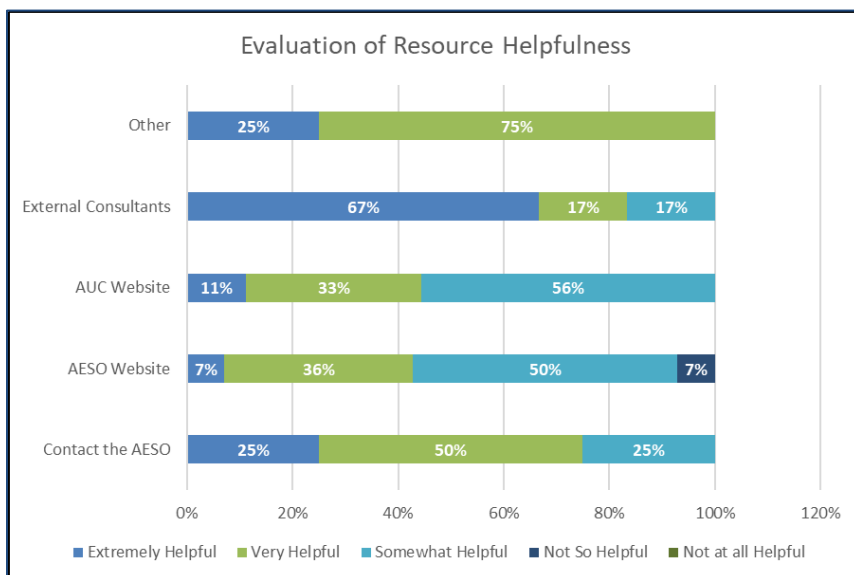
Resources Used to Access ISO Tariff Information

- AESO Website: 86%
- Contact the AESO: 64%
- AUC Website: 50%
- Other (Please Specify): 36%
- External Consultants: 36%

(Answered: 14, Skipped: 0)

The "Other" category is composed of the following responses:

- Network of knowledgeable individuals within the AB electricity industry (x2)
- Web archives sites
- All the above
- Acts and regulations

2. *Ways to improve value of AESO ISO tariff resources*

Various stakeholders were unsatisfied with the current structure of the AESO website and found that it was difficult to navigate. Moreover, it was reported that the AESO should increase the amount of tariff-related information shared on their site.

Evaluation of Resource Helpfulness

- Other: Extremely Helpful 25%, Very Helpful 75%
- External Consultants: Extremely Helpful 67%, Very Helpful 17%, Somewhat Helpful 17%
- AUC Website: Extremely Helpful 11%, Very Helpful 33%, Somewhat Helpful 56%
- AESO Website: Extremely Helpful 7%, Very Helpful 36%, Somewhat Helpful 50%, Not So Helpful 7%
- Contact the AESO: Extremely Helpful 25%, Very Helpful 50%, Somewhat Helpful 25%

Legend: ■ Extremely Helpful ■ Very Helpful ■ Somewhat Helpful ■ Not So Helpful ■ Not at all Helpful
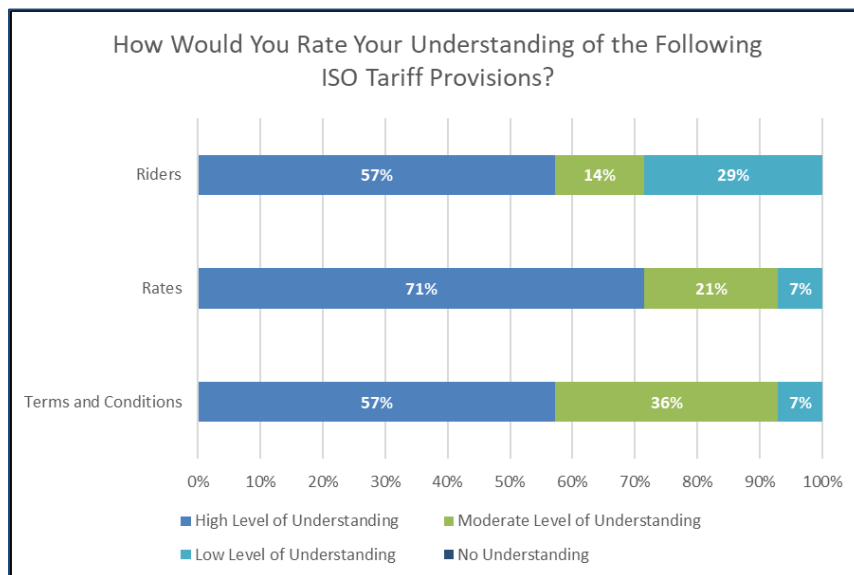
(Answered: 14, Skipped: 0)

Some common responses included:

- Navigation of the AESO website is currently complex & structure is unclear. (x3)
- Noticed a reduction of tariff related data (i.e. Transmission Rate Projection (TRP) models and flow data for key lines) which were both provided by the AESO in the past at no charge. (x3)
- Materials often removed from AESO site and stakeholders' resort to use of archives to find content. (x2)
- Repository of historical tariff rates & decisions should be made available and be easier accessible on AESO page. (x2)
- Provide high-level tariff information (i.e. Tariff 101) to help new entrants understand tariff.
- Inconsistent results from AESO webpage search engine.
- A list of contacts with area of responsibility and names would help to figure out who to contact.
- Include AESO engineering staff in consultation to provide technical responses for stakeholders.

