Stakeholder Proposal Evaluation – May 4, 2020

Participant-Related Costs for DFOs (Substation Fraction) and DFO Cost Flow-Through Technical Session 2A

Period of Comment:	May 4, 2020 through May 20, 2020	**Contact:**	[redacted]
Comments From:	Denis Forest Consulting Inc.	**Phone:**	[redacted]
Date:	2020/05/20	**Email**:	[redacted]

Document purpose

The purpose of this document is to provide a structured and consistent guide to workshop participants to evaluate each of the proposals.

Instructions

1. Please fill out the section above as indicated.
2. Please complete an evaluation on each of the proposals using the tables below (Tables 2-7). Please provide your reason(s) as to why you think the proposal does/does not meet each of the evaluation criteria.
3. Once you have completed an evaluation on each of the proposals, please choose your preferred proposal with an explanation as to why in Table 1: Overall evaluation.
4. **Please submit one completed evaluation per organization.**
5. Email your completed evaluation to tariffdesign@aeso.ca by **May 20, 2020**.

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Table 1: Overall evaluation

Questions	Stakeholder Evaluation
1. Which proposal did you prefer? Please explain why.	The Canadian Solar Solutions Industries proposal is one of three proposals advocating a Policy and Causation-based approach which I feel is the best approach to deal with DFO-DCG cost allocations. This approach proposes that DCG pay for their direct and related connection costs, i.e. that DCG not be assessed an additional cost for "general access and use of the transmission system". This is the most well-developed of the three proposals for this approach.
2. What are the challenges or unresolved questions with your preferred proposal?	This proposal requires a defined mechanism in order to implement a Policy and Causation-based cost allocation approach in DFO-DCG situations.
3. What aspects from the other proposals would you like to see applied to your preferred proposal?	None.
4. Additional comments	A simple, easily implemented approach for this proposal is available which leverages existing AESO skills, processes and practices. Tariff changes may not be required. See the following tables for various points for consideration.

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Table 2: Evaluation of Proposal: Canadian Solar Solutions Inc.

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	Rating 9. This proposal presents the rationale for a Policy and Causation-based approach with the best reference to - the development of the AIES, its administrative principles and cost allocating policies, - a causation-based cost allocation basis. This is one of 3 proposals advocating that DCG pay for their direct and related connection costs, i.e. that they not be assessed an additional cost for "general access and use of the transmission system". This is the most well-developed of the three proposals for this approach.
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	This proposal is unbiased in that the approach recommended provides for parity between TCG and DCG and avoids cross-subsidization.
3. Is the proposal feasible?	This proposal is feasible in principle however the proponent did not provide a specific implementation methodology.
4. Which stakeholders are best served by this proposal? Why?	This proposal serves all stakeholders: load, generation, TFOs and DFOs, the AESO, the regulator and Alberta in general. With this approach: 1. DCG would not be subsidizing load-driven transmission system development. 2. TFOs would not lose legitimate rate base. 3. DFOs would obtain clarity on DCG cost allocation and flow-through requirements. 4. DCGs would have cost certainty to enable wise and confident investment decisions and investor recruitment. 5.The AESO would have an approved and justified, easy to understand and implement modification to an existing process to administer participant costs in DFO-DCG situations. 6.The AUC would avoid the regulatory churn and resource waste caused by the existing cost allocation methodology (e.g. in Proceeding 23393). 7. Alberta would gain an optimal electricity costing structure, the benefit of DCG

