



AUC

Alberta Utilities Commission

Conrad Solar Inc.

**Application for an Order Permitting the Sharing
of Records Not Available to the Public Regarding
the Wrentham Solar Project**

February 11, 2022

Alberta Utilities Commission

Decision 27146-D01-2022

Conrad Solar Inc.

Application for an Order Permitting the Sharing
of Records Not Available to the Public Regarding
the Wrentham Solar Project

Proceeding 27146

Application 27146-A001

February 11, 2022

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1 Decision summary

1. In this decision, the Alberta Utilities Commission considers whether to approve an application brought under Section 3 of the *Fair, Efficient and Open Competition Regulation*, by Conrad Solar Inc. for the preferential sharing of records that are not available to the public between Conrad Solar and URICA Energy Real Time Ltd.

2. As discussed in greater detail below, Conrad Solar established that the sharing of such records is reasonably necessary for it to carry out its business and that the shared records will not be used for any purpose that will not support the fair, efficient and openly competitive operation of the electricity market. On this basis, and noting the support of the Market Surveillance Administrator (MSA), the Commission has granted the application to permit the sharing of records pertaining to the ancillary services market under subsection 3(3) of the *Fair, Efficient and Open Competition Regulation*.

2 Introduction and procedural background

3. On February 2, 2022, Conrad Solar filed an application¹ with the AUC pursuant to Section 3 of the *Fair, Efficient and Open Competition Regulation*, AR 159/2009. The application sought an order from the Commission permitting the sharing of records not available to the public between Conrad Solar and URICA, relating to the Wrentham Solar Project, located in the County of Warner. The project will consist of 90,325 single-axis-tracking solar photovoltaic panels with a 23.4- megawatt (MW) generating unit and an 18-MW generating unit (asset IDs CRD1 and CRD2), for a combined total generating capability of 41.4 MW.

4. In its application, Conrad Solar indicated that it has entered into commercial arrangements with URICA, which, among other things, appoint URICA as an agent of Conrad Solar to provide 24-hour real-time dispatch-desk service for operational energy market services and energy restatements for events at CRD1 and CRD2. These arrangements will make it necessary for Conrad Solar and URICA to share with each other certain records that are not otherwise available to the public, including energy price, volume pairs and available capability. The agreement between the companies is for services to be provided until the earlier of June 1, 2029, or the termination of the commercial arrangements.

5. The AUC issued a notice of the application on February 3, 2022. In the notice, the Commission advised that the parties granted standing in the proceeding were limited to Conrad Solar and the MSA, in accordance with Subsection 3(5) of the *Fair, Efficient and Open Competition Regulation*.

¹ Application 27146-A001.

6. On February 3, 2022, the MSA advised the Commission that it supports the application of Conrad Solar and does not require further evidentiary process.

7. The Commission considers the record for this proceeding closed as of February 3, 2022.

8. In reaching the determinations contained within this decision, the Commission has considered all relevant materials comprising the record of this proceeding. Accordingly, references in this decision to specific parts of the record are intended to assist the reader in understanding the Commission's reasoning relating to a particular matter and should not be taken as an indication that the Commission did not consider all relevant portions of the record with respect to that matter.

3 The Commission's authority to allow record sharing

9. Subsection 3(1) of the *Fair, Efficient and Open Competition Regulation* establishes that an electricity market participant shall not share records that are not available to the public relating to any past, current or future price and quantity offers made to the power pool or for the provision of ancillary services. Subsection 3(2) establishes instances where records that are not available to the public may be shared. Subsection 3(3) allows the Commission to issue an order permitting the sharing of records, stating:

(3) The Commission may, on application by a market participant that is otherwise prohibited from sharing records referred to under subsection (1), issue an order permitting the sharing of those records on any terms and conditions the Commission considers appropriate where the market participant establishes that

- (a) the records will not be used for any purpose that does not support the fair, efficient and openly competitive operation of the electricity market, including the conduct referred to in section 2, and
- (b) the sharing of the records is reasonably necessary for the market participant to carry out its business.

10. Another factor that the Commission considers in making a determination on the sharing of records is market share offer control. Subsection 5(5) of the *Fair, Efficient and Open Competition Regulation* states that a market participant shall not hold offer control in excess of 30 per cent of the total maximum capability of generating units in Alberta.

11. The Commission is also cognizant of the requirement in Section 6 of the *Electric Utilities Act* that "[m]arket participants are to conduct themselves in a manner that supports the fair, efficient and openly competitive operation of the market."

4 Submissions of the applicant

4.1 Is the proposed sharing of records reasonably necessary

12. Conrad Solar does not have the personnel or resources with the expertise required to accept energy dispatch orders for CRD1 and CRD2 on a 24-hour basis.

13. URICA provides a 24-hour real-time dispatch-desk service to clients for operational energy market services and energy restatements for events at generators as required by the independent system operator rules and has the necessary expertise and resources to assist Conrad Solar.

14. For these reasons, Conrad Solar asserted that the sharing of non-public records relating to CRD1 and CRD2 is reasonably necessary in order for it to carry out its business regarding these assets. A written representation from a senior officer of Conrad Solar attesting to the necessity for the sharing of records with URICA was filed with the application.

4.2 Fair, efficient and openly competitive operation of the electricity market

15. As part of the application, Conrad Solar filed a written representation from a senior officer indicating that the records subject to preferential information sharing will not be used for any purpose that does not support the fair, efficient and openly competitive operation of the Alberta electricity market, including but not limited to, the conduct referred to in Section 2 of the *Fair, Efficient and Open Competition Regulation*.

