



Alberta Electric System Operator

**Compliance Filing and Report Pursuant to
Directions 13 and 14 from Decision 22942-D02-2019**

December 13, 2021

Alberta Utilities Commission

Decision 27015-D01-2021

Alberta Electric System Operator

Compliance Filing and Report Pursuant to Directions 13 and 14 from Decision 22942-D02-2019
Proceeding 27015

December 13, 2021

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The Commission may, within 60 days of the date of this decision and without notice, correct typographical, spelling and calculation errors and other similar types of errors and post the corrected decision on its website.

1 Decision

1. On November 30, 2021, the Alberta Electric System Operator (AESO) filed an application seeking approval of its compliance with directions 13 and 14 from Decision 22942-D02-2019.¹ The Alberta Utilities Commission issued notice of the application on December 2, 2021, but received no statements of intent to participate by the December 9, 2021, deadline. For the reasons outlined below, the Commission approves the application as filed.

2. The application relates to findings made in Section 7.2.5.7 of Decision 22942-D02-2019. In that section, the Commission addressed concerns raised by EPCOR Distribution & Transmission Inc. that the classification of transmission project costs as between system-related and participant-related costs, which influences the amount of any required construction contribution on a project, may be largely determined by whether the project has been initiated by the AESO or by the market participant.

3. In its Section 7.2.5.7 findings, the Commission determined that it could be helpful for the AESO to more clearly outline the circumstances under which it would determine that a system need existed that required it to initiate a system transmission project rather than requiring a distribution facility owner (DFO) to make a system access service request to initiate a project. Further to this finding, the Commission directed the AESO to work with the DFOs to develop an objective set of criteria for the initiation of system transmission projects and to provide a report on the status of such discussions, which was to be filed as part of the AESO's next comprehensive general tariff application.

4. The AESO held a consultative process with DFOs and other market participants on issues raised in Section 7.2.5.7 of Decision 22942-D02-2019. After taking such consultation process into account, the AESO's application includes a proposed set of criteria, to be applied on a case-by-case basis, that would be used to clarify when the AESO would initiate a system project.

5. The Commission considers that the AESO's consultative process and resulting application comply with the requirements of directions 13 and 14 from Decision 22942-D02-2019. The AESO's compliance with directions 13 and 14 is approved. No further actions with respect to directions 13 and 14 from Decision 22942-D02-2019 will be required by the Commission in a future update to the Independent System Operator tariff (ISO tariff).

6. The Commission notes that in its cover letter to the application,² the AESO provided a discussion of potential changes to the anticipated schedule for filing updates to the ISO tariff. In light of the limited scope and the absence of parties participating in the current proceeding, this

¹ Decision 22942-D02-2019: Alberta Electric System Operator, 2018 ISO Tariff Application, Proceeding 22942, September 22, 2019.

² Exhibit 27015-X0001.

decision makes no findings related to the scheduling of direction responses other than to approve the AESO's compliance with directions 13 and 14, as filed.

Dated on December 13, 2021.

Alberta Utilities Commission

(original signed by)

Heather Gnenz
Director, Electric and Gas Transmission Rates
On behalf of the Alberta Utilities Commission

Appendix 1 – Proceeding participants

Name of organization (abbreviation) Company name of counsel or representative
Alberta Electric System Operator (AESO)

Alberta Utilities Commission
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