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Questions	Stakeholder Evaluation
	development for jobs and tax revenue, the benefit of mid-range wind and solar (5-50 MW) generation offsetting the need for more generation from higher environmental impact and more distant generation sources; the latter point also leading to reduced system losses due to more generation sited closer to load. 8. As a result of all of the foregoing, Alberta would enjoy a more competitive and rationale provincial electricity supply and administration system to create investor, developer and industry confidence in our utility system management and encourage industry to choose Alberta over less attractive alternative regimes.
5. Which stakeholders are least served by this proposal? Why?	None. This is a fair and reasonable approach based on the guiding principles and terms of the EUA, TDP and TReg, and on the sound economic and rate design principle of cost causation.
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	Yes.
7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of "Ease of understanding and implementation (simplicity)"? This additional principle was added based on stakeholder feedback. If not, are you supportive of the principles that are used in the development of the proposal?	Yes, except for principle #2 which is arguably a flawed*, although superficially reasonable, principle. This type of approach also supports guiding Principles which could be added for these Technical Sessions: - leverage existing AIES administrative policies and practices - promote the optimal Alberta electricity price, - reduces system losses, - supports environmentally favorable generation sources, and - enhance DCG and industry confidence in Alberta's sound and reliable administration and management of our electricity system. *Principle #2 is not appropriate because the concept of users sharing in the cost of shared transmission facilities and for which they have the benefits, while seeming intuitively justified, conflicts with the cost allocation and responsibility terms of TDP and TReg. This misunderstanding is compounded by Alberta's transmission-centric treatment of DFOs as "participants" when, in reality, DFOs, like TFOs, are wire service

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Questions	Stakeholder Evaluation
	providers delivering electricity to end-use load and generation customers. These two customer groups have different service needs and cost responsibilities. The TReg is clear in this regard for TCG, however it does not clearly stipulate a similar treatment of DCGs and DFOs. Viewing a DFO as a single "participant" is part of the reason why the simplistic and flawed substation fraction approach has been unable to appropriately allocate costs in DFO-DCG situations. Causation is completely abandoned in the face of DCGs being hostage to DFO load needs. In addition, causation is ill served by the use of contract capacities as an indication of the project driver. A misguided effort to establish parity for TCG and DCG by striving to give them the same "average" connection costs, or similar average "per MW" connection costs, is flawed. Each specific TCG and DCG project has unique connection costs based on a variety of factors, notably location and technology. If, in general, a D connection is less expensive than a T connection, this is a DCG benefit to offset TCG benefits related to economies of scale. The principles of the TDP and TReg are clear in that generation should pay whatever incremental wires system costs are necessary to enable their connection to the wires system. Period. Beyond that, the connection cost magnitude is simply specific to each generator connection. The connection cost should be established as part of the technical studies for the connection, and should not include looking at past or future load-driven transmission system facility upgrades.
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	This proposal includes 4 scenarios, none of which specifically address the typical DFO-DCG situations of - a DCG connecting to a DFO served by a POD where transmission system upgrades were recently completed, or - transmission system upgrades at a DFO "dual-use" POD (with both DTS and STS contracts). In addition, Scenario 2 includes "limited transmission system upgrades", a curious and unclear situation. Specific scenarios should be developed and used to test any proposed cost allocation methodology or practices intended to implement this

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Questions	Stakeholder Evaluation
	approach. This proposal requires a defined mechanism to implement a Policy and Causation-based cost allocation approach in DFO-DCG situations.
9. Additional comments	A simple, specific and speedy implementation for this approach is available leveraging existing AESO practices, policies and skills. Tariff or legislative changes may not be necessary. Note that the principles, as opposed to the letter, of TReg are already guiding the evolution of Alberta's handling of DCGs as demonstrated by the shift to assessing DCGs for GUOC based on their MCR rather than the STS contract held by the DFO. The same extended interpretation and application of TReg principles must apply to DCG connection costs. It may seem contradictory, however, wires facilities built for load purposes, then shared with generation, does not trigger a cost sharing recalculation. On the other hand, wires facilities built for generation, then shared with load, should trigger a cost sharing recalculation. This is based on the principle that the wires system is driven by, and paid for by, the consumers of electricity while generation pays only to connect to the load-driven wires system.

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Table 3: Evaluation of Proposal: DCG Consortium

