

Information Document

Provision of System Access Service and the Connection Process

ID No. 2018-018T



Information Documents are not authoritative. Information Documents are for information purposes only and are intended to provide guidance. In the event of any discrepancy between an Information Document and any Authoritative Document(s)¹ in effect, the Authoritative Document(s) governs.

1 Purpose

This Information Document relates to the following sections of the ISO tariff:

- Section 2 of the ISO tariff, *Provision of and Limitations to System Access Service*;
- Section 3 of the ISO tariff, *System Access Service Connection Requirements*;
- Section 4 of the ISO tariff, *System Access Service Requests*;
- Section 5 of the ISO tariff, *Financial Obligations for Connection Projects*;
- Section 7 of the ISO tariff, *Provision of Information by Market Participants*;
- Section 8 of the ISO tariff, *Construction Contributions for Connection Projects*;
- Section 9 of the ISO tariff, *Changes to System Access Service After Energization*;
- Section 10 of the ISO tariff, *Generating Unit Owner's Contribution*; and
- Section 13 of the ISO tariff, *Financial Security, Settlement and Payment Terms*.

The purpose of this Information Document is to establish and make available to the public the AESO's practices for the efficient and effective processing and making decisions about system access service applications, and performance targets and timeframes with respect to processing and making decisions about system access service applications, as required by section 6(1) of the *Transmission Regulation*.

2 AESO Connection Process

2.1 Overview of the AESO Connection Process

The AESO's connection process facilitates the processing of system access service requests ("SASRs"). The connection process is divided into stages 0 through 6 and follows a gated approach. In order to advance to the next stage in the connection process, projects complete all required deliverables in the timelines shown in Table 1.

Table 1 below provides a summary of the target and maximum stage duration timelines for the connection process.

¹ "Authoritative Documents" is the general name given by the AESO to categories of documents made by the AESO under the authority of the *Electric Utilities Act* and associated regulations, and that contain binding legal requirements for either market participants or the AESO, or both. AESO Authoritative Documents include: the ISO rules, the Alberta reliability standards, and the ISO tariff.

Table 1: Stage Duration Timelines for the Connection Process²

Stage	Target Timeline (Weeks)	Maximum Timeline* (Months)
0	2	N/A**
1	8	4
2	14	9***
3	32	16
4	24	12
5	16	8
6	N/A	N/A

*Subject to AESO approved extensions

**Dependent on the time required by the market participant to complete the SASR.

***A market participant is excluded from the maximum timeline while exercising the stage 2 on hold option.

Additional information related to the required deliverables within each stage can be found on the [AESO website](#).

With respect to the connection process, the AESO notes that “[t]he Commission has determined that there are no explicit or implicit transmission “rights” but that the obligation imposed on the AESO is to provide market participants with a reasonable opportunity to access the AIES.”³

2.2 Performance Reporting

Timelines for stage durations are measured by the AESO and published semi-annually on the [AESO website](#).

2.3 Submitting a System Access Service Request

A market participant seeking new or altered system access service submits a complete SASR in accordance with Section 3 of the ISO Tariff, *System Access Service Connection Requirements*. The SASR application form can be found on the [AESO website](#). The SASR is the trigger for project initiation into the AESO Connection Process at stage 0. A SASR is submitted for each of:

- Load, generation, or dual-use connections or upgrades that connect to the transmission system;
- Changes to contract capacity (increase or reduction) or termination of an existing system access service agreement;
- Equipment changes at an existing transmission point of connection;
- Generation connections or upgrades that connect to an electric distribution system that are 5 MW or greater; and
- Generation connections or additions to an electric distribution system that require a new or amended system access service agreement as determined by the legal owner of a distribution facility.

² Behind-the-Fence and contract capacity change project types may be held to these timelines but generally have more flexibility with less involvement required from the AESO, TFO/DFO and AUC.

³ See AUC Decision 2009-042 at paragraph 158; and Decision 2014-242 at paragraph 761.

A SASR and any required supporting documentation are expected to be complete upon submission. The AESO reviews the materials and, if incomplete or unsatisfactory, the market participant is notified of the items to be addressed. The market participant submits an updated SASR when deficient items have been addressed. A project number is assigned and stage duration timelines start once the AESO has processed the SASR and issued a gate 0 completion acknowledgement letter.

The AESO reviews the project and, if determined by the AESO that the application has been made too early relative to the requested in-service date (“ISD”), the market participant re-submits the SASR at a later date. This helps to eliminate studies and project information from becoming stale-dated, therefore avoiding the need for re-work.

Through a SASR, a market participant provides specific information about a connection project that the AESO will rely upon to plan a connection. If the scope or information provided in a SASR ceases to be current or accurate, the market participant informs the AESO, as there may be implications to the connection studies, the connection alternative (as it may no longer be valid), the project cost, or the project schedule. In situations where changes in the study area may impact a market participant’s connection alternative, the AESO may re-assess the project’s studies and subsequently, its connection alternative may no longer be valid.

2.4 Project List and Connection Queue

The AESO posts all projects for which SASRs have been accepted on a publicly available project list. The project list includes all active projects that have entered stage 1. The project list includes project information, including but not limited to generation or load megawatts, the planned ISD, and the current stage of the project. A project is removed from the project list upon energization of the project or cancellation of the SASR.

The AESO also maintains a connection queue, which includes all active projects that have entered stage 3. A project’s position in the connection queue is based on the date of the gate 2 completion. A project is removed from the connection queue upon energization of the project or cancellation of the SASR. A position in the connection queue does not entitle or reserve existing transmission capacity; nor does it guarantee a specific connection alternative for a project.

