



Northstone Power Corporation

**Application for an Order Permitting the Sharing
of Records Not Available to the Public Regarding
the Elmworth Generation Station**

January 30, 2024

Alberta Utilities Commission

Decision 28781-D01-2024

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Application for an Order Permitting the Sharing
of Records Not Available to the Public Regarding
the Elmworth Generation Station

Proceeding 28781

Application 28781-A001

January 30, 2024

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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 Northstone Power Corporation, for the preferential sharing of records that are not available to the public between Northstone Power and URICA Energy Real Time Ltd.

2. As discussed in greater detail below, Northstone Power 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 January 16, 2024, Northstone Power 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 Northstone Power and URICA. The requested order relates to the Elmworth Generation Station (asset IDs NPC2 and NPC3), which is located near the hamlet of Elmworth and consists of two Wartsila 20V34SG engine/generator sets rated at 9.3 megawatts (MW) and 9.4 MW, with a total generating capability of 18.7 MW.

4. In its application, Northstone Power indicated that it has entered into commercial arrangements with URICA, which, among other things, appoint URICA as an agent of Northstone Power to provide 24-hour real-time dispatch-desk service for operational energy market services and energy restatements for events at NPC2 and NPC3. These arrangements will make it necessary for Northstone Power and URICA 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.

5. The AUC issued a notice of the application on January 18, 2024. In the notice, the Commission advised that the parties granted standing in the proceeding were limited to Northstone Power and the MSA, in accordance with Section 3(5) of the *Fair, Efficient and Open Competition Regulation*.

¹ Application 28781-A001.

6. On January 23, 2024, the MSA advised the Commission that it supports the application of Northstone Power and does not require further evidentiary process.
7. The Commission considers the record for this proceeding closed as of January 23, 2024.
8. 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

9. 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.

10. 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.

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. Northstone Power 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.

13. URICA provides 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 Northstone Power.

14. For this reason, Northstone Power asserted that the sharing of non-public records relating to NPC2 and NPC3 is reasonably necessary in order for it to carry out its business regarding NPC2 and NPC3. A written representation from a senior officer of Northstone Power, 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, a written representation from a senior officer of Northstone Power 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*.

16. The senior officer's written representation also identified that Northstone Power has 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 representation from the senior officer of Northstone Power confirmed that the company has in place a *Code of Business Conduct and Ethics* relating to compliance with all laws, rules and regulations, and pertaining to the confidentiality of information, which all employees and representatives must comply with.

18. 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*.

19. 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. Northstone Power advised that the total offer control of Northstone Power and affiliated companies is 0.1 per cent, and that the total offer control of URICA is zero per cent, both 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 Northstone Power has demonstrated that (i) the records sharing order is reasonably necessary for Northstone Power 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 Northstone Power 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 Northstone Power stating that it does 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 Northstone Power 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 representation from Northstone Power confirming that they have formal systems of controls and policies that ensure the information shared with Northstone Power 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 Northstone Power are required to comply with these policies.
- (d) Written representations from URICA stating that they have 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 Northstone Power 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 Northstone Power and URICA, pertaining to NPC2 and NPC3, that may relate to NPC2 and NPC3's participation in the Alberta electricity market, as described in the application.
- (b) Northstone Power and URICA must notify the Commission of the termination of the commercial arrangements between Northstone Power and URICA as soon as is practicable and within 30 days of the termination of such commercial arrangements.
- (c) Northstone Power 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 Northstone Power 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 Northstone Power 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 Northstone Power Corporation and URICA Energy Real Time Ltd., which is a separate disposition in this proceeding:

- (1) Preferential Sharing of Records – Elmworth Generation Station –
Order 28781-D02-2024

Dated on January 30, 2024.

Alberta Utilities Commission

(original signed by)

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