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	Rating: 1. This is one of three proposals advocating that DCG pay a “transmission system access fee” (**TSAF**) to enable their power to flow upstream over “shared” transmission system facilities and obtain the “benefits” therefrom. I believe that alll three proposals for a T System Access Fee are flawed because they: 1. Conflict with the principles and requirements of the EUA, the TDP and TReg. 2. Do not respect the economic and rate design principle of causation. 3. Lead to a lack of parity between TCG and DCG. 4. Represent a subsidy of load by DCG. 5. Are not simple and would not be easy to understand and quick to implement. 6. Advocate removing the “supply-related” element from CCDs involving DFO-DCG situations (for some situations this would handicap appropriate cost allocations). 7. Would increase the cost of electricity 8. Would increase environmental impacts. 9. Will introduce a new element into the administration of the AIES with the potential for unforeseen, unpredictable and undesirable consequences (i.e. as for 12 CP). For these reasons, I believe this approach would likely eventually be abandoned. Two of the proponents for this approach admit that it is provided under duress as they fear too much resistance to the development of a truly appropriate solution to the inadequacies of the AESO’s existing cost allocation practices in DFO-DCG situations. Constraints are identified which have led to this “second-best’ approach. This type of proposal is presumably advanced in the hopes of a faster compromise solution enabling timely progress for DCG development.

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Questions	Stakeholder Evaluation
	The DCG Consortium approach is the best of the three such proposals as it is grounded within the given constraints, sufficiently detailed and complete, but not overly complex. However, I believe that none of the three proposals are acceptable.
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	This type of approach is biased: - Overly accommodates Principle #2 - Results in a harmful outcome for DCGs and TFOs - Does not provide parity between DCG and TCG - Does not meet the requirements of Principle #5
3. Is the proposal feasible?	Yes, however it involves a new AIES administrative practice with potentially contested elements to be determined such that the time and complexity of design understanding and implementation do not satisfy Principle #5 In addition, as learned with 12 CP, introducing new AIES administrative practices can result in unforeseen and undesirable consequences.
4. Which stakeholders are best served by this proposal? Why?	Arguably none. This approach results in DCG subsidizing load-driven transmission system development. It might be considered that load customers are well-served by this proposal as their service needs are partially funded by the proposed TSAF. However, as pointed out in the Lionstooth proposal, requiring DCGs to pay for transmission system upgrades needed by load shifts the cost from a regulated entity (the TFO) to a for-profit entity (the DCG) resulting in a higher cost for delivered electricity. Furthermore, the elimination of cross-subsidization is a goal of Alberta's rate design practices, one would hope that this subsidization would eventually be recognized if the practice was implemented and corrective action taken through future practice changes, all of which could be avoided if we don't make such a mistake at this time. Superficially the AESO is well served by this approach because it has argued

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Questions	Stakeholder Evaluation
	throughout Proceeding 22942 and these Technical Sessions that, in the interest of fairness and parity with TCG, DCG should be responsible for the cost of "shared facilities" based on "user benefits". Both of these are flawed arguments. - TReg defines the principles of cost allocation and responsibility for generation; transmission system costs are not shared equally by load and generation, and this should equally apply to the distribution system, another wire service provider. - User benefits is also a dismissible argument when analyzed in any detail. - TCG/DCG parity is not served by applying transmission system upgrade costs to DCG but not TCG, as admitted by the AESO in testimony during Proceeding 22942.
5. Which stakeholders are least served by this proposal? Why?	DCGs: DCGs will be paying costs in excess of their TCG counterparts and in excess of their TDP-defined cost responsibilities, resulting in DCGs subsidizing the cost for load-driven transmission system facilities. TFOs: DCG payments will offset TFO rate base, reducing TFO income and subsidizing load-driven transmission system facilities. Load: a TSAF approach will result in higher delivered electricity cost and reduced DCG development. Reduced DCG development will lead to higher prices (because wind and solar DCG are price takers and have a price suppressing impact on the average SMP) and increased reliance on distant coal and gas-based generation which have negative environmental consequences. Increased supply from distant generation will also increase line losses (with more upward pressure on electricity cost and more pollution). Higher electricity cost will discourage industry from siting in Alberta to the detriment of the Alberta economy and its citizens.
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	This proposal identifies the Principles summarized by the AESO as a result of Technical Session 1 and characterizes itself as complying with those principles. This proposal, like the other two TSAF-based proposals, does not satisfy the principles as well as a Policy and Causation-based approach.

