

Stakeholder Proposal Evaluation – May 4, 2020

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



Period of Comment: May 4, 2020 through May 20, 2020	Contact: [REDACTED]
Comments From: The Office of The Utilities Consumer Advocate	Phone:
Date: [2019/05/20]	Email: [REDACTED]

Document purpose

The purpose of this document is to provide a structured and consistent guide to workshop participants to evaluate each of the proposals.

Instructions

1. Please fill out the section above as indicated.
2. Please complete an evaluation on each of the proposals using the tables below (Tables 2-7). Please provide your reason(s) as to why you think the proposal does/does not meet each of the evaluation criteria.
3. Once you have completed an evaluation on each of the proposals, please choose your preferred proposal with an explanation as to why in Table 1: Overall evaluation.
4. **Please submit one completed evaluation per organization.**
5. Email your completed evaluation to tariffdesign@aeso.ca by **May 20, 2020**.

Table 1: Overall evaluation

Questions	Stakeholder Evaluation
<p>1. Which proposal did you prefer? Please explain why.</p>	<p>The UCA is of the view that DCGs should pay for their interconnection charges as well as some form of transmission system usage charge. This is consistent with our views on the Bulk and Regional Tariff Design as well as the Distribution System Inquiry where we support rate making principles such as cost causation and avoiding cross-subsidization. In this case, the UCA does not support proposals that do not include a usage fee.</p> <p>Proposals, such as those put forth by Fortis and Urica have merit and seem to meet many important principles. Further scenario data and scenario analysis is likely required along with option comparisons before a final decision could be made by the AESO.</p> <p>In Decision 2008-111, the Commission states that “the principle of cost causation has long been a relevant factor in the establishment of just and reasonable and not unjustly discriminatory utility rates. Essentially the parties who receive the benefits of utility service should bear the reasonable and prudent costs of incurring that service.”</p>
<p>2. What are the challenges or unresolved questions with your preferred proposal?</p>	<p>URICA’s proposal has some merit given that it acknowledges the benefits and subsequently the costs that DCGs should pay for transmission system access.</p> <p>The UCA would like more clarity regarding what type of measurement practices would be taken when determining the appropriate cost/usage mix.</p> <p>In addition, the UCA would like to know more regarding how the regulatory burden associated with this proposal could be minimized given the priority the government has placed on red tape reduction.</p> <p>In addition, the UCA feels that the AESO should include some of the discussion and findings from the Bulk and Regional Tariff Design consultations from these sessions. While it may be true that legislation currently stipulates load pays form transmission, it is not necessarily the case that generators do not drive any of the costs(aside for line losses and GOUC) related to the transmission system. These</p>

Questions	Stakeholder Evaluation
	<p>considerations and findings should be shared and considered holistically, especially considering the significance of both of them on the ISO Tariff proceedings.</p>
<p>3. What aspects from the other proposals would you like to see applied to your preferred proposal?</p>	
<p>4. Additional comments</p>	<p>The AESO should have allowed more time after the May 14th presentations for parties to review, compare and analyze proposals and then respond to this matrix.</p>

Table 2: Evaluation of Proposal: Canadian Solar Solutions Inc.

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	
3. Is the proposal feasible?	
4. Which stakeholders are best served by this proposal? Why?	
5. Which stakeholders are least served by this proposal? Why?	
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	
<p>7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of “Ease of understanding and implementation (simplicity)”? This additional principle was added based on stakeholder feedback.</p> <p>If not, are you supportive of the principles that are used in the development of the proposal?</p>	
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	
9. Additional comments	

Table 3: Evaluation of Proposal: DCG Consortium

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	
3. Is the proposal feasible?	
4. Which stakeholders are best served by this proposal? Why?	
5. Which stakeholders are least served by this proposal? Why?	
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	
<p>7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of “Ease of understanding and implementation (simplicity)”? This additional principle was added based on stakeholder feedback.</p> <p>If not, are you supportive of the principles that are used in the development of the proposal?</p>	
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	
9. Additional comments	

Table 4: Evaluation of Proposal: FortisAlberta Inc.

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	
3. Is the proposal feasible?	
4. Which stakeholders are best served by this proposal? Why?	
5. Which stakeholders are least served by this proposal? Why?	
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	
<p>7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of “Ease of understanding and implementation (simplicity)”? This additional principle was added based on stakeholder feedback.</p> <p>If not, are you supportive of the principles that are used in the development of the proposal?</p>	
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	
9. Additional comments	

Table 5: Evaluation of Proposal: Lionstooth Energy

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	
3. Is the proposal feasible?	
4. Which stakeholders are best served by this proposal? Why?	
5. Which stakeholders are least served by this proposal? Why?	
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	
<p>7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of “Ease of understanding and implementation (simplicity)”? This additional principle was added based on stakeholder feedback.</p> <p>If not, are you supportive of the principles that are used in the development of the proposal?</p>	
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	
9. Additional comments	

Table 6: Evaluation of Proposal: Solarkrafte

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	
3. Is the proposal feasible?	
4. Which stakeholders are best served by this proposal? Why?	
5. Which stakeholders are least served by this proposal? Why?	
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	
<p>7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of “Ease of understanding and implementation (simplicity)”? This additional principle was added based on stakeholder feedback.</p> <p>If not, are you supportive of the principles that are used in the development of the proposal?</p>	
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	
9. Additional comments	

Table 7: Evaluation of Proposal: URICA

Questions	Stakeholder Evaluation
1. Please rate your support of this proposal on a 1-10 basis, with 10 being completely supportive and 1 being not at all supportive. Please provide your rationale.	
2. Is the proposal an unbiased solution and evenly weighted in its analysis?	
3. Is the proposal feasible?	
4. Which stakeholders are best served by this proposal? Why?	
5. Which stakeholders are least served by this proposal? Why?	
6. Do the objectives/principles outlined in the proposal seem fair and reasonable?	
<p>7. Does the proposal align with the consolidated principles (see Appendix A) presented in Technical Session 1 as well as the additional principle of “Ease of understanding and implementation (simplicity)”? This additional principle was added based on stakeholder feedback.</p> <p>If not, are you supportive of the principles that are used in the development of the proposal?</p>	
8. What are the unresolved questions or challenges you would want to see answered in this proposal?	
9. Additional comments	

Appendix A

Principle	Description
Overarching	Tariff design and implementation facilitates a fair, efficient and openly competitive market (FEOC) <ul style="list-style-type: none"> • Fosters competition and encourages new market entry • Efficiency • Avoidance of undue discrimination • Fairness
Principle 1	Parity between transmission interconnection costs calculation for transmission connected customers and distribution connected customers while enabling effective price signals to ensure optimal use of existing distribution and transmission facilities <ul style="list-style-type: none"> • Fairness • Effective price signals
Principle 2	Market participants should be responsible for an appropriate share of the costs of transmission facilities that are required to provide them with access to the transmission system (may include paying a contribution towards facilities paid for by other customers and refund to the customer that paid) <ul style="list-style-type: none"> • Fairness • Cost Causation
Principle 3	DCG participants should have cost certainty when making their final investment decision (FID) <ul style="list-style-type: none"> • Certainty of future costs • Stability
Principle 4	DFOs should be provided with reasonable certainty re: cost treatment/recovery <ul style="list-style-type: none"> • Certainty of future costs • Stability
Principle 5 (added)	Ease of understanding and implementation <ul style="list-style-type: none"> • Simplicity • Stability

