

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<sup>1</sup> in effect, the authoritative document governs.

## 1 Purpose

The purpose of this information document is to provide guidance on requests for waivers or variances for the requirements of an authoritative document and is most applicable to the following authoritative documents:

- the ISO rules set out in Section 103.14 of the ISO rules, *Waivers and Variances Rule* being:
  - Section 304.3 of the ISO rules, *Wind and Solar Power Ramp Up Management*;
  - Section 304.9 of the ISO rules, *Wind and Solar Aggregated Generating Facility Forecasting*;
  - any Section of the ISO rules in Division 502, *Technical Requirements of Part 500, Facilities*; and
  - any predecessor document to the ISO rules set out above.
- reliability standard ADM-002-AB-1, *Waivers and Variances*;
- reliability standard CIP-SUPP-001-AB1, *Cyber Security – Supplemental CIP Alberta Reliability Standard*;
- reliability standard CIP-SUPP-002-AB, *Cyber Security – Supplemental CIP Alberta Reliability Standard Technical Feasibility Exception*;
- Section 5 of the ISO tariff, *Changes to System Access Service and any predecessor document*; and
- Section 11 of the ISO tariff, *Peak Metered Demand Waivers and any predecessor document*.

The main body of this information document contains general information that is relevant for a waiver or variance request relating to any of the above listed authoritative documents. Appendices 1-5 contain additional information that is relevant for a waiver or variance request relating to a specific authoritative document listed above. Appendix 6 contains considerations the AESO may use to assess waiver or variance requests that are not related to the authoritative documents above.

## 2 Approved Authoritative Documents

In general, the AESO develops technical requirements in its authoritative documents in consultation with industry, and with reference to internationally recognised standards and best practices. A primary objective of technical requirements is to promote the reliability of the interconnected electric system. As such, it is expected that waiver or variance requests for technical requirements are infrequent.

However, the AESO recognizes there may be situations where it may be necessary or appropriate for market participants to make waiver or variance requests.

In order for the AESO to consider requests for waivers or variances, it isn't necessary for the authoritative document to be in effect, but it must be approved by the Alberta Utilities Commission. The AESO encourages market participants to request a waiver or variance in advance of an approved requirement taking effect in order to avoid potential non-compliance concerns.

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<sup>1</sup> "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 reliability standards, and the ISO tariff.

The AESO will not consider requests for waiver or variances to authoritative documents that are still in the consultation stage or that have been filed with the Alberta Utilities Commission and are under consideration.

### 3 General Information

#### 3.1 AESO Authority to Grant Waivers and Variances

The AESO only has the authority to grant waivers and variances where an authoritative document expressly allows for it.

#### 3.2 Waivers or Variance Request Communication

Unless the AESO specifies otherwise, market participants may send a request for a waiver or variance to [rfi@aeso.ca](mailto:rfi@aeso.ca). For a peak metered demand waiver, a market participant may send a request to [dts-waiver@aeso.ca](mailto:dts-waiver@aeso.ca), Attention: Operations Coordination.

Once a request is received, the AESO will provide the contact information of the AESO representative that will manage the resolution of the request to the market participant.

#### 3.3 Response Timelines

The AESO conducts an appropriate review of the particular facts and circumstances related to each waiver or variance request and therefore, the response time for any particular request will vary.

The AESO may respond to some requests in a relatively short period while others may take longer due to reasons such as the completeness of the information submitted in support of the waiver or variance request, complexity of the associated issues, connection process timeline requirement, the quantity of waiver or variance requests being considered by the AESO at a given time, and the development of acceptable mitigation and remediation plans. The AESO may provide an estimated timeline for resolution of a particular request upon determining that the necessary information is sufficient to complete its analysis and issue its decision.

Given the uncertainty of response timelines, the AESO expects a market participant to plan appropriately and submit a request for a waiver or variance with as much lead time as possible.

#### 3.4 Meetings with the AESO

The AESO or a market participant may request a meeting, in person or by teleconference, to discuss a potential or actual waiver or variance request, or to ask questions about an AESO decision. Depending on the nature of the matter, the AESO may decline the request.

#### 3.5 Secure Exchange of Records

In general, the AESO utilizes email to exchange information with a market participant related to a waiver or variance request. Upon request, the AESO can utilize SharePoint Online or a mutually acceptable alternative as a secure means to transfer information.

#### 3.6 Confidential Information

In accordance with subsections 2(1) and 2(2) of Section 103.1 of the ISO rules, *Confidentiality* ("Section 103.1"), the AESO considers a market participant's name and facility specific information contained in requests for waivers or variances to be commercially sensitive unless the information is otherwise in the public domain. A market participant may inform the AESO of other information it considers to be commercially sensitive, along with reasons why the information should be treated as confidential.

As indicated in subsection 7 below, the AESO may publish reports regarding waiver or variance requests and decisions. Those reports may contain information that, in the opinion of the AESO, is not commercially sensitive.

## 4 Market Participant Requests Relating to Waivers or Variances

### 4.1 Request Forms

The AESO requires a market participant to provide sufficient information for the AESO to adequately assess a request for a waiver or variance. For convenience and to maximize efficiency, the AESO has developed request forms that a market participant may use to submit its request. The request forms are contained in the appendices of this information document.

### 4.2 Grounds and Criteria

Some authoritative documents contain specified grounds or criteria for consideration of waivers or variances. The AESO encourages market participants to provide information relevant to the specified grounds or criteria (e.g., what grounds or criteria apply and why) in its request for a waiver or variance. Where the AESO has developed an optional waiver or variance request form, it has incorporated the specified grounds or criteria into the form.

For all other requests for waivers or variances to requirements in authoritative documents that do not have specified grounds or criteria, providing the information in Appendix 6 of this document will assist the AESO in evaluating a waiver or variance request.

### 4.3 Effective Dates

If a specific effective date is desired for a waiver or variance to take effect, the AESO encourages market participants to identify the date and provide the rationale for it in their waiver or variance request. In addition, market participants are encouraged to provide a sufficiently complete waiver or variance request and sufficient lead time for the AESO to evaluate the request.

The earliest possible effective date for a waiver or variance is the date of the AESO's approval. Waiver or variances may be future-dated but not back-dated.