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Questions	Stakeholder Evaluation
7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of "Ease of understanding and implementation (simplicity)"? This additional principle was added based on stakeholder feedback. If not, are you supportive of the principles that are used in the development of the proposal?	This approach is not fair, does not promote parity between TCG and DCG, results in cross-subsidization, is not easy to understand and implement, and does not respect the principles of TReg nor cost causation. Principle #2 is a flawed, but superficially reasonable, principle. The concept of users sharing in the cost of shared transmission facilities, and for which they have the benefits, conflicts with the cost allocation and responsibility terms of TDP and TReg. This type of approach also conflicts with Principles which could be added: - leverages existing AIES administrative policies and practices - promotes the optimal Alberta electricity price, - reduces system losses, - supports environmentally favorable generation sources, and - enhances DCG and industry's confidence in Alberta's sound and reliable administration and management of our electricity system.
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	The specific challenge for the DCG Consortium is "why have you not advocated for your preferred solution?"
9. Additional comments	This is not a situation for compromise. Rather, this situation calls for a detailed understanding of the factors involved and the collaborative development of a robust and long-term solution to establish business practices which will build investor and developer confidence in Alberta. Note that the 3 proposals for this type of approach involve a 50:50 cost allocation for sharing purposes. A cost sharing approach for the transmission system was specifically denied by the TDP and entrenched in the TReg.

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Table 4: Evaluation of Proposal: FortisAlberta Inc.

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	Rating: 1. This is one of three proposals advocating that DCG pay a TSAF (Fortis calls it an ASIC) to enable DCG power to flow over "shared" facilities and obtain the "benefit" of access to the transmission system. See the comments in Table 3 for feedback concerning this approach. Comments below are in addition to those in Table 3 and specific to the Fortis proposal.
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	See Table 3.
3. Is the proposal feasible?	This proposal is very complex, likely unnecessarily so. The calculation of an ASIC for each DCG connection introduces complexity, the MW basis calculation and Utilization Factors introduce complexity, the POD-specific ASIC-associated credit introduces complexity. These create a cumulative confusion for customers and administrators alike with increased risk of errors, inconsistencies, surprises and misunderstandings – all of which do not create good customer relations (which would benefit all of the entities providing Alberta electric utility service and its administrators and regulators). These issues also create uncertainty, complexity, conflict and, likely, delays for implementation and a probable need for regular regulatory review making this a slow and burdensome approach. The precision presumably served by this approach is not justified, especially when the proposal concept is deficient in so many ways with an arguably better and simpler approach.
4. Which stakeholders are best served by this proposal? Why?	See Table 3.
5. Which stakeholders are least served by this proposal? Why?	See Table 3.

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Questions	Stakeholder Evaluation
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	See Table 3. As per item 3 above, this proposal is unnecessarily complex with associated issues for implementation and administration.
7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of "Ease of understanding and implementation (simplicity)"? This additional principle was added based on stakeholder feedback. If not, are you supportive of the principles that are used in the development of the proposal?	See Table 3, with the added proviso that the Fortis proposal is the most complex of the TSAF approaches creating the greatest conflict with the principle of easy to understand and implement.
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	No further time or effort should be invested in this proposal.
9. Additional comments	See Table 3.

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Table 5: Evaluation of Proposal: Lionstooth Energy

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	Rating 8. This proposal presents a Policy and Causation-based approach with the reference to - the development of the AIES and its administrative principles, - a causation-based cost allocation basis. This is one of 3 proposals advocating that DCG pay for their direct and related connection costs, i.e. that they not be assessed an additional cost for "general access and use of the transmission system as connected to the distribution facilities to which the DCG is connected". This is the best proposal for demonstrating the impact on electricity cost of inappropriately shifting transmission system capital cost from regulatory rate base to investor-based entities and for demonstrating the negative implications for DCG, DFOs, TFOs and load customers in general.
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	See Table 2.
3. Is the proposal feasible?	See Table 2.
4. Which stakeholders are best served by this proposal? Why?	See Table 2.
5. Which stakeholders are least served by this proposal? Why?	See Table 2.
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	Yes.
7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of "Ease of understanding	See Table 2.

