

<p>Period of Comment: June 23, 2021 through July 14, 2021</p> <p>Comments From: The University of Alberta (Utilities)</p> <p>Date [yyyy/mm/dd]: 2021/07/14</p>	<p>Contact: Mike Kohlenberg</p> <p>Phone: (780) 492-3126</p> <p>Email: mike.kohlenberg@ualberta.ca</p>
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Instructions:

1. Please fill out the section above as indicated.
2. Please refer back to the “related material” on the Stakeholder Engagement page on the AESO website.
3. Please respond to the questions below and provide your specific comments, if any. Blank boxes will be interpreted as favourable comments.

The AESO is seeking comments from stakeholders on the proposed development of amendments to Section 103.3, Financial Security Requirements (“Section 103.3”) with regard to the following matters:

	AESO Questions to Stakeholders	Stakeholder comments
1	Do you understand and agree with the objective or purpose of the proposed amended Section 103.3 and whether, in your view, the proposed amended Section 103.3 meets the objective or purpose? If not, why.	The University is unable to comment on this issue.
2	Do you agree that the proposed amended Section 103.3 is not technically deficient? If not, why.	The University is unable to comment on this issue.
3	Do you agree with the proposed amended Section 103.3, taken together with all ISO rules, supports a fair, efficient, and openly competitive market? If not, why?	The University is unable to comment on this issue.
4	Do you agree that the proposed Section 103.3 supports the public interest? If not, why?	<p>The University notes that Section 6(7) indicates that the ISO may “reassess and reduce that creditworthiness...” whereas Section 7(1) the ISO may “review and reassess any financial security, unsecured credit limits, financial information and standing, creditworthiness and credit rating...”</p> <p>The difference noted between the two clauses is that 6(7) appears to limit any potential</p>

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		<p>action to <u>reducing</u> creditworthiness whereas 7(1) is more general and states that the ISO may <u>reassess</u> creditworthiness, including unsecured credit limits.</p> <p>The University suggests that Section 7(1) would be more consistent with the public interest because it allows the ISO to adjust unsecured credit limits for inflation at some future date, if necessary. Furthermore, there may be a situation where the credit worthiness of a market participant might improve and in a literal interpretation of Section 6(7), the ISO would not adjust its assessment upward.</p> <p>As a solution, the University suggests that the words “and reduce” could be deleted from Section 6(7), thus allowing the ISO to make adjustments in either direction, consistent with the public interest.</p>
5	If approved, the AESO will propose an immediate effective date. Do you agree? If not, why not?	The University is unable to comment on this issue.
6	Any additional comments regarding the proposed amended Section 103.3	No.
7	Please provide any comments or views on the need for the development of a related information document, including the type of content that should be included.	The University is unable to comment on this issue.
8	Please provide any comments or views on any of the Stakeholder feedback previously provided on April 15, 2021.	The University is unable to comment on this issue.