

Stakeholder Comment Matrix – June 25, 2020

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



<p>Period of Comment: June 25, 2020 through July 17, 2020</p> <p>Comments From: ATCO Electric Ltd.</p> <p>Date: 2020-07-17</p>	<p>Contact: [REDACTED]</p> <p>Phone: [REDACTED]</p> <p>Email: [REDACTED]</p>
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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>Overall the session was well managed, and sought the opinions and comments from all impacted parties. Questions were managed effectively, with all parties effectively engaged throughout the session.</p> <p>We note that the information presented- in Technical Session 3 took an about-face from what was previously discussed and presented. Previous sessions were iterative, building on concepts presented and discussed in detail during these sessions, which was not the case in Technical Session 3. This change in direction appeared to result in frustration amongst some participants with respect to the development process as everything to this point had been successively built on to some degree, and there was no substantive preview to this direction prior to the session to assist all parties in preparing for the sudden change in direction.</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>In general, ATCO remains relatively neutral to the direction of the AESO with respect to the revised proposal, providing cost certainty for the DFO can be maintained, and appropriate pricing signals are available. ATCO acknowledges that principles 3, 4 & 5 as established in Technical Session 1 are paramount in the AESO's current proposal, providing methodologies for cost certainty to DCG and DFOs and simplified implementation.</p> <p>The simplicity of the implementation provides a foundation for regulatory efficiency and expediency that is sought by all parties.</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>ATCO remains concerned that the proposal does little to dissuade developers of large DCGs from seeking distribution connection as an economic alternative to a more appropriate transmission connection. ATCO's concerns include:</p> <ul style="list-style-type: none"> - The lack of a transmission charge for DCG does not send an appropriate sizing signal to avoid large scale generation facilities connecting to an undersized distribution network. - Absent a transmission charge for DCG, oversized generators will continue to seek to avoid the higher costs and longer timelines of a transmission connected facility despite these generators better serving the AIES through a transmission connection. - The apparent incentives for large scale DCGs to seek a distribution connection in effect limits access for smaller scale DCG facilities seeking to connect to the distribution system, by using up available capacity. - The potential impact of these facilities on the TFO-owned substation transformer, which have the potential to experience reverse power flow as high as their full rating on transformers that were designed for one-way flow. This risk is still being assessed by the industry and it is not yet clear what the impact of this would be to asset lifecycle of this equipment in the near to mid-term.
4.	Please provide any further comments you may have on next steps regarding regulatory process and implementation. Please be as specific as possible.	<p>With the AUC's re-opening of proceeding 25101 and 25102, this presumably puts pressure on the AESO to finalize the proposal to assist in closing these R&Vs and effectively addressing the outstanding sections of the AESO's 2018 Tariff Application.</p> <p>The Commission has requested comments from parties with respect to this process by 27th of July. In order to ensure that the consequences of the proposal are fully vetted, ATCO would be in support of this matter being finalized in an independent proceeding with involvement of impacted DFOs to fully vet, evaluate and understand the direct impacts to the DFO tariff of the final proposal.</p>
5.	Additional comments	None at this time.

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