



Concord Vulcan GP2 Ltd.

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

September 28, 2023

Alberta Utilities Commission

Decision 28433-D01-2023

Concord Vulcan GP2 Ltd.

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

Proceeding 28433

Application 28433-A001

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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 Concord Vulcan GP2 Ltd. (Vulcan GP2) for the preferential sharing of records that are not available to the public between Vulcan GP2, Concord Vulcan Partnership (Vulcan Partnership), URICA Energy Real Time Ltd. (URICA Real Time) and URICA Asset Optimization Ltd. (URICA Optimization)

2. As discussed in greater detail below, Vulcan GP2 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 electricity market under Section 3(3) of the *Fair, Efficient and Open Competition Regulation*.

2 Introduction and procedural background

3. On August 29, 2023, Vulcan 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 Vulcan GP2, Vulcan Partnership, URICA Real Time and URICA Optimization. The requested order relates to the Vulcan Solar Project (asset ID VCN1), which is located near the town of Vulcan and consists of a 22-megawatt (MW) solar plant and a 16-MW battery energy storage system.

4. In its application, Vulcan GP2 indicated that it has entered into commercial arrangements with URICA Real Time, which, among other things, appoint URICA Real Time as an agent of Vulcan GP2 to provide 24-hour real-time dispatch-desk service for operational energy market services and energy restatements for events at VCN1. Vulcan GP2 has also entered into commercial arrangements with URICA Optimization for the consideration of various pricing options and strategies for VCN1. These arrangements will make it necessary for Vulcan GP2, Vulcan Partnership, URICA Real Time and URICA Optimization to share with each other certain records that are not otherwise available to the public, including energy price and 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.

¹ Application 28433-A001.

5. The AUC issued a notice of the application on August 30, 2023. In the notice, the Commission advised that the parties granted standing in the proceeding were limited to Vulcan GP2 and the MSA, in accordance with Section 3(5) of the *Fair, Efficient and Open Competition Regulation*.
6. The Commission issued Order 27225-D02-2022 on March 22, 2022, which granted a similar records-sharing arrangement for VCN1 between the Balancing Pool, Vulcan GP2, Vulcan Partnership and URICA Real Time. As part of the current application, Vulcan GP2 indicated that the commercial arrangements between the Balancing Pool and Vulcan GP2, as well as between the Balancing Pool and URICA Real Time, have been terminated.
7. On September 14, 2023, the MSA advised the Commission that it supports the application of Vulcan GP2 and does not require further evidentiary process.
8. The Commission considers the record for this proceeding closed as of September 14, 2023.
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. Vulcan GP2 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.

14. URICA Real Time 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 Vulcan GP2. URICA Optimization has the necessary expertise and resources to assist Vulcan GP2 by helping it to establish and optimize offer strategies for VCN1.

15. For this reason, Vulcan GP2 asserted that the sharing of non-public records relating to VCN1 is reasonably necessary in order for it to carry out its business regarding VCN1. Written representations from senior officers of Vulcan GP2 and Vulcan Partnership, attesting to the necessity for the sharing of records with URICA Real Time and URICA Optimization, were filed with the application.

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

16. As part of the application, a written representation from a senior officer of Vulcan GP2 and Vulcan Partnership was 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*.

17. The senior officer's written representation also identified that Vulcan GP2 and Vulcan Partnership have formal systems of controls and policies which ensure that the information shared with URICA Real Time and URICA Optimization will be handled appropriately, including adherence to Section 2 of the *Fair, Efficient and Open Competition Regulation*.

18. Additionally, the written representation from the senior officer of Vulcan GP2 and Vulcan Partnership confirmed that both companies have in place a *Code of Business Conduct and Ethics Policy* and a *Confidentiality Agreement*, which require all officers, employees, consultants, contractors and directors of the companies 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 Real Time and URICA Optimization was filed with the application, which confirms that any records shared with URICA Real Time and URICA Optimization 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*.

20. The senior officer of URICA Real Time and URICA Optimization confirmed that URICA Real Time and URICA Optimization 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 Real Time and URICA Optimization does business. All of URICA Real Time and URICA Optimization'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

21. Vulcan GP2 advised that the total offer control of Vulcan GP2, Vulcan Partnership and affiliated companies is 0.5 per cent, that the total offer control of URICA Real Time is zero per cent, and that the total offer control of URICA Optimization is 7.1 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

22. 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.

23. The Commission is satisfied that Vulcan GP2 has demonstrated that (i) the records sharing order is reasonably necessary for Vulcan 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 Vulcan GP2, Vulcan Partnership, URICA Real Time and URICA Optimization will conduct themselves in a manner that supports the fair, efficient and openly competitive operation of the Alberta electricity market. In making these findings, the Commission has relied on:

- (a) Submissions from Vulcan GP2 stating that it and Vulcan Partnership 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 Vulcan GP2, Vulcan Partnership, URICA Real Time and URICA Optimization 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 representation from Vulcan GP2 and Vulcan Partnership confirming that they have formal systems of controls and policies that ensure the information shared with Vulcan GP2 and Vulcan Partnership 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 Vulcan GP2 and Vulcan Partnership are required to comply with these policies.

(d) Written representations from URICA Real Time and URICA Optimization stating that they have a formal system of controls and policies that ensure the information shared with URICA Real Time and URICA Optimization 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 Real Time and URICA Optimization are required to comply with these policies.

24. 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*.

25. 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."

26. For all of the above reasons, the Commission is prepared to issue an order allowing Vulcan GP2 and Vulcan Partnership to share records not available to the public with URICA Real Time and URICA Optimization, subject to the following terms and conditions:

(a) The order applies to the sharing of non-public price, quantity and availability information, between Vulcan GP2, Vulcan Partnership, URICA Real Time and URICA Optimization, pertaining to VCN1, that may relate to VCN1's participation in the Alberta electricity market, as described in the application.

(b) Vulcan GP2, Vulcan Partnership, URICA Real Time and URICA Optimization must notify the Commission of the termination of the commercial arrangements between Vulcan GP2, Vulcan Partnership, URICA Real Time and URICA Optimization as soon as is practicable and within 30 days of the termination of such commercial arrangements.

(c) Vulcan GP2, Vulcan Partnership, URICA Real Time and URICA Optimization 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 Vulcan GP2, Vulcan Partnership, URICA Real Time or URICA Optimization with the *Fair, Efficient and Open Competition Regulation* as soon as is practicable and within 30 days of the material changes.

27. 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 Vulcan GP2, Vulcan Partnership, URICA Real Time and URICA Optimization.

6 Order

28. 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 Concord Vulcan GP2 Ltd., Concord Vulcan Partnership, URICA Energy Real Time Ltd. and URICA Asset Optimization Ltd., which is a separate disposition in this proceeding:

- (1) Preferential Sharing of Records – Vulcan Solar Project –
Order 28433-D02-2023

Dated on September 28, 2023.

Alberta Utilities Commission

(original signed by)

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