

<p>Period of Comment: October 26, 2020 through November 9, 2020</p> <p>Comments From: TransCanada Energy Ltd. (TCE)</p> <p>Date: 2020/11/09</p>	<p>Contact: Mark Thompson</p> <p>Phone: 403-589-7193</p> <p>Email: markj_thompson@tcenergy.com</p>
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Instructions:

1. Please fill out the section above as indicated.
2. Please refer back to the *Letter of Notice for Feedback on the Content of Proposed Options for Amended Section 505.2* under the “Related Materials” section to view the actual draft proposed materials on amended Section 505.2.
3. On the sections of the rule listed below, please provide your specific comments, proposed revisions, and reasons for your position underneath (if any). Blank boxes will be interpreted as favourable comments.
4. Please be advised that general comments do not give the AESO any specific issue to consider and address, and results in a general response.

Question	Stakeholder Comments
<p>Refund of Generating Unit Owner’s Contribution</p>	
<p>2 The ISO must calculate a refund for each calendar year during the refund period as:</p> $\text{refund} = \text{annual amount} \times \text{availability assessment}$ <p>where:</p> <p>(a) annual amount is as specified in the ISO tariff; and</p> <p>(b) availability assessment is calculated in accordance with subsection 3, 4, or 5, as applicable.</p>	<p>TCE understands that a Generating Unit Owner’s Contribution (GUOC) payment is a function of its maximum capability (MC) and the region in which it connects to the transmission system. In this sense, the GUOC payment is intended to act as a price signal for the transmission cost associated with generation in a region. TCE further understands that this GUOC payment is independent of type of generation. In other words, within a specific region a GUOC payment for a generator with a 50 MW MC will be the same regardless of generation type. TCE submits that this is appropriate considering the commensurate transmission requirement.</p> <p>This section of the proposed rule would determine the GUOC refund in accordance with subsections 3, 4, or 5, which differ according to</p>

Question	Stakeholder Comments
	<p>generation type. This could result in substantially different refunds for generators of the identical size in the same location and with the same availability assessment. Indeed, if the availability assessment was 20%, one generator could receive a full refund pursuant to subsection 4(d), another could receive a 50% refund pursuant to subsection 4(c), and another could receive no refund pursuant to subsections 3(c) and 5(c). In each case, the GUOC payment and the cost to the transmission system would have been the same, yet the treatment is considerably different. As a result, TCE submits that Option 1 unfairly applies more risk to certain types of generation.</p>
<p>Availability Assessment for Generation With Energy Market Offers</p>	
<p>3 Subject to subsections 4 and 5, the ISO must calculate the availability assessment for a generating unit or an aggregated generating facility that submits offers for energy as follows:</p> <ul style="list-style-type: none"> (a) identify cumulative time-weighted hourly availability using the available capability of the generating unit or aggregated generating facility in relation to its critical maximum capability; (b) calculate the average hourly availability by dividing the value determined in subsection 3(a) by the number of hours in the year; and (c) determine the availability assessment for the generating unit or aggregated generating facility based on the average hourly availability as follows: 	<p>TCE understands that the AESO's intent is to link the GUOC refund to a generator's critical MC so that generators are incented to provide the AESO accurate generation data, which could reduce future transmission costs. In general, providing such incentives is good policy. While likely not intended, the proposed availability assessment goes too far by unfairly preventing a generator from receiving a reasonable refund, even when providing accurate information to the AESO.</p> <p>A generator's MC usually occurs under very specific operating conditions, which in most cases is during extremely cold conditions that may occur in less than 1% of hours. As such, even if a generator provided the AESO with accurate critical MC data, it would likely receive a lower refund over the 10-year term than it would under the current rule.</p> <p>Please also refer to the comments provided in Section 2 above.</p>