### 4.4 Requests to Revise or Withdraw a Waiver or Variance Request Prior to Approval

Prior to its approval, a market participant may revise a waiver or variance request in writing. The most efficient way to do so would be to submit a revised request with black-lined changes or an email describing the proposed amendments.

A market participant may also provide notice that it is withdrawing a waiver or variance request.

### 4.5 Requests to Amend or Transfer an Approved Waiver or Variance

The process to request an amendment to an approved waiver or variance, or to transfer it to a new legal owner is essentially the same as requesting a new waiver or variance. The AESO expects a market participant to provide sufficient information for the AESO to adequately assess the request.

Examples of situations that may warrant an amendment include:

- a change in the market participant's ability to meet a term or condition of the approval;
- a change in the market participant's ability to comply with the applicable requirement that is the subject of an approved waiver or variance.

If the AESO has approved a waiver or variance request and there is a change in the legal owner of the facility that is the subject of the approved waiver or variance, a market participant may submit a written request for a transfer of the waiver or variance

## 5 AESO Evaluation and Decisions

### 5.1 Waiver or Variance Status Updates

The AESO will endeavor to communicate regularly with the market participant as appropriate. There may be circumstances when the AESO is waiting for information or analysis from the market

participant that may involve an extended period. In such cases, the market participant is encouraged to update the AESO on its progress from time-to-time.

#### 5.2 AESO Information Requests

The AESO will review waiver and variance requests along with supplementary information submitted to ensure it has sufficient information to make its decision on whether to grant or deny the request. The AESO may seek additional information from a market participant in order to complete its review. This may include seeking market participant feedback on potential waiver or variance conditions when the AESO is considering approving a request, particularly in relation to mitigation and/or remediation plans and milestones.

The AESO may set out a date on which the additional information is expected from the market participant in order to proceed with a timely resolution of the request. If the market participant is unable or unwilling to provide the requested information, it is encouraged to respond to the AESO with the reasons why the information will not be provided. The AESO may reject a waiver or variance request, or suspend the review of a request, if a market participant is unable to provide the information necessary for the AESO to proceed with its evaluation.

#### 5.3 Content of Waiver or Variance Decisions

An approved waiver or variance may contain the following components, as appropriate:

- any terms and conditions of the approval;
- the start and expiry date of the waiver or variance;
- the milestones and completion date for the implementation of a mitigation plan;
- the milestones and completion date for the implementation of the remediation plan to achieve compliance with any relevant requirements;
- reporting requirements regarding the implementation of mitigation and remediation plans; and
- any other requirements or information the AESO determines to be necessary in the circumstances.

#### 5.4 Approval in Whole or in Part

The AESO may approve or deny a waiver or variance request in whole or in part in particular where the request is for two or more assets subject to the same requirement or where the request is for waivers or variances to multiple requirements.

### 6 Public Reporting

The AESO may publish waiver and variance reports that contain information that in the AESO's opinion, promotes a fair, efficient and openly competitive electricity market and does not result in a breach of its duties under Section 103.1. For example, the identification of the authoritative requirements for which waiver or variance requests were received and the number of requests approved or denied.

### 7 Waiver or Variance Records

The market participant and the AESO are responsible for their own records in relation to a waiver or variance request.

### 8 Compliance with AESO's Authoritative Documents and Waiver or Variance Provisions

The AESO monitors market participant compliance with authoritative documents in accordance with its mandate under section 17(1.1) of the *Electric Utilities Act* and section 23(1) of the *Transmission Regulation*. The AESO monitors compliance with requirements in authoritative documents in light of any approved waivers or variances, including associated terms and conditions, from the waiver or variance

effective date to its expiry, revocation or termination.

If a market participant submits a request for a waiver or variance to the AESO and is concerned that it is not, or may not be, in compliance with requirements in authoritative documents while waiting for, or subsequent to, the AESO's decision, it is the market participant's responsibility to determine the appropriate course of action. Such action may include discussing the matter with its legal advisors or submitting a self-report to the Market Surveillance Administrator ("MSA").

The AESO may become aware of suspected non-compliance with authoritative document requirements through the process of reviewing waiver or variance requests and an ensuing compliance monitoring investigation. If the AESO determines that a suspected contravention has occurred, it will advise the MSA of the matter.

## 9 Disclosure to the MSA

Records related to requests for waivers and variances submitted to the AESO are subject to section 2 of the *Market Surveillance Regulation*, which requires the AESO, upon request, to make available to the MSA any records relating to a market participant that are held or become available to the AESO pursuant to its mandate under the *Electric Utilities Act* or any other enactment, including any records that are created by the AESO from records provided by market participants. In accordance with these requirements, the AESO regularly provides records related to waivers and variances to the MSA.

## 10 Freedom of Information and Protection of Privacy

The AESO is a public body subject to the provisions of the *Freedom of Information and Protection of Privacy Act* ("FOIP Act") and may be required to disclose certain information upon request. Information related to requests for waivers or variances may be requested under the FOIP Act; however, the right of access is not absolute. The FOIP Act recognizes several legitimate reasons to refuse access to information (as outlined in sections 16-29 of the FOIP Act), including harm to business and privacy interests. The AESO is committed to protecting information that qualifies for an exemption. Third parties are active participants in the request process and maintain the right to provide input during the decision-making process and the right to appeal any disclosure decisions.

## 11 Appendices

<i>Appendix 1</i>	<i>Waivers and Variances Requests – Reliability Standards and ISO Rules</i>
<i>Appendix 1A</i>	<i>Waivers or Variances Request Form</i>
<i>Appendix 2</i>	<i>CIP-SUPP-001 Variance Requests</i>
<i>Appendix 2A</i>	<i>CIP Variance or Technical Feasibility Exception Request Form</i>
<i>Appendix 3</i>	<i>CIP-SUPP-002 Technical Feasibility Exception Requests</i>
<i>Appendix 4</i>	<i>Peak Metered Demand Waiver Requests</i>
<i>Appendix 4A</i>	<i>Peak Metered Demand Waiver Request Form</i>
<i>Appendix 5</i>	<i>PILON Waiver Requests</i>
<i>Appendix 5A</i>	<i>PILON Waiver Request Form</i>
<i>Appendix 6</i>	<i>General Waiver or Variance Requests</i>