3. *Clarity and informative value of ISO tariff provisions*

While only fifty per cent of stakeholders responded with written feedback on the matter – those who did reply recommended that increased AESO website organization and the provision of historic tariff files / documents would assist in providing clarity for the ISO tariff provisions.

How Would You Rate Your Understanding of the Following ISO Tariff Provisions?

	High Level of Understanding	Moderate Level of Understanding	Low Level of Understanding
Riders	57%	14%	29%
Rates	71%	21%	7%
Terms and Conditions	57%	36%	7%

Legend: ■ High Level of Understanding ■ Moderate Level of Understanding ■ Low Level of Understanding ■ No Understanding

(Answered: 14, Skipped: 0)

Some common responses included:

- Archive past tariffs and supporting docs, including AUC proceeding numbers for easy references. (x3)
- Add links to major initiatives on the main tariff landing page. (x2)
- AESO should try and eliminate redundant language from the tariff. Updated provisions in new tariff are complex and you must go back and forth in the tariff to understand it – this can take many hours.

4. Additional information and materials related to ISO tariff that could be included on the AESO's website

Most respondents agreed that it would be beneficial for the AESO to provide additional information related to the ISO tariff.

Some common responses include:

- Tariff related data and Transmission Rate Projection (TRP) model should be published and updated regularly to help stakeholders assess current tariff and make decisions about future structures. (x3)
- Historical tariffs & supporting documentation should be published by the AESO. (x2)
- AESO should publish the studies they use to inform their tariff decision (for example, a detailed breakdown of the revenue requirements & other studies used). (x2)
- AESO should add links to major initiatives and ensure they are easy to locate.
- New tariff interpretations should be clearly set out and stakeholders should be notified when this change occurs.

5. Perspectives on modular ISO tariff applications

Many of the participating stakeholders are supportive of the modularization of the ISO tariff, sharing the belief that it will make the tariff more easily manageable. However, some stakeholders have voiced the opinion that modularization of the tariff could lead to discontinuity throughout the tariff.

Some common responses include:

- A more modular approach could help to separate some components of the tariff and enable them to be concluded prior to all components of the tariff process. Greater certainty enables quicker decision making and investment.
- Modularization would make stakeholder engagement more manageable, enabling stakeholders to focus their resources and input into issues most pertinent and impactful to them.
- If modular approach is to be used, it may be useful to have the same people involved throughout the process with market participants which may make for less comprehensive AUC filings and fewer application changes for stakeholders.
- If the tariff is modularized, it would be helpful to align the timing of these modular updates with relevant work being done by the AESO on non-tariff related issues. This may help address interrelated issues.
- If modularization is to occur, AESO must clearly articulate its vision and rationale for proposed changes to the ISO tariff.
- Using a modular approach may introduce new complications, as all elements of the tariff are connected. Having a piecemeal discussion runs the risk of having discontinuity between varying aspects of the tariff. Perhaps the AESO should trend in the other direction.
- Modular approach is likely easier for the applicant rather than stakeholders that have to participate in multiple regulatory proceedings.

6. Red tape reduction recommendations

Stakeholders were largely hesitant of reducing red tape surrounding the ISO tariff and acknowledged the difficulty of doing so. Stakeholders proposed that if red tape reduction occurs, it should not have negative effects on any party, and that it should only be done so to enhance efficiency.

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Some common responses included:

- Changes to the ISO tariff should be carried out with a measured and thoughtful pace.
- Any changes should reduce total effort for market participants.
- Red tape reduction should occur so long as it does not reduce transparency for consumers.
- Reductions should help make the process more efficient for market participants.
- Reducing red tape is not a one-time activity, but rather a mindset that requires consistent, judicious rationalization in every activity the AESO engages in.

7. How the AESO can improve process for operational aspects of ISO tariff

Respondents voiced the opinion that the AESO should engage with stakeholders by reminding/notifying them of timelines surrounding tariff applications. It was also noted that increased transparency could allow for a more efficient process.

Some common responses included:

- Continue AESO engagement with stakeholders via newsletter and include notifications regarding the timing of applications (i.e. for tariff updates or DAR applications). (x3)
- Enhance capacity to identify as soon as practicable, issues that are most contentious, who is impacted by those issues and what the AESOs concerns about the issue are.

8. How the AESO could expand analysis or data tools related to the ISO tariff

Stakeholders support the idea of a regularly updated and published Transmission Rate Projection (TRP) Model and having easy accessibility to tools which allow for billing determinant calculations.

Some common responses included:

- More detailed and regularly updated Transmission Rate Projection (TRP) models. Models published in early 2010's were very helpful. (x4)
- Easy to use billing calculator for DTS.
- Billing calculator for current and past tariffs.
- Increased transparency and publication of data used to calculate service rates.
- Publish average POD billing determinants annually (similar to POD level billing data provided in each tariff filing).
- Provide more quantitative analysis showing the impact that changes to the ISO tariff may have (i.e. for Bulk & Regional tariff, highlighting analysis that shows what the response of future load customers may be under the new tariff structure).