The project list and connection queue include the following project types, which are described on the [AESO website](#):

- Connection projects;
- Behind-the-fence projects; and
- Contract capacity changes.

The project list and connection queue are updated monthly and can be found on the [AESO website](#).

2.5 Extensions to Maximum Timeline

The AESO issues a notice letter at least five weeks prior to the maximum timeline to notify the market participant that they are approaching the maximum stage duration. If deliverables cannot be met within the maximum timeline for a stage, the market participant may contact their AESO project manager to request an extension. The AESO approves or rejects extension requests on a project by project basis and approval is contingent upon the market participant demonstrating to the AESO that the project is actively moving through the connection process.

2.6 Stage 2 On Hold Option

Eligibility

Both generation and load connection projects are eligible to be put “on hold” in stage 2 of the connection process, once the AESO has accepted the market participant’s connection proposal, which is completed as a required deliverable in stage 2. Stage 3 and 4 security does not need to be paid in order to be eligible to be put on hold. A behind-the-fence project is eligible to be put on hold following the AESO’s acceptance of the behind-the-fence engineering study report (“ESR”), or in

cases where a behind-the-fence ESR is not required, at any time during stage 2. A market participant is permitted to utilize the stage 2 on hold option once per project, and once a project has entered stage 3, it is no longer eligible to be put on hold.

Process

The market participant submits a project change proposal to the AESO requesting that a project be put on hold. The project remains on the AESO project list while on hold and is not assigned a connection queue position. Once the project resumes and passes gate 2, it will be assigned a connection queue position.

While on hold, the market participant submits an on hold check-in form, available on the [AESO website](#), at least every 6 months. The AESO reviews the on hold check-in form and assesses whether the project may remain on hold or whether the SASR should be cancelled. In addition to the cancellation criteria described in Section 2.7 below, the AESO may cancel the SASR if the market participant fails to submit an on hold check-in form at least every six months or respond to the AESO while on hold.

To reactivate the project and proceed through the remaining stages of the connection process, the market participant submits a project change proposal outlining the request. The AESO reviews the reactivation request and may consider the following:

- The validity of the original connection proposal (as described below);
- The re-work that may be required to complete stage 2;
- When AESO resources can be allocated to the project; and
- The revised project schedule, developed in collaboration with the market participant and the legal owner of a transmission facility (“TFO”), including the date that activities will resume and the revised stage 2 deadline, taking into account any re-work that may be required and the stage 2 deliverables left to complete.

Circumstances where the original connection proposal may no longer be valid following a reactivation request and where the AESO may cancel the SASR include but are not limited to:

- Changes to the long term corporate forecast that may result in changes to the project impact to the transmission system;
- Changes to contract capacity (i.e., Rate Demand Transmission Service (“DTS”) or Rate Supply Transmission Service (“STS”));
- Changes to ISD;
- Changes to system topology;
- Changes to cost estimates, if the cost estimates were used to select the preferred alternative; and
- Changes to the land impact assessment (“LIA”), if the LIA was used to select the preferred alternative.

For further information on when the AESO may cancel a SASR, refer to Section 2.7 below.

2.7 Cancelling a SASR

The AESO may cancel a SASR in circumstances such as, but not limited to:

- The failure of a market participant to complete key deliverables in accordance with the agreed upon project schedule, within a stage maximum timeline or within the approved extension timeline;
- The failure of a market participant to notify the AESO in a timely manner of significant changes to project information, such as the information provided in the SASR;

- Changes to the project scope that, in the determination of the AESO, are significant;
- If, following reactivation of a project that was put on hold, a connection proposal is no longer valid, as described in Section 2.6; or
- If the market participant fails to submit an on hold check-in form at least every six months or respond to the AESO while the market participant's project is on hold (see Section 2.6).

If the AESO cancels a SASR, the market participant may re-submit a new SASR.

3 Connection Remedial Action Scheme

In circumstances where the AESO determines that a connection RAS is required, the AESO may assign a connection RAS to the last load or generation project connecting to the system in a constrained area. For connection projects in constrained areas, the initial order of connection RAS assignment is based on the date of gate 2 completion.

As projects move forward to the construction stage, AESO operations planning studies will be performed for each project to determine final mitigation measures, including any required connection RAS. The AESO may consult with the legal owner of a transmission facility and the market participant before specifying revised or new mitigation measures.

4 Cost Classification

The costs of a connection project are classified by the AESO as either participant-related or system-related in accordance with the ISO tariff. The initial presumption for cost classification is that the costs of a connection project should be classified as participant-related, unless clearly demonstrated otherwise.⁴ The AESO has the flexibility to change the allocation of participant-related versus system-related costs (as may be necessary, depending on changing transmission system plans) up until the permits and licenses ("P&Ls") for the construction and operation of a connection project have been issued by the AUC.⁵ However, after P&Ls have been issued, and in the absence of a market participant amending its SASR, the ISO tariff restricts the AESO from re-classifying additional costs as participant-related.⁶

5 Questions or Comments

Inquiries regarding the connection process and this information document may be emailed to customer.connections@aeso.ca. For questions related to active projects, please contact the AESO Project Manager assigned to your project.

Revision History

Posting Date	Description
2018-03-06	Initial release.
2018-12-18	Updated to incorporate performance reporting section and editorial changes

⁴ See AUC Decision 22367-D01-2017 at paragraph 83.

⁵ *Ibid* at 146.

⁶ *Ibid* at 143.