## Revision History

Posting Date	Description of Changes
2021-04-22	Updated to include material related to new reliability standard ADM-002-AB-1 and revisions to the ISO tariff.
2020-10-06	Initial release

## Appendix 1

### Waivers and Variances Requests – Reliability Standards and ISO Rules

The main body of this information document contains general information that is relevant to any waiver or variance request. This Appendix 1 provides specific information in relation to a waiver or variance request submitted, pursuant to reliability standard ADM-002-AB-1, *Waivers and Variances* (“ADM-002-AB-1”) for requirements in all reliability standards except those that have a separate mechanism for waivers or variances; or pursuant to Section 103.14 of the ISO rules, *Waivers and Variances* (“Section 103.14”), for requirements in the following ISO rules:

- Section 304.3 of the ISO rules, *Wind and Solar Power Ramp Up Management*;
- Section 304.9 of the ISO rules, *Wind and Solar Aggregated Generating Facility Forecasting*;
- any Section in Division 502, *Technical Requirements of Part 500, Facilities* of the ISO rules; and
- any predecessor document to the ISO rules set out above.

#### 1 Previously Approved Waivers or Variances

Previously approved waivers and variances under the ISO rules may cite the AESO’s authority to grant a waiver or variance that has been superseded by the authority in subsection 2(2) of Section 103.14. In these instances, the AESO does not require a market participant to re-apply for a waiver or variance because the AESO’s authority has been moved from one authoritative document to another. However, previously approved waivers and variances are subject to the requirements in subsection 8 of Section 103.14 relating to the ongoing maintenance of waivers and variances.

#### 2 Examples of Grounds for Requesting a Waiver or Variance

Subsection 4 of ADM-002-AB-1 and subsection 3 of Section 103.14 identify the specific grounds that may form the basis of a request for a waiver or variance to the requirements of the authoritative documents listed above.

The following are examples of circumstances that would represent certain specific grounds:

- Subsection 4(2)(d) of ADM-002-AB-1 and subsection 3(2)(d) of Section 103.14 state “cannot be achieved by the required compliance date regardless of good faith efforts by the market participant which does not include a failure to appropriately plan”.
  - Typically, appropriate planning includes providing sufficient time in the schedule to account for reasonable delays and potential contingencies. However, circumstances beyond the market participant’s control may have impacts that exceed the limits of appropriate planning and, as a result, impact a market participant’s ability to achieve compliance. An example of this ground is when a critical piece of equipment is damaged while en-route to the facility.
- Subsection 4(2)(g) of ADM-002-AB-1 and subsection 3(2)(g) of Section 103.14 state “the incurrence of costs that significantly outweigh the benefits achieved or would result in severe economic hardship”
  - An example of this ground is when the retirement of existing equipment, that is far from the end of its useful life but not fully capable of compliance with the authoritative requirement, can be delayed because the risks of operating with the equipment can be mitigated.

#### 3 Multiple Waiver or Variance Requests

If a market participant wishes to make waiver or variance requests for multiple facilities, the AESO recommends submitting a separate request for each facility. Doing so will create administrative efficiency

in the processing of such requests. For example, the AESO may grant a variance for a specific requirement for one facility but deny a variance for the same requirement for a different facility due to locational or other considerations. In addition, the AESO may conclude its analysis and make decisions at different times for different facilities.

If a market participant wishes to make waiver or variance requests for multiple requirements for the same facility, the AESO recommends submitting separate requests if the needs for the waivers or variances are not related to the same rationale or circumstance or require AESO decisions at different dates. In cases where a single waiver or variance request is received for multiple requirements for a single facility, the AESO may respond only when all of the analysis for the various requirements is completed and all of the decisions have been reached.

**Appendix 1A**

**Waiver or Variance Request Form**

This form may be used to request a waiver or variance to requirements set out in reliability standards identified in subsection 3(1) of ADM-002-AB-1, *Waivers and Variances* or to technical requirements in those ISO rules listed in subsection 2(1) of Section 103.14 of the ISO rules, *Waivers and Variances*. Once completed, you may submit this form and any related documents via e-mail to [rfi@aeso.ca](mailto:rfi@aeso.ca). If you wish to arrange for secure exchange of information, contact [rfi@aeso.ca](mailto:rfi@aeso.ca) to set up a SharePoint Online site or to arrange for a mutually acceptable alternative.

**1 Request Date**

Click here to enter text.

**2 Market Participant Information**

Identify the legal name of the market participant requesting the waiver or variance.

Legal Company Name:	Click here to enter text.
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**3 Facility**

Please complete one waiver or variance request form for each facility. If you wish to make requests for additional facilities, complete a separate waiver or variance request form.

Facility Name	Click here to enter text.
AESO Connection Project Name and No.(if applicable)	Click here to enter text.
Physical Location of Facility	Click here to enter text.

**4 Relevant Rules and Requirements**

Identify any specific reliability standards or ISO rules and the associated requirements or subsections containing the requirements that are the subject of this request.

Reliability Standard or ISO Rule Number and Name	Requirement #/Subsection of Requirement and Description
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.

**5 Requested Effective and Expiration Dates of the Waiver or Variance**

If a specific effective date is desired for the waiver or variance to take effect, provide the date and the rationale. Please note the earliest possible date for a waiver or variance to take effect is the date of the AESO's approval. Please also identify an expiry date for the waiver or variance, if any. This date should align with the dates in your remediation plan to achieve compliance with the applicable requirements described in section 12 of this form.



Effective Date	<a href="#">Click here to enter text.</a>
Rationale	<a href="#">Click here to enter text.</a>
Expiry Date, if any	<a href="#">Click here to enter text.</a>
Rationale	<a href="#">Click here to enter text.</a>

## 6 Grounds for the Waiver or Variance Request

Identify which of the following grounds apply to the waiver or variance request and provide the rationale.