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Questions	Stakeholder Evaluation
and implementation (simplicity)"? This additional principle was added based on stakeholder feedback. If not, are you supportive of the principles that are used in the development of the proposal?	
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	This proposal requires a defined mechanism to implement a Policy and Causation-based cost allocation approach in DFO-DCG situations.
9. Additional comments	It should be noted that the in the Lionstooth DCG Total Interconnection Cost formula: Z + A + B + C + D, from slide 7, the cost at issue for these Technical Sessions is correctly identified as the A component. However, the B component, i.e. DFO Interconnection Cost has traditionally included TFO costs as the DFO works with the TFO to identify any TFO upgrades required to accommodate the DCG connection. As the DCG is connecting with, and contracting for connection to, the DFO, and not the TFO, TFO costs are included in the DFO connection quote. This is reflected in the AESO's BTF process. These TFO costs, typically protection upgrades including transfer trip provisions, are part of the true "connection costs" of the DCG to connect to the AIES. These connection costs are also DFO participant-related costs as defined by AESO Tariff Section 8, 3 (2) (i). As such, these are the costs which could be identified as "supply-related" by a causation review in the CCD process. As these costs would be fully allocated to, and recovered from, the DCG, with no investment applied, the substation fraction for any DTS contract at the POD should remain at 1. Slide 13 is perplexing in a few ways. 1. It seems to imply T system upgrades beyond DCG-specific protection changes. More detail, or an example, would be helpful. Is this a breaker addition? A transformer upgrade? If the former, the DCG is effectively a TCG and the DFO is not involved. If the latter, this could still be a DFO-DCG situation but with the potential for immediate cost sharing with load. In either case, the need for, and appropriateness of, future cost sharing if load utilization occurs or increases on those facilities would be appropriate. This would be a rare but potential scenario which the new cost allocation process should be

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Questions	Stakeholder Evaluation
	able to handle. This slide also indicates that the STS level should be determined based on reverse power flows at the POD level, which is a separate issue, debated and decided in Proceeding 22942. Slide 14 mistakenly indicates the DFO estimating GUOC; the AESO calculates the GUOC requirement which the DFO simply passes along to the DCG. The concept, occasionally mentioned by proposal proponents, of DCGs “right sizing” seems curious and confusing. Does this mean determining their output level based on the local distribution load? To avoid an STS contract? This is difficult and typically not practical. Distribution load is POD-specific and varies widely in terms of load profile – fluctuating during the various hours of the day, day of the week, seasons and economic circumstances. For a DCG to be “right sized” would require the ability and intention to follow the distribution load. Practically speaking, to avoid an STS contract a DCG would need to contract with the DFO for maximum output equal to the historical minimal low on its service feeder, generally an extremely limiting approach.

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Table 6: Evaluation of Proposal: Solarkrafte

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	Rating 7. This is one of 3 proposals advocating that DCG pay for their direct and related connection costs, an approach based on Alberta Transmission Policy, the EUC and cost causation. With this approach, DCG would not be assessed an additional cost for "secondary access and use of the transmission system". This proposal makes reference to the ability of the AESO to apply Section 8, 10 of its tariff to avoid allocating DFO load-driven participant costs to DCG.
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	This proposal presents two key points generally applicable to DCG connections and critical to the allocation of transmission system upgrade costs. 1. In a typical DCG BTF connection, DCGs do not trigger transmission system upgrades other than protection changes related to their own connection. These costs are flowed through to the DCG via the DFO estimate. Such costs are part of the legitimate connection costs payable by DCG. 2. TCG is only subject to TFO upgrade costs directly related to their connection needs. This can be as little as the cost to connect to an available 25 kV breaker at a substation. The TCG is not always required to pay for a full substation! This is contrary to the common characterization of a TCG's minimal connection requirement and cost.
3. Is the proposal feasible?	In general, as the proposal is based on an appropriate recognition and interpretation of Alberta's electric utility system principles and regulations for cost responsibilities, yes. Specifically, i.e. deeming DCG connections as "system costs', no. This approach is based on a mistaken interpretation of the term "system", caused by a confusing variety of definitions applied to this term within tariffs and AIES

