



Jenner 3 GP Inc.

**Application for an Order Permitting the Sharing
of Records Not Available to the Public Regarding
the Jenner 3 Wind Power Plant**

June 24, 2022

Alberta Utilities Commission

Decision 27431-D01-2022

Jenner 3 GP Inc.

Application for an Order Permitting the Sharing
of Records Not Available to the Public Regarding
the Jenner 3 Wind Power Plant

Proceeding 27431

Application 27431-A001

June 24, 2022

Published by the:

Alberta Utilities Commission
Eau Claire Tower
1400, 600 Third Avenue S.W.
Calgary, Alberta T2P 0G5

Telephone: 310-4AUC (310-4282) in Alberta
1-833-511-4AUC (1-833-511-4282) outside Alberta

Email: info@auc.ab.ca

Website: www.auc.ab.ca

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.

Contents

1 Decision summary 1

2 Introduction and procedural background..... 1

3 The Commission’s authority to allow record sharing 2

4 Submissions of the applicant..... 3

4.1 Is the proposed sharing of records reasonably necessary 3

4.2 Fair, efficient and openly competitive operation of the electricity market..... 3

4.3 Offer control..... 4

5 Commission findings..... 4

6 Order 6

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 Jenner 3 GP Inc. (Jenner 3) for the preferential sharing of records that are not available to the public between Jenner 3, Jenner 3 Limited Partnership (Jenner 3 LP), CWP Energy Inc. and URICA Energy Real Time Ltd.

2. As discussed in greater detail below, Jenner 3 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 Alberta energy market under Section 3(3) of the *Fair, Efficient and Open Competition Regulation*.

2 Introduction and procedural background

3. On June 7, 2022, Jenner 3 filed an application¹ with the AUC pursuant to Section 3 of the *Fair, Efficient and Open Competition Regulation*. The application seeks an order from the Commission permitting the sharing of records not available to the public between Jenner 3, Jenner 3 LP, CWP Energy and URICA. The requested order relates to the Jenner 3 Wind Power Plant (asset ID JNR3), which is located near the hamlet of Jenner and will consist of 20 wind turbines, each rated at 5.56 megawatts (MW), for a total generating capability of approximately 109 MW.

4. Jenner 3 LP has contracted with CWP Energy, which has developed an expertise in renewable energy and trading physical and financial power in merchant markets, to consider various strategies for JNR3.

5. In its application, Jenner 3 indicated that it has entered into commercial arrangements with URICA, which, among other things, appoint URICA as an agent of Jenner 3 to provide 24-hour real-time dispatch-desk service for operational energy market services and energy restatements for events at JNR3. These arrangements will make it necessary for Jenner 3, Jenner 3 LP, CWP Energy 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

¹ Application 27431-A001.

agreement between the companies is for services to be provided until the earlier of June 1, 2029, or the termination of the commercial arrangements.

6. The AUC issued a notice of the application on June 10, 2022. In the notice, the Commission advised that the parties granted standing in the proceeding were limited to Jenner 3 and the MSA, in accordance with Section 3(5) of the *Fair, Efficient and Open Competition Regulation*.

7. On June 13, 2022, the MSA advised the Commission that it supports the application of Jenner 3 and does not require further evidentiary process.

8. The Commission considers the record for this proceeding closed as of June 13, 2022.

9. The Commission reviewed the entire record in coming to this decision; lack of reference to a matter addressed in evidence or argument does not mean that it was not considered.

3 The Commission's authority to allow record sharing

10. Section 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. Section 3(2) establishes instances where records that are not available to the public may be shared. Section 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.

11. Another factor that the Commission considers in making a determination on the sharing of records is market share offer control. Section 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.

12. 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

13. Jenner 3 does not have an internal 24-hour real-time dispatch desk in order to address events at power producers as required by the independent system operator (ISO) rules. URICA provides this dispatch-desk service to clients for operational energy market services, ancillary services, dispatch-down services and energy restatements for events at generators as required by the ISO rules and has the necessary expertise and resources to assist Jenner 3.