Compliance with the requirements of the subject reliability standard or ISO rule:

- (a) is not technically possible or is precluded by technical limitations;  
 Rationale: [Click here to enter text.](#)
- (b) is operationally infeasible;  
 Rationale: [Click here to enter text.](#)
- (c) is operationally unnecessary to achieve the intended purpose or outcome of the ISO rule;  
 Rationale: [Click here to enter text.](#)
- (d) cannot be achieved by the required compliance date regardless of good faith efforts by the market participant which does not include a failure to appropriately plan;  
 Rationale: [Click here to enter text.](#)
- (e) would pose a safety risk or safety issue;  
 Rationale: [Click here to enter text.](#)
- (f) would conflict with a separate statutory or regulatory requirement that is applicable and cannot be waived or exempted;  
 Rationale: [Click here to enter text.](#)
- (g) would require the incurrence of costs that significantly outweigh the benefits achieved or would result in severe economic hardship;  
 Rationale: [Click here to enter text.](#)
- (h) could be achieved in an alternate timeframe that is reasonable to consider in light of other relevant factors, including upcoming scheduled maintenance, and anticipated facility upgrades;  
 Rationale: [Click here to enter text.](#)
- (i) would have suboptimal results compared with the use of alternate technology that would meet or exceed the objectives of the subject ISO rule;  
 Rationale: [Click here to enter text.](#)
- (j) does not allow for testing the application of technology that was not considered during the development of the requirements; and  
 Rationale: [Click here to enter text.](#)
- (k) is not possible for the following reason:  
 Rationale: [Click here to enter text.](#)

#### 7 Costs and Schedule to Comply with Requirements

Provide an estimate of the costs and schedule to comply with the requirements for which you are seeking a waiver or variance. If you are currently in compliance with the requirements, provide an estimate of the cost savings that would be realized if the proposed waiver or variance is approved.

[Click here to enter text.](#)

#### 8 Alternatives Considered

Describe what alternatives to the proposed waiver or variance were considered and why they were rejected. For example, if complying with the requirement would pose a safety risk, explain what options were considered to mitigate the safety risks and why they were rejected.

[Click here to enter text.](#)

#### 9 Fair, Efficient and Openly Competitive Market

Identify whether there is any material impact expected to the fair, efficient and openly competitive market of the proposed waiver or variance? Why or why not?

[Click here to enter text.](#)

#### 10 Interconnected Electric System Reliability

Identify whether there is any material impact expected to the reliability of the interconnected electric system of the proposed waiver or variance? Why or why not? In particular, identify potential impacts to the market participant's facilities and adjacent electrical facilities that are not owned by the market participant.

[Click here to enter text.](#)

#### 11 Mitigation of Negative Effects

What mitigation measures or mitigation plans are in place or can be put in place to address the negative effects of the proposed waiver or variance? Please include a schedule for the completion of mitigation measure milestones and a completion date for the implementation of the mitigation plan.

[Click here to enter text.](#)

#### 12 Remediation Plan

Describe the remediation plan to eliminate the waiver or variance and achieve compliance with the applicable requirements, including milestones and a reasonable expiration date for the waiver or variance? If remediation is not possible, provide the reasons.

[Click here to enter text.](#)

#### 13 Other Relevant Information

Is there any other relevant information for the AESO to consider when evaluating this waiver or variance request?

[Click here to enter text.](#)

#### 14 Requested Date for AESO Decision

If a specific date is desired for the AESO's decision, provide the date and the rationale. Please note that the AESO will endeavour to meet the requested date but may not if there is insufficient time to process the request and come to a decision. In any event, the requested date will inform the prioritization of the request for resolution.

[Click here to enter text.](#)

#### 15 Confidentiality

If any information, in addition to the market participant's name and facility is commercially sensitive, and should be treated as confidential, please identify that information along with the rationale.

[Click here to enter text.](#)

#### 16 Authorized Representative Contact Information

By submitting this form, the following person confirms that they are the authorized representative of the market participant and that the information contained in this request form is accurate and true to the best of their knowledge.

Contact Name	<a href="#">Click here to enter text.</a>
Title	<a href="#">Click here to enter text.</a>
Email Address	<a href="#">Click here to enter text.</a>
Telephone Number	<a href="#">Click here to enter text.</a>

#### 17 Appendices

If there are Alberta Professional Engineer or equivalent engineering authority's certified documents (e.g. engineering reports/studies/technical papers) diagrams, photos, analysis or reports that would provide additional clarity and details relating to statements or conclusions in the waiver or variance request, identify the documents by name and date and attach them as appendices to this request form.

[Click here to enter text.](#)

## Appendix 2

### CIP-SUPP-001 Variance Requests

This Appendix 2 provides specific information, in relation to a variance request submitted, pursuant to Alberta reliability standard CIP-SUPP-001-AB1, *Cyber Security – Supplemental CIP Alberta Reliability Standard* (“CIP-SUPP-001”), for requirements in a Critical Infrastructure Protection reliability standard (“CIP ARS”).

## 1 Variance Requests

### 1.1 Grounds of the Request

A responsible entity may request a variance to a CIP ARS requirement on any one or more of the following grounds:

- (a) it is not technically possible or is precluded by technical limitations;
- (b) it is operationally infeasible;
- (c) it could adversely affect reliability of the interconnected electric system to an extent that outweighs the reliability benefits of compliance with the requirement;
- (d) while technically possible and operationally feasible, cannot be achieved by the date the Responsible Entity is required to comply with CIP ARS due to factors such as scarce technical resources, limitations on the availability of required equipment or components, or the need to construct, install or modify equipment during planned outages;
- (e) it would pose safety risks or issues that outweigh the reliability benefits of compliance with the requirement;
- (f) it would conflict with, or cause the Responsible Entity to be non-compliant with, a separate statutory or regulatory requirement applicable to the Responsible Entity, the asset or the related facility that must be complied with and cannot be waived or exempted; or
- (g) it would require the incurrence of costs that far exceed the benefits to the reliability of the interconnected electric system of compliance with the requirement.

The following are examples of scenarios where ground (g) may apply:

- CIP-002-AB-5.1 *Alberta Reliability Standard, Cyber Security – BES Cyber System Categorization* sets out the impact rating criteria that responsible entities are required to use to categorize BES cyber systems for the application of cyber security requirements as high, medium, or low impact. If a BES cyber system is rated as a medium impact using the impact rating criteria, but the responsible entity believes that the level of impact is consistent with a low impact rating and does not warrant the compliance expenditures related to a medium impact BES cyber system, it may request a variance.
- In some cases, to achieve compliance with an applicable CIP ARS requirement would require the retirement of existing equipment that is far from the end of its useful life. When continuing to operate with the existing equipment results in minimal incremental risk to the reliable operation of the asset, the facility and the interconnected electric system, a responsible entity may request a variance.