Question		Stakeholder Comments
Average Hourly Availability [subsection 3(c)]	Availability Assessment	
Less than 0.60	0%	
0.60 to 0.80	$\frac{\text{average hourly availability} - 0.60}{0.20} \times 100\%$	
Greater than 0.80	100%	
Availability Assessment for Renewable Generation and Generation with a Maximum Capability Less than 5 MW		
<p>4 The ISO must calculate the availability assessment for a wind, solar, or run of river hydroelectric generating unit or an aggregated generating facility, an aggregated asset containing a wind, solar or run of river generating unit or aggregated generating facility, and a generating unit or aggregated generating facility with a maximum capability less than 5 MW, as follows:</p> <ul style="list-style-type: none"> (a) identify the cumulative time-weighted hourly availability using the metered energy of the generating unit or aggregated generating facility, less any volumes dispatched for operating reserve, in relation to its critical maximum capability; (b) calculate average hourly availability by dividing the value determined in subsection 4(a) by the number of hours in the year; and (c) subject to subsection 4(d), determine the availability assessment for the generating unit or aggregated generating facility based on the average hourly availability as follows: 		Please refer to the comments provided in Sections 2 and 3 above.
Average Hourly Availability [subsection 4(c)]	Availability Assessment	
Less than 0.15	0%	
0.15 to 0.25	$\frac{\text{average hourly availability} - 0.15}{0.10} \times 100\%$	

Question		Stakeholder Comments								
Greater than 0.25	100%									
<p>(d) determine the availability assessment for a solar aggregated generating facility based on the average hourly availability as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Average Hourly Availability [subsection 4(c)]</th> <th style="width: 50%;">Availability Assessment</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Less than 0.08</td> <td style="text-align: center;">0%</td> </tr> <tr> <td style="text-align: center;">0.08 to 0.12</td> <td style="text-align: center;">$\frac{\text{average hourly availability} - 0.08}{0.04} \times 100\%$</td> </tr> <tr> <td style="text-align: center;">Greater than 0.12</td> <td style="text-align: center;">100%</td> </tr> </tbody> </table>		Average Hourly Availability [subsection 4(c)]	Availability Assessment	Less than 0.08	0%	0.08 to 0.12	$\frac{\text{average hourly availability} - 0.08}{0.04} \times 100\%$	Greater than 0.12	100%	
Average Hourly Availability [subsection 4(c)]	Availability Assessment									
Less than 0.08	0%									
0.08 to 0.12	$\frac{\text{average hourly availability} - 0.08}{0.04} \times 100\%$									
Greater than 0.12	100%									
Availability Assessment for Behind the Fence Generation with Net Offers										
<p>5 The ISO must calculate the availability assessment for a site with 1 or more onsite generating units or aggregated generating facilities that supplies electric energy for 1 or more onsite load assets and offers excess generation to the energy market on a net basis as follows:</p> <ul style="list-style-type: none"> (a) identify the cumulative time-weighted hourly availability using the available capability of the site in relation to the site's Rate STS contract capacity; (b) calculate average hourly availability by dividing the value determined in subsection 6(a) by the number of hours in the year; and (c) determine the availability assessment for the site based on the average hourly availability as follows: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Average Hourly Availability [subsection 5(c)]</th> <th style="width: 50%;">Availability Assessment</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> </tbody> </table>		Average Hourly Availability [subsection 5(c)]	Availability Assessment			<p>Please refer to the comments provided in Sections 2 and 3 above.</p>				
Average Hourly Availability [subsection 5(c)]	Availability Assessment									

Question		Stakeholder Comments
Less than 0.60	0%	
0.60 to 0.80	$\frac{\text{average hourly availability} - 0.60}{0.20} \times 100\%$	
Greater than 0.80	100%	
Adjustments		
<p>6 The ISO may make adjustments to the hourly availability if the generating unit or aggregated generating facility is affected by an event outside the control of the owner of a generating unit or aggregated generating facility, including but not limited to a transmission or distribution facility outage, congestion, a directive issued by the ISO or a circumstance arising under the ISO tariff or an ISO rule.</p>		TCE recommends that events outside the control of the owner of a generating unit include force majeure events.
Communication		
<p>7 The ISO must provide a preliminary performance assessment, along with all related input data, to the legal owner of a generating unit or an aggregated generating facility by January 31 of the year following the calendar year to which the refund relates.</p>		No comment.