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Questions	Stakeholder Evaluation
	administrative practices. "System" can mean the transmission system and all of the facilities which make up the transmission system. These are the facilities built, owned and operated by TFOs. Transmission facilities are defined in the EUA, in Part 1, 1 (1), (bbb) generally by voltage (operating at greater than 25,000 volts) and by location/function (located within a transmission substation). The term "System" is also used and defined in the AESO tariff to distinguish between participant and system-related transmission project costs. This is defined in Section 8, 3 (3) of the AESO tariff, perhaps most specifically as any costs not covered by the Participant costs defined in Section 8, 3 (2). If the AESO were to deem upgrade cost as "system" *for cost allocation purposes* simply to avoid such costs from being subject to a participant load or supply-related allocation, this would potentially shift load-driven costs into a "system" cost category eliminating investment and customer contribution applications which should occur. However, to the extent that this proposal is based on an appropriate recognition and interpretation of Alberta's electric utility system principles and regulations for cost responsibilities and on the appropriate and traditional rate design and economic principle of cost causation, this proposal can be practically implemented with simple, easy and quick modifications to existing AESO skills, practices and administrative tools.
4. Which stakeholders are best served by this proposal? Why?	See Table 2.
5. Which stakeholders are least served by this proposal? Why?	See Table 2.
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	See Table 2.

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Questions	Stakeholder Evaluation
7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of “Ease of understanding and implementation (simplicity)”? This additional principle was added based on stakeholder feedback. If not, are you supportive of the principles that are used in the development of the proposal?	See Table 2.
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	As detailed in response to question 3 above, the specific implementation of this proposal by applying Section 8, 10 of the AESO tariff to DCG connections is not practical.
9. Additional comments	This proposal requires a defined mechanism to implement a Policy and Causation-based cost allocation approach in DFO-DCG situations. A simple, easily implemented approach is available leveraging existing AESO skills, processes and practices.

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Table 7: Evaluation of Proposal: URICA

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	Rating: 1. This is one of three proposals advocating that DCG pay a TSAF to enable their power to flow over “shared” facilities and obtain the “benefit” of connection, upstream, to the transmission system. See Table 3 for the specific details of why this type of approach is not appropriate. Note that slide 14 specifically states that this proposal aligns with the AESO principles “in the hopes of an expedited resolution” suggesting the proponent has capitulated to flawed principles, beliefs and justifications and, accordingly, developed a compromise approach rather than invest the time and effort required to develop and implement a truly principled approach.
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	See Table 3.
3. Is the proposal feasible?	See Table 3. This proposal provides the least details for the determination of TSAF, leaving it to the AESO and others to work out the cost basis and precise amount. This open proposal is subject to ambiguity, complexity and conflict, all of which would result in a delayed resolution and implementation of any resulting new practices.
4. Which stakeholders are best served by this proposal? Why?	See Table 3.
5. Which stakeholders are least served by this proposal? Why?	See Table 3. In addition, with the lack of specifics on the implementation details, specifically the fee basis and determination, this proposal could be the slowest to implement causing continued deterioration of investor, developer and industrial confidence in

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Questions	Stakeholder Evaluation
	Alberta's ability to rationally and effectively manage its utility sector.
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	See Table 3.
7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of "Ease of understanding and implementation (simplicity)"? This additional principle was added based on stakeholder feedback. If not, are you supportive of the principles that are used in the development of the proposal?	See Table 3.
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	No further time or effort should be invested in this proposal.
9. Additional comments	See Table 3.

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Appendix A

Principle	Description
Overarching	Tariff design and implementation facilities a fair, efficient and openly competitive market (FEOC) • Fosters competition and encourages new market entry • Efficiency • Avoidance of undue discrimination • Fairness
Principle 1	Parity between transmission interconnection costs calculation for transmission connected customers and distribution connected customers while enabling effective price signals to ensure to optimal use of existing distribution and transmission facilities • Fairness • Effective price signals
Principle 2	Market participants should be responsible for an appropriate share of the costs of transmission facilities that are required to provide them with access to the transmission system (may include paying a contribution towards facilities paid for by other customers and refund to the customer that paid) • Fairness • Cost Causation
Principle 3	DCG participants should have cost certainty when making their final investment decision (FID) • Certainty of future costs • Stability
Principle 4	DFOs should be provided with reasonable certainty re: cost treatment/recovery • Certainty of future costs • Stability
Principle 5 (added)	Ease of understanding and implementation • Simplicity • Stability

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