Pursuant to requirement R4 of CIP-SUPP-001, where the variance request has merit, the AESO may consider other grounds on a case-by-case basis.

### 1.2 Submission of a Single Variance Request for Multiple Assets

A responsible entity may submit a single variance request for the same requirement for multiple assets, at one or more locations, when all of the following criteria are met:

- (a) the grounds for the variance request is the same for all assets;
- (b) the mitigation and remediation plans are the same for all assets; and
- (c) the proposed expiration date of the variance is the same for all assets.

## Appendix 2A

### CIPS Variance or Technical Feasibility Exception Request Form

This form may be used to request a:

- Technical Feasibility Exception (“TFE”) to those requirements that use the phrase “where technically feasible”; or
- variance to those requirements that do not use the phrase “where technically feasible”

of the CIP ARS. Once this form is completed, contact [rfi@aeso.ca](mailto:rfi@aeso.ca) to set up a SharePoint Online site or to arrange for a mutually acceptable alternative for secure exchange of information.

#### 1 Request Date

Click here to enter text.

#### 2 Responsible Entity Name

Legal Company Name:	Click here to enter text.
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#### 3 Applicable CIP ARS Requirement

Identify the specific CIP ARS and any requirements that are the subject of this request.

CIP ARS Number and Name	Requirement Numbers
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.

#### 4 Requested Effective and Expiration Dates

If a specific effective date is desired for the variance or TFE to take effect, provide the date and the rationale. Please note the earliest possible date for a variance or TFE to take effect is the date of the AESO’s approval. Please also identify an expiry date for the variance or TFE. This date should align with the dates in your remediation plan to achieve compliance with the applicable requirements described in section 10 of this form.

Effective Date	Click here to enter text.
Rationale	Click here to enter text.
Expiry Date, if any	Click here to enter text.
Rationale	Click here to enter text.

#### 5 Description of the Assets

Asset means any of the following defined terms: “BES cyber asset”, “BES cyber system”, “protected cyber asset”, “electronic access control” or “monitoring system”, or “physical access control system”, as defined

on the [AESO's website](#) with the effective date of October 1, 2017. Complete the table below for each asset for which this request is being made (copy and paste the table for additional assets).

Asset Identifier (assigned by Responsible Entity)	<a href="#">Click here to enter text.</a>
Physical Location of Asset	<a href="#">Click here to enter text.</a>
Description of the Asset	<a href="#">Click here to enter text.</a>

## 6 Grounds for the Variance or TFE Request

Identify which of the following grounds apply to the variance or TFE request and provide the rationale. Compliance with the requirements of the subject CIP ARS:

- (a) is not technically possible or is precluded by technical limitations;  
Rationale: [Click here to enter text.](#)
- (b) is operationally infeasible  
Rationale: [Click here to enter text.](#)
- (c) could adversely affect reliability of the interconnected electric system to an extent that outweighs the reliability benefits of compliance with the requirement;  
Rationale: [Click here to enter text.](#)
- (d) while technically possible and operationally feasible, cannot be achieved by the date the Responsible Entity is required to comply with the CIP ARS due to factors such as scarce technical resources, limitations on the availability of required equipment or components, or the need to construct, install or modify equipment during planned outages;  
Rationale: [Click here to enter text.](#)
- (e) would pose safety risks or issues that outweigh the reliability benefits of compliance with the requirement;  
Rationale: [Click here to enter text.](#)
- (f) would conflict with, or cause the Responsible Entity to be non-compliant with, a separate statutory or regulatory requirement applicable to the Responsible Entity, the asset or the related facility that must be complied with and cannot be waived or exempted; or  
Rationale: [Click here to enter text.](#)
- (g) would require the incurrence of costs that far exceed the benefits to the reliability of the interconnected electric system of compliance with the requirement  
Rationale: [Click here to enter text.](#)
- (h) is not possible for the following grounds which are not frivolous or of little merit:  
Rationale: [Click here to enter text.](#)

## 7 Costs and Schedule to Comply with Requirements

Provide an estimate of the costs and schedule to comply with the requirements for which you are seeking a variance or TFE.

[Click here to enter text.](#)

### 8 Alternatives Considered

Describe what alternatives to the variance or TFE were considered and why they were rejected. For example, if complying with the requirement would pose a safety risk, explain what options were considered to mitigate the safety risks and why they were rejected.

[Click here to enter text.](#)

### 9 Mitigation of Negative Effects

What mitigation measures of mitigation plan are in place or can be put in place to address the negative effects of the proposed variance or TFE. Please include a schedule for the completion of mitigation measure milestones and a completion date for the implementation of the mitigation plan.

[Click here to enter text.](#)

### 10 Remediation Plan

Describe the remediation plan to eliminate the variance or TFE and achieve compliance with the applicable CIP ARS requirements, including milestones and a reasonable expiration date of the variance or TFE. If remediation is not possible, provide the reasons.

[Click here to enter text.](#)

### 11 Other Relevant Information

Is there any other relevant information for the AESO to consider when evaluating this variance or TFE request?

[Click here to enter text.](#)

### 12 Requested Date and Rationale for AESO Decision

If a specific date is desired for the AESO's decision, provide the date and the rationale. Please note that the AESO will endeavour to meet the requested date but may not if there is insufficient time to process the request and come to a decision.

[Click here to enter text.](#)

### 13 Contact Information

By submitting this form, the following person confirms that they are the authorized representative of the market participant and that the information contained in this request form is accurate and true to the best of their knowledge.

Contact Name	<a href="#">Click here to enter text.</a>
Title	<a href="#">Click here to enter text.</a>
Email Address	<a href="#">Click here to enter text.</a>
Telephone Number	<a href="#">Click here to enter text.</a>

### 14 Appendices

If there are documents (e.g. reports/studies/technical papers), diagrams, or e-mails that would provide additional clarity and details relating to statements or conclusions in the variance or TFE request, identify the documents by name and date and attach them as appendices to this request form.