14. For this reason, Jenner 3 asserted that the sharing of non-public records relating to JNR3 is reasonably necessary in order for it to carry out its business regarding JNR3. Written representations from senior officers of Jenner 3, Jenner 3 LP and CWP Energy, attesting to the necessity for the sharing of records with URICA, were filed with the application.

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

15. As part of the application, written representations from senior officers of Jenner 3, Jenner 3 LP and CWP Energy were filed 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 officers' written representations also identified that Jenner 3, Jenner 3 LP and CWP Energy have formal systems of controls and policies which ensure that the information shared with URICA will be handled appropriately, including adherence to Section 2 of the *Fair, Efficient and Open Competition Regulation*.

17. Additionally, the written representations from the senior officers of Jenner 3 and Jenner 3 LP confirmed that both companies have in place an *Anti-bribery Policy*, a *Conflict of Interest Policy* and a *Confidentiality and Redaction Policy*, which together require all directors, officers, employees and any persons authorized to act on the company's behalf to comply with applicable laws, rules and regulations, including the protection of confidential information.

18. Similarly, the representations from a senior officer of CWP Energy indicated that it has a *Code of Conduct* in the employment contracts of all CWP Energy employees and has in place a *Compliance Manual*, which require all employees and any persons authorized to act on the company's behalf to comply with the law and relevant rules and regulations, including the protection of confidential information.

19. 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*. 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

20. Jenner 3 advised that the total offer control of Jenner 3, Jenner 3 LP and affiliated companies is zero per cent, that the total offer control of CWP Energy and affiliated companies is 2.7 per cent and that URICA's offer control is zero per cent, all of which are less than the offer-control limit of 30 per cent, as set out in Section 5(5) of the *Fair, Efficient and Open Competition Regulation*.

5 Commission findings

21. Section 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.

22. The Commission is satisfied that Jenner 3 has demonstrated that (i) the extension of the existing records sharing order is reasonably necessary for Jenner 3 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 Jenner 3, Jenner 3 LP, CWP Energy 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 Jenner 3 stating that it, Jenner 3 LP and CWP Energy do not have an internal 24-hour real-time dispatch desk in order to address events at power producers as required by the ISO rules.
- (b) Written representations from senior officers of Jenner 3, Jenner 3 LP, CWP Energy 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 operation of the market.
- (c) Written representations from Jenner 3, Jenner 3 LP and CWP Energy confirming that they have formal systems of controls and policies that ensure the information shared with Jenner 3, Jenner 3 LP and CWP Energy 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 Jenner 3, Jenner 3 LP and CWP Energy 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.

23. 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 Section 5(5) of the *Fair, Efficient and Open Competition Regulation*.

24. 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 Section 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."

25. For all of the above reasons, the Commission is prepared to issue an order allowing Jenner 3, Jenner 3 LP and CWP Energy 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 price, quantity and availability information, between Jenner 3, Jenner 3 LP, CWP Energy and URICA, pertaining to JNR3, that may relate to JNR3's participation in the Alberta energy market, as described in the application.
- (b) Jenner 3, Jenner 3 LP, CWP Energy and URICA must notify the Commission of the termination of the commercial arrangements between Jenner 3, Jenner 3 LP, CWP Energy and URICA as soon as is practicable and within 30 days of the termination of such commercial arrangements.
- (c) Jenner 3, Jenner 3 LP, CWP Energy and URICA must notify the Commission of any material changes to the information and continued applicability of any representations included within this application that may affect the compliance of Jenner 3, Jenner 3 LP, CWP Energy or URICA with the *Fair, Efficient and Open Competition Regulation* as soon as is practicable and within 30 days of the material changes.

26. 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 Jenner 3, Jenner 3 LP, CWP Energy and URICA.

6 Order

27. 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 Jenner 3 GP Inc., Jenner 3 Limited Partnership, CWP Energy Inc. and URICA Energy Real Time Ltd., which is a separate disposition in this proceeding:

- (1) Preferential Sharing of Records – Jenner 3 Wind Power Plant –
Order 27431-D02-2022

Dated on June 24, 2022.

Alberta Utilities Commission

(original signed by)

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