



Suncor Energy Inc.
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July 26, 2022

Alberta Electric System Operator
Calgary Place
2500, 330 – 5th Avenue SW
Calgary, AB T2P 0L4

Attention: Ms. Nicole LeBlanc, Director, Markets & Tariff

Re: Alberta Electric System Operator June 27, 2022 response to Suncor Energy Marketing Inc.'s rule proposals dated February 28, 2022

Dear Ms. LeBlanc,

On February 28, 2022, Suncor Energy Marketing Inc. ("Suncor") submitted two rule proposals to the Alberta Electric System Operator ("AESO") in accordance with the process established by the AESO in line with Section 20.81 of the *Electric Utilities Act*, SA 2003, c E-5.1 (**EUA**). On June 27, 2022, Suncor received the AESO's decision to pause further review of the proposals until the AESO decides to resume the Priced Interties Initiative.

Suncor appreciates the time taken by the AESO to review the proposals and to provide the response. However, Suncor believes there may have been an oversight in reviewing the proposals that warrants a further review of the AESO's June 27 decision.

The two rule proposals submitted by Suncor concerned two separate, albeit related issues. The proposal described as item #1 in the AESO's response deals with the implementation of priced intertie transactions (**Priced Intertie Proposal**). The proposal described as item #2 by the AESO deals with the definition of *maximum capability* (**Maximum Capability Proposal**).

In both proposals, Suncor pointed out that the two proposals are related and that they were filed independently to avoid an unnecessary delay of either resolution. While Suncor respects the AESO's view that the proposals could be considered together, Suncor objects to the resulting delay. When bundling the two proposals for review, the AESO may have missed the different levels of urgency.

Since the AESO's Priced Intertie Initiative, which relates to the Priced Intertie Proposal, was identified as a lower priority, the AESO prioritized the Maximum Capability Proposal the same way, which is in Suncor's view not justifiable. In the Maximum Capability Proposal, Suncor identified the definition of

maximum capability to be “unduly discriminatory” and “contrary so Section 5(b)” of the *EUA*. With respect, rectifying elements of the ISO rules that are contrary to legislation has to be among the highest priorities for the AESO.

In light of this additional clarification, Suncor would appreciate a further review of its proposals. Suncor submits that the appropriate way going forward would be to either immediately consult on both proposals simultaneously, or to immediately consult on the Maximum Capability Proposal and defer the Price Intertie Proposal.

Thank you for your time, and if you have any questions related to the foregoing, please contact the undersigned.

Sincerely,

- original signed by -

Horst Klinkenborg
Manager Regulatory Gas & Power
Suncor Energy Marketing Inc.,
as duly authorized agent for
Suncor Energy Inc.