[Click here to enter text.](#)



## Appendix 3

### CIP-SUPP-002 Technical Feasibility Exception Requests

Appendix 3 provides additional information in relation to a TFE request, submitted pursuant to Alberta reliability standard CIP-SUPP-002-AB, *Cyber Security – Supplemental CIP Alberta Reliability Standard* (“CIP-SUPP-002”), for requirements in a CIP ARS that contain the phrase “where technically feasible” which include:

- CIP-005-AB-5 *Cyber Security – Electronic Security Perimeter*, R1.4, R2.1, R2.2, and R2.3
- CIP-006-AB-5 *Cyber Security – Physical Security of BES Cyber Systems*, R1.3
- CIP-007-AB-5 *Cyber Security – System Security Management*, R1.1, R4.3, R5.1, R5.6, and R5.7
- CIP-010-AB-1 *Cyber Security – Configuration Change Management and Vulnerability Assessments*, R1.5 and R3.2

#### 1 Background

A number of the CIP ARS requirements include the phrase “where technically feasible” to recognize that a wide range of equipment installed by market participants before the CIP ARS came into effect had not been designed and could not be easily upgraded to fully align with the applicable CIP ARS requirements. Requirement R1 in CIP-SUPP-002 allows a responsible entity, where a CIP ARS requirement uses the phrase “where technically feasible,” to seek a variance from the requirement by requesting that the AESO approve a technical feasibility exception (“TFE”).

#### 2 Intent of TFEs

An approved TFE authorizes an alternative means of compliance with the CIP ARS requirement through the use of compensating and/or mitigating actions that achieve a comparable or higher level of reliability of the interconnected electric system as would compliance with the requirement.

#### TFE Requests

#### 3 Grounds for a TFE Request

A responsible entity may request a TFE on the grounds that compliance with a CIP ARS requirement, evaluated in the context or environment of the Responsible Entity’s asset that is subject of the technical feasibility exception request:

- (a) is not technically possible or is precluded by technical limitations;
- (b) is operationally infeasible or could adversely affect reliability of the interconnected electric system to an extent that outweighs the reliability benefits of compliance with the requirement;
- (c) while technically possible and operationally feasible, cannot be achieved by the date the Responsible Entity is required to comply with the CIP ARS due to factors such as scarce technical resources, limitations on the availability of required equipment or components, or the need to construct, install or modify equipment during planned outages;
- (d) would pose safety risks or issues that outweigh the reliability benefits of compliance with the requirement;
- (e) would conflict with, or cause the Responsible Entity to be non-compliant with, a separate statutory or regulatory requirement applicable to the Responsible Entity, the asset or the related facility that must be complied with and cannot be waived or exempted; or
- (f) would require the incurrence of costs that far exceed the benefits to the reliability of the interconnected electric system of compliance with the requirement, such as requiring the

retirement of existing equipment that is not capable of compliance with the requirement but is far from the end of its useful life and replacement with newer-generation equipment that is capable of compliance, where the incremental risk to the reliable operation of the asset and to the reliable operation of the facility and the interconnected electric system of continuing to operate with the existing equipment is minimal.

#### **4 Submission of a Single TFE Request for Multiple Assets**

A responsible entity may submit a single TFE request form for the same requirement for multiple assets, at one or more locations, when all of the following criteria are met:

- (a) the ground(s) for the technical feasibility exception request is the same for all assets;
- (b) the mitigation and remediation plans are the same for all assets; and
- (c) the proposed expiration date of the technical feasibility exception is the same for all assets.

#### **5 Submission of a Revised TFE Request**

Pursuant to R7 of CIP-SUPP-002, when a material change in the facts underlying the request for or approval of a TFE is identified, the responsible entity must submit a revised TFE request within 60 days of the identification or discovery of the material change. There is additional guidance on this topic in subsections 4.4 and 4.5 of this information document.

#### **6 Criteria for Approval of a TFE Request**

Pursuant to requirement R5 of CIP-SUPP-002, in determining whether to approve a TFE request, the AESO considers the following criteria:

- (a) whether, in the determination of the AESO, the grounds relied on by the responsible entity are satisfactory;
- (b) where the grounds relied upon are determined to be satisfactory, whether:
  - (i) the proposed mitigation plan, in the determination of the AESO, would achieve a level of reliability of the interconnected electric system comparable to or higher than compliance with the requirement; and
  - (ii) the proposed remediation plan to eliminate the technical feasibility exception, in the determination of the AESO, is satisfactory.

#### **7 Notice of Certain Appendix 3 Amendments**

In compliance with R5 of CIP-SUPP-002, the AESO will issue a notice of amendment to:

- subsection 3.1 Grounds for a TFE Request; or
- subsection 4 Criteria for Approval of a TFE Request

of this Appendix 3 in the AESO's Stakeholder Newsletter 30 days prior to the effective date of any amendments.

## Appendix 4

### Peak Metered Demand Waiver Requests

This Appendix 4 provides specific information, in relation to a waiver request submitted, pursuant to Section 11 of the ISO tariff, *Peak Metered Demand Waivers* (“Section 11”) or predecessor documents, for:

- Rate DTS, *Demand Transmission Service*, (“Rate DTS”); or
- Rate FTS, *Fort Nelson Demand Transmission Service*, (“Rate FTS”).

#### 1 Peak Metered Demand

Under Rate DTS and Rate FTS, metered demand is used to determine several charges in a settlement period, including the bulk system charge, regional system charge, point of delivery charge and other system support services charges. Peak metered demand is the highest 15-minute metered demand of a service under Rate DTS or Rate FTS during a settlement period.

#### 2 Peak Metered Demand Waivers

Peak metered demand usually reflects variations in load and is generally under the control of the market participant. However, sometimes peak metered demand can result from events on the transmission system over which the market participant has little, if any, control. As well, peak metered demand may result from commissioning or emergencies on market participant facilities, load restoration activities on an electric distribution system, or distribution system maintenance activities scheduled when the transmission system can accommodate the demand.

In such cases, the AESO may waive the peak metered demand for a market participant. The causes eligible for peak metered demand waivers are listed in subsection 2 of Section 11 of the ISO tariff. These causes were determined based on the discussion of peak metered demand waivers during the ISO tariff proceedings that resulted in Alberta Energy and Utility Board Decision 2000-1, issued on February 2, 2000, and Alberta Energy and Utility Board Decision 2001-32, issued on May 2, 2001.

