Introduction

On January 24, 2012, the Alberta Utilities Commission (AUC or Commission