

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: Community Generation Working Group</p> <p>The CGWG is comprised of the Canadian Renewable Energy Association (CanREA) (formerly the Canadian Solar Industries Association (“CanSIA”)); First Nations Power Authority (“FNPA”); and the Alberta Community and Co-Operative Association (“ACCA”).</p> <p>CanREA is a not-for-profit membership-based national trade association for the solar, wind and energy storage industries throughout Canada. CanREA’s mandate includes engaging in policy development and regulatory affairs activities in Alberta to support a growing role for distributed renewable generation and energy storage in the province’s electricity supply mix.</p> <p>FNPA is a national not-for-profit membership-based organization whose mandate in Alberta includes supporting the development of Aboriginal-led business opportunities in the electricity sector. Indigenous communities can create long-term sustainable value for the members by proactively partnering in electricity generation facility development.</p> <p>ACCA is a provincial not-for-profit membership-based co-operative whose mandate is to build a better Alberta by putting people’s social and economic well-being at the forefront of their businesses and projects in sectors including (but not limited to) solar electricity generation, utilities, finance and agriculture.</p> <p>This submission represents the consensus view of the three constituent organizations of the CGWG.</p> <p>Date: 2020/07/17</p>	<p>Contact: [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[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.	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?	
2.	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.	<ul style="list-style-type: none"> • The AESO's revised proposal is far preferable from the CGWG's perspective in that it would clearly and decisively achieve certainty of future costs and simplicity of tariff treatment and implementation, and it does not propose to allocate shared facility costs to DCGs. As the CGWG had noted in our submission of May 20, 2020, "The CGWG concurs with the view expressed in the proposals of both the DCG Consortium and Canadian Solar Solutions Inc that as a matter of fundamental principle, DCGs should not be responsible for shared facility costs, and that any costs beyond local interconnection costs (That is, any upgrades or additions to existing transmission system infrastructure necessary for DCG generation to be exported to the AIES) should be paid for by load customers." We had supported the DCG Consortium's proposal for a cost-sharing solution in the interests of achieving an expedient resolution to this proceeding that would enable DCG investors to move forward, however as a matter of principle and fairness we continue to support a proposal that does not allocate shared facilities costs to DCGs. • The CGWG strongly supports setting the substation fraction to = 1 for DFO substations. This proposal is most clearly congruent with Principles 3, 4 and 5, (certainty of future costs for DCG, certainty of future costs for DFO; simplicity of tariff treatment and implementation) and is in our view a critical step forward in terms of mitigating the unbounded future liability implications for DCG of the initially proposed substation fraction methodology. • The CGWG strongly supports the proposal that there should be no shared costs for new projects going forward. This proposal is in our view congruent with all of the above principles (3, 4, 5)

3.	Please comment on any outstanding risks or issues you see with the AESO's revised proposal. Please be as specific as possible.	With respect to the suggestion that "A mechanism may, however, be required to be implemented, as part of DFO tariffs to charge DCGs for the use of existing interconnection facilities" (AESO Technical Session 3 presentation, June 25 2020, slide 27), the CGWG is concerned that this would seem to leave considerable leeway for future changes to DFO tariffs in the medium- to long-term. We would also note that this is to our knowledge the first time a reference to such a "mechanism" has been raised in the context of these technical sessions, and this lack of clarity is concerning. Given the lack of any prior substantive consultation on this point, and in the interests of achieving investor certainty going forward, we would recommend that this reference be removed from the AESO proposal that would be submitted to the AUC.
4.	Please provide any further comments you may have on next steps regarding regulatory process and implementation. Please be as specific as possible.	
5.	Additional comments	

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