#### 3 Submitting the *Peak Metered Demand Waiver Request Form*

The *Peak Metered Demand Request* form, Appendix 4A to this ID #2020-007, may be used to request a peak metered demand waiver. Once completed, you may submit this form and any related documents via-email to [dts-waiver@aeso.ca](mailto:dts-waiver@aeso.ca).

For each peak metered demand for which a waiver is being requested, the AESO recommends that market participants send a separate, completed *Peak Metered Demand Request* form and any attachments.

The AESO will advise the market participant of the outcome of its review. If the peak metered demand is confirmed to be caused by an eligible event, the AESO will incorporate the approved waiver on the next statement of account that is issued for the market participant in accordance with the billing procedures established in Section 10 of the ISO tariff, *Settlement and Payment Terms* or predecessor documents.

## Appendix 4A

### Peak Metered Demand Waiver Request Form

This form may be used to request a peak metered demand waiver. Once completed, you may submit this form and any related documents via email to [dts-waiver@aeso.ca](mailto:dts-waiver@aeso.ca), Attention: Operations Coordination.

#### 1 Market Participant Requesting Demand Waiver

Market participant:	Name of company or distribution system owner who is requesting waiver	
Operator or scheduler:	Name (print)	Date of request (yyyy-mm-dd)
Facility owner tracking information:	Optional	

#### 2 Location and Amount of Demand Waiver

Waiver request:	Demand requested to be waived (mw)	Waiver requested at pod (substation name/no.)
Load transfer:	Feeder transfer path(s)	Load transferred from pod (substation name/no.)
Condition duration:	Start (yyyy-mm-dd hh:mm) (24-hr time)	End (yyyy-mm-dd hh:mm) (24-hr time)

#### 3 Cause of Peak Metered Demand

Check one:

- (a) commissioning
- (b) activities required to repair and maintain transmission facilities
- (c) load restoration or load transfer activities that followed an outage of transmission or distribution facilities
- 
- (e) compliance with a directive the AESO issues
- (f) an event of force majeure that impacted the AES
- (g) pre-scheduled activities required to maintain distribution facilities, pursuant to subsection 2(2) of Section 11 of the ISO Tariff

#### 4 Description of Waiver Event

*Attach additional pages if necessary.*

## 5 Attachment

- Copy of transmission facility owner clearance request or outage report

## 6 Authorized Representative Contact Information

By submitting this form, the following person confirms that they are the authorized representative of the market participant and that the information contained in this request form is accurate and true to the best of their knowledge.

Contact Name	<a href="#">Click here to enter text.</a>
Title	<a href="#">Click here to enter text.</a>
Email Address	<a href="#">Click here to enter text.</a>
Telephone Number	<a href="#">Click here to enter text.</a>

## Appendix 5

### PILON Waiver Requests

This Appendix 5 provides specific information in relation to how a market participant may request a Payment in Lieu of Notice (“PILON”) waiver pursuant to Section 5 of the ISO tariff, *Changes to System Access Service* (“Section 5”) or predecessor documents.

#### 1 Payment in Lieu of Notice

Subsection 3 of Section 5 of the ISO tariff provides the conditions under which a market participant may reduce or terminate its Rate DTS, *Demand Transmission Service* (“Rate DTS”) contract capacity and Rate STS, *Supply Transmission Service* (“Rate STS”), including details related to notice periods and by making lump sum payments in lieu of notice.

#### 2 Permissible Circumstances for a Waiver or Reduction of the PILON Requirement

As stated above, Section 5 identifies a limited number of circumstances where the AESO may waive or reduce the requirement for a PILON. If the AESO is satisfied that one or more of the circumstances in subsection 3(6) of Section 5 have been met, then the AESO may waive or reduce the PILON requirement.

As it is in the AESO’s discretion to waive or reduce the requirement for a PILON, it is helpful for a market participant to provide as much information as possible to support the AESO’s determination. A market participant is encouraged to provide all details they believe are relevant and should be considered in the AESO’s assessment.

##### 2.1 Staged Contracts

A delay in a staged increase of Rate DTS does not exempt a market participant from the applicability of a PILON payment as per subsection 3(1) of Section 5 of the ISO tariff. Historically, the AESO did not require 5 years’ notice or a PILON to be provided when a market participant requested a contract change which delayed the originally requested staging of Rate DTS contract levels. However, the AESO has reconsidered this approach as the AESO’s construction contribution calculation considers contract capacities over a span of 20 years, and therefore considers the cumulative contract capacities requested for that time frame. The staging of contract levels directly impacts the cumulative contract capacity of the 20-year time frame so any delays to the originally staging of contract levels will likely reduce the cumulative contract capacities.

If there are delays to the staging of Rate DTS contract levels, Section 5 provisions apply. If changes are made in advance of when the delayed staging is effective (i.e., with at least 5 years’ notice), the AESO considers that subsection 3(1) of Section 5 of the ISO tariff is satisfied as the reduction of Rate DTS contract capacity will be effective at least 5 years after the date of notice. If changes to the delayed staging are effective within the 5-year time frame, the AESO expects a PILON.

#### 3 Requests for PILON Waivers

In addition to submitting request for a PILON waiver, the AESO recommends that a market participant submit a system access service request for the changes to the Rate DTS contract capacity or termination of the existing *System Access Service Agreement*.

Market participants are encouraged to provide complete information and sufficient time for the AESO to review a request to reduce or terminate Rate DTS contract capacity; determine the required PILON; and assess any accompanying PILON waiver request. Additionally, any changes to contract capacity require the execution of an updated *System Access Service Agreement*, and adjustments to the AESO’s settlement systems to reflect the contract capacity change. Generally, if a PILON waiver is approved, the time frame starting from a request to change contract capacity through to updating the AESO’s settlement

systems is 90 days. If a PILON is required, the market participant must pay the applicable PILON at least 30 days before the reduction or termination of Rate DTS contract capacity is effective.