16. The senior officer's written representation also identified that Conrad Solar has in place a *Code of Conduct* relating to compliance with all laws, rules and regulations, and pertaining to the confidentiality of information, which all employees and those working for directly and indirectly affiliated companies must comply with. The *Code of Conduct* is in alignment with the *Fair, Efficient and Open Competition Regulation*. Any confidential information held by Conrad Solar will be distributed and available only to those who are authorized and required to use the information.

17. A written representation from a senior officer of URICA was filed with the application, which confirms that any records shared with URICA will not be used for any purpose that does not support the fair, efficient and openly competitive operation of the Alberta electricity market, including but not limited to, the conduct referred to in Section 2 of the *Fair, Efficient and Open Competition Regulation*.

18. The senior officer of URICA confirmed that URICA has a formal compliance plan and program in place to safeguard confidential and commercially sensitive information and access to such information, including non-public quantity-offer information and the confidential information of companies with which URICA does business. All of URICA's employees, officers and affiliates are required to acknowledge and comply with the compliance plan and the *Fair, Efficient and Open Competition Regulation*. Access to secured information is strictly controlled and monitored.

4.3 Offer control

19. Conrad Solar advised that Conrad Solar's total offer control is 0.6 per cent, and that URICA's offer control is zero per cent, both of which are less than the offer-control limit of 30 per cent, as set out in subsection 5(5) of the *Fair, Efficient and Open Competition Regulation*.

5 Commission findings

20. Subsection 3(3) of the *Fair, Efficient and Open Competition Regulation* authorizes the Commission to issue an order permitting the sharing of records on any terms and conditions that the Commission considers appropriate, provided that certain requirements are satisfied. For the reasons that follow, the Commission finds that those requirements have been met.

21. The Commission is satisfied that Conrad Solar has demonstrated that (i) the extension of the existing records sharing order is reasonably necessary for Conrad Solar to carry out its business; and (ii) the subject records will not be used for any purpose that does not support the fair, efficient and openly competitive operation of the Alberta electricity market, including the conduct referred to in Section 2 of the *Fair, Efficient and Open Competition Regulation*. The Commission is further satisfied that Conrad Solar and URICA will conduct themselves in a manner that supports the fair, efficient and openly competitive operation of the market. In making these findings, the Commission has relied on:

- (a) Submissions from Conrad Solar stating that it does not have the necessary personnel or resources to accept energy dispatch orders on a 24-hour basis to manage the output of CRD1 and CRD2.
- (b) Written representations from senior officers of Conrad Solar and URICA confirming that any records subject to preferential information sharing will not be used for any purpose that does not support the fair, efficient and openly competitive operation of the Alberta electricity market and that they will conduct themselves in a manner that supports the fair, efficient and openly competitive operation of the market.
- (c) A written representation from Conrad Solar confirming that it has formal systems of controls and policies that ensure the information shared with Conrad Solar will not be used for any purpose that does not support the fair, efficient and openly competitive operation of the Alberta electricity market, including the conduct referred to in Section 2 of the *Fair, Efficient and Open Competition Regulation*. The Commission understands that all employees and others conducting business on behalf of Conrad Solar are required to comply with these policies.
- (d) Written representations from URICA stating that it has a formal system of controls and policies that ensure the information shared with URICA will not be used for any purpose that does not support the fair, efficient and openly competitive operation of the Alberta electricity market, including the conduct referred to in Section 2 of the *Fair, Efficient and Open Competition Regulation*. The Commission understands that all officers and employees of URICA are required to comply with these policies.

22. The Commission also finds that offer-control figures for all entities involved (both before and after any approval to share records) are less than the offer-control limit of 30 per cent, as set out in subsection 5(5) of the *Fair, Efficient and Open Competition Regulation*.

23. Finally, the Commission considers the MSA's support of this application to be a contributing factor in its determination to permit the sharing of records, given the MSA's mandate under subsection 39(2)(a)(vi) of the *Alberta Utilities Commission Act*, to survey, investigate or enforce the "arrangements, information sharing and decisions relating to

electricity market participants exchanging or wishing to exchange electric energy and ancillary services or any aspect of those activities.”

24. For all of the above reasons, the Commission is prepared to issue an order allowing Conrad Solar to share records not available to the public with URICA, subject to the following terms and conditions:

- (a) The order applies to the sharing of non-public energy price, volume pairs and available capability, between Conrad Solar and URICA, pertaining to CRD1 and CRD2, that may relate to CRD1 and CRD2’s participation in the Alberta energy market, as described in the application.
- (b) Conrad Solar and URICA must notify the Commission of the termination of the commercial arrangements between Conrad Solar and URICA as soon as is practicable and within 30 days of the termination of such commercial arrangements.
- (c) Conrad Solar and URICA must notify the Commission of any material changes to the information and continued applicability of any representations included within its application that may affect the compliance of Conrad Solar or URICA with the *Fair, Efficient and Open Competition Regulation* as soon as is practicable and within 30 days of the material changes.

25. The order shall be effective from the date of this decision until the earlier of June 1, 2029, or the termination of commercial arrangements between Conrad Solar and URICA.

6 Order

26. Pursuant to the provisions of Section 3 of the *Fair, Efficient and Open Competition Regulation*, the Commission grants the application for the sharing of records as set out in the following order granted to Conrad Solar Inc. and URICA Energy Real Time Ltd., which is a separate disposition in this proceeding:

- (1) Preferential Sharing of Records – Wrentham Solar Project –
Order 27146-D02-2022

Dated on February 11, 2022.

Alberta Utilities Commission

(original signed by)

Fino Tiberi
Executive Director, Market Oversight and Enforcement Division
On behalf of the Alberta Utilities Commission