

Stakeholder Comment Matrix – June 25, 2020

Participant-Related Costs for DFOs (Substation Fraction) and DFO Cost Flow-Through
Technical Session 3



Period of Comment: June 25, 2020 through July 17, 2020	Contact: [REDACTED]
Comments From: AltaLink Management Ltd.	Phone: [REDACTED]
Date: [2020-07-17]	Email: [REDACTED]

Instructions:

1. Please fill out the section above as indicated.
2. Please respond to the questions below and provide your specific comments.
3. **Please submit one completed evaluation per organization.**
4. Email your completed comment matrix to tariffdesign@aeso.ca by **July 17, 2020**.

The AESO is seeking comments from Stakeholders with regard to the following matters:

	Questions	Stakeholder Comments
1.	<p>Please comment on Technical Session 3 hosted on June 25, 2020. Was the session valuable? Was there something the AESO could have done to make the session more helpful?</p>	<p>The June 25, 2020 session was valuable in that it was conducted smoothly. The AESO facilitator made an effort to canvas representatives from many of the groups represented.</p>
2.	<p>Please comment on your level of support for the AESO's revised proposal and the level to which AESO's revised proposal supports the principles (as developed through this stakeholder engagement). Please be as specific as possible.</p>	<p>AltaLink does not support the AESO's revised proposal presented to stakeholders on June 25, 2020. AltaLink supports the substation fraction methodology that is currently approved by the Commission as it ensures that those that use the grid pay their fair share for the value of being connected to the grid.</p> <p>However, AltaLink understands the concerns from DCG owners regarding future exposure to charges for transmission upgrades they have not caused, after they have connected to the system. Therefore, in prior comments, AltaLink endorsed the one time \$/MW charge at connection as it was reasonable, met the principles that were established by the AESO and stakeholders, addressed the Commission's concerns in its 2018 ISO tariff decision, and addressed the concerns from DCG owners for being charged for costs after connection to the system.</p> <p>AESO's proposal, in AltaLink's opinion, will further increase an unlevel playing field between distribution connected generation and transmission connected generation and will lead to FEOC concerns in the energy market.</p> <p>AltaLink does not see that the AESO's proposal meets the principles established through this stakeholder engagement as it only meets three out of the five established principles, and does not meet the two most important principles in principle 1 and 2.</p>

3.	Please comment on any outstanding risks or issues you see with the AESO's revised proposal. Please be as specific as possible.	<p>In the Commission's decision they stated, "both distribution and transmission connected generation benefit from the services provided by the transmission system and the grid as a whole and those that use the grid should pay their fair share for the value of the grid through appropriate tariff mechanisms". This was used to develop the second principle by the AESO and stakeholders for evaluating proposals. The AESO's revised proposal does not align with the Commission's decision and if the revised proposal is not approved by the Commission, DCG owners will be at risk for both substation costs at connection as well as for future transmission upgrades not caused by them. The \$/MW charge takes away the risk of future costs being applied to them.</p> <p>As well, if the AESO's revised proposal was approved, there would be timing differences that would arise in waiting for DFO tariffs to be revised. There would need to be an interim plan for charging DGs until DFO tariffs were revised so that there would be fairness between DCGs connected now and under revised DFO tariffs.</p>
4.	Please provide any further comments you may have on next steps regarding regulatory process and implementation. Please be as specific as possible.	None.
5.	Additional comments	None.

Thank you for your input. Please email your comments to: tariffdesign@aeso.ca.