## Appendix 5A

### PILON Waiver Request Form

This form may be used to request a Payment in Lieu of Notice (“PILON”) waiver, in accordance with Section 5 of the ISO tariff, for a reduction or termination of Rate DTS, *Demand Transmission Service* (“Rate DTS”) contract capacity. Once completed, please notify the AESO at [rfi@aeso.ca](mailto:rfi@aeso.ca) if you wish to arrange for secure exchange of information, otherwise, you may submit this form and any related documents via e-mail to [rfi@aeso.ca](mailto:rfi@aeso.ca).

#### 1 Market Participant Information

Identify the legal name of the market participant requesting the waiver.

Legal Company Name:	Click here to enter text.
Mailing Address:	Click here to enter text.

#### 2 Relevant Facility

Identify the market participant facility which the waiver is requested for.

Facility Name (substation name and identifier)	Click here to enter text.
Physical Location of Facility (Regional SLD/Google Maps showing distance between substations)	Click here to enter text.

Please attach maps/diagrams regarding the physical location (e.g., Google Maps diagram), and a regional single line diagram for the relevant facility.

#### 3 Contract Capacities for Relevant Facility

Identify the existing and requested contract capacities for the market participant facility which the waiver is requested for (i.e., the contract capacity reduction or termination for the relevant facility).

Facility Name	Click here to enter text.
Rate DTS Contract Capacity – Existing (MW)	Click here to enter text.
Rate DTS Contract Capacity – Requested Change (MW)	Click here to enter text.
Rate DTS Contract Capacity – Requested Capacity (MW)	Click here to enter text.
Requested Effective Date of Change	Click here to enter text.

Please attach a copy of the most recent System Access Service Agreement for the relevant facility.



#### 4 Circumstances for the Waiver Request

Identify which of the following circumstances listed in subsection 3(6) of Section 5 of the ISO tariff applies to the request.

- (a) contract capacity is transferred to a system access service of the same market participant at a nearby transmission substation;
- (b) transmission system benefits arise from the reduction or termination of contract capacity, which benefits may include relief of regional transmission constraints, removal of capacity limitations which would restrict system access service to other market participants or avoidance of future upgrades to the transmission system; or
- (c) the reduction of contract capacity results from an energy or demand reduction initiative of the market participant who has taken service for at least 20 years who: (i) provides to the ISO a clear, thorough and convincing case, with supporting facts, that demonstrates the energy or demand reduction resulting from the initiative and (ii) during the 10 years prior to the reduction in contract capacity becoming effective, has not increased contract capacity at the point of delivery at which the reduction in contract capacity occurs.

#### 5 Rationale

Please describe how the above circumstance is applicable, including all relevant information for the AESO to consider when evaluating this waiver request.

Explanation: [Click here to enter text.](#)

If requesting a waiver pursuant to subsection 3(6)(a) of Section 5 of the ISO tariff, provide the following information:

- maps/diagrams that show the physical distance between the facilities (e.g., Google Maps diagram)
- a regional single line diagram for the facility and surrounding area which contract capacity is being transferred to
- a copy of the most recent *System Access Service Agreement* for the facility which contract capacity is being transferred to
- Identification of the existing and requested contract capacities for the facility which contract capacity is being transferred to

Facility Name	<a href="#">Click here to enter text.</a>
Rate DTS Contract Capacity – Existing (MW)	<a href="#">Click here to enter text.</a>
Rate DTS Contract Capacity – Requested Change (MW)	<a href="#">Click here to enter text.</a>
Rate DTS Contract Capacity – Requested Capacity (MW)	<a href="#">Click here to enter text.</a>

Requested Effective Date of Change	Click here to enter text.
------------------------------------	---------------------------

## 6 Appendices

If there are any maps, diagrams, photos, analysis or reports that would provide additional clarity and details relating to statements or conclusions in the waiver request, identify the documents by name and date and attach them as appendices to this request form.

Click here to enter text.

## 7 Confidentiality

If any information, in addition to the market participant's name and facility is commercially sensitive, and should be treated as confidential, please identify that information along with the rationale.

Click here to enter text.

## 8 Authorized Representative Contact Information

By submitting this form, the following person confirms that they are the authorized representative of the market participant and that the information contained in this request form is accurate and true to the best of their knowledge.

Contact Name	Click here to enter text.
Title	Click here to enter text.
Email Address	Click here to enter text.
Telephone Number	Click here to enter text.

## 9 System Access Service Request

If you have submitted the related system access service request, provide the following information regarding the applicable system access service request.

Submitted By (Name)	Click here to enter text.
Date Submitted	Click here to enter text.

AESO Internal Use Only:

SASR Receipt Date	Click here to enter text.
AESO Project Number	Click here to enter text.
AESO Project Name	Click here to enter text.
AESO Project Coordinator	Click here to enter text.

## Appendix 6

### General Waiver or Variance Request

Appendix 6 provides additional information in relation to a waiver or variance request for requirements relating to an authoritative document that is not the subject of Appendices 1-5.

#### 1 AESO's consideration for evaluating requests

Where AESO authoritative documents do not contain specified grounds or criteria in consideration of waivers or variances request, you may provide any or all of the following information to assist the AESO in evaluating your request:

- (a) whether the request, accompanying information and AESO decision is confidential, with reasons;
- (b) the proposed effective date for the waiver or variance, if any, along with the rationale;
- (c) a description of the reasons or grounds for which the waiver or variance is requested;
- (d) whether the requested waiver or variance is likely to have a material impact on the market participant's facilities based on an assessment of reliability, technical and operational feasibility, economic impacts and safety;
- (e) whether the requested waiver or variance is likely to have a material impact on the reliability of the interconnected electric system based on an assessment of technical and operational feasibility, economic impacts and safety;
- (f) whether the requested waiver or variance is likely to have a material impact on the fair, efficient and openly competitive operation of the electricity market;
- (g) whether appropriate mitigation measures and mitigation or remediation plans (including milestones and associated costs) can be or are put into place; and
- (h) a description of identified alternatives to compliance with the authoritative requirement and justification for the preferred alternative (i.e. how the objective of the authoritative document is met in the preferred alternative).

#### 2 Request Form

As noted in section 4.1 of this information document, the AESO has developed request forms that may be used for certain waiver or variance requests. In the case of a waiver or variance request for requirements relating to an authoritative document that does not have a form provided in Appendices 1-5, the AESO recommends that market participants consider utilizing the *Waivers and Variances Request Form* in Appendix 1A.