

Stakeholder Comment Matrix – May 28, 2020

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



Period of Comment: May 28, 2020 through June 11, 2020 Comments From: URICA Asset Optimization Date: 2020/06/11	Contact: [REDACTED] Phone: [REDACTED] 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 **June 11, 2020**.

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

	Questions	Stakeholder Comments
1.	<p>Please comment on the Technical Session 2B facilitated by the AESO on May 28, 2020. Was the session valuable? Was there something we could have done to make the session more helpful? Please advise and be as specific as possible.</p>	<p>URICA felt the session was valuable and a constructive use of the time allotted to discuss the alternatives presented to the AESO and was an engaging discussion regarding the proposals submitted. In general the flow of the session was quite good considering the video format and the moderation allowed for a great flow of information.</p>
2.	<p>The following five questions are seeking comments on the Technical Session 2B discussion regarding the outstanding design details identified on Slide 27.</p> <p>Please comment if (1) your organization does have or does not have agreement in principle and (2) any additional clarity or consideration to provide on the following outstanding design details:</p> <ul style="list-style-type: none"> • Substation fraction = 1 for DFOs 	<p>URICA has an agreement in principle that the substation fraction should be 1 for DFOs. URICA believes that concerns regarding the treatment participant-related costs triggered by a DCG and additional transmission costs at facilities where DCGs connect can be managed outside of the substation fraction methodology through the creation of different cost classifications or charges that are applicable to these specific scenarios.</p>

<p>3.</p>	<p>Please comment if (1) your organization does have or does not have agreement in principle and (2) any additional clarity or consideration to provide on the following outstanding design details:</p> <ul style="list-style-type: none"> • Determining a \$/MW charge for DCG 	<p>URICA believes that the points made by, and the proposals submitted by other parties that participant related costs should be limited to the incremental cost of only those facilities required to interconnect to the bulk and regional transmission system have merit; however at this time we are supportive of a using a \$/MW charge for DCG.</p> <p>URICA is not supportive of attempting to optimize the distribution network by creating a variable, or POD-specific. If we are trying to achieve parity between TCG and DCG it doesn't really make sense to assign a postage stamp rate at one level and use locational incentives on the other. In the long term this concept may have merit but under the existing scenario we do not believe that the effort will bear fruit from an optimization standpoint.</p> <p>URICA is supportive of, once the appropriate costs are agreed to a simplicity of the unsophisticated 50/50% split to determine a tariff rate that would be known in advance. At this point URICA is not supportive of the FortisAlberta calculation without greater detail and supporting analytics detailing the methodology in its current state.</p>
<p>4.</p>	<p>Please comment if (1) your organization does have or does not have agreement in principle and (2) any additional clarity or consideration to provide on the following outstanding design details:</p> <ul style="list-style-type: none"> • Determining the applicability of the DCG charge 	<p>URICA is supportive of the DCG charge contribution be determined based on Rate STS amounts. URICA does not believe that a charge calculation that reflects capability or usage has been fully formulated or is merited based on the level of complexity of the calculations and ability to determine usage calculations in advance. Differing fuel types and operations may not be classified correctly by the proposed calculations as current presented by Fortis. Also, we feel that the amount of work and level of complication is quite involved and may not be justified for the hypothetical benefit. Again URICA would need to see a lot of detailed analysis and data before we would agree to the ASIC concept in its current format.</p>
<p>5.</p>	<p>Please comment if (1) your organization does have or does not have agreement in principle and (2) any additional clarity or consideration to provide on the following outstanding design details:</p> <ul style="list-style-type: none"> • Determining the administration of the DCG charge 	<p>URICA believes that the administration of the DCG charge is best collected via the ISO tariff. At the same time we believe that the rate/charge as a whole should be reviewed at least biannually to ensure it is operational correct and that the fundamental principles cost inputs and allocation methodologies are still valid – not just an annual review for cost escalation/de-escalation purposes.</p>
<p>6.</p>	<p>Please comment if (1) your organization does have or does not have agreement in principle and (2) any additional clarity</p>	<p>URICA would be supportive of comprehensive analysis being completed to gain a common understanding of the impacts resulting from all stakeholder proposals across</p>

	<p>or consideration to provide on the following outstanding design details:</p> <ul style="list-style-type: none"> Looking towards implementation 	<p>various stakeholder groups as a prerequisite to any proposals being filed with the AUC. Furthermore, even after this is completed URICA is cognizant that it is extremely likely that a joint proposal will not be achieved and that multiple proposals will be submitted to the AUC. Based on this URICA asks that, within reason, equal time is allocated to each proposal re stakeholder engagement on the concepts presented.</p>
7.	Additional comments	<p>URICA is supportive of immediate interim relief for DCGS including ceasing the use of the substation fraction methodology and recalling existing CCDs, with confirmation that interconnection costs for DCGs will be allocated at a single point in time and elimination of future unmitigated risk will be a feature of any solution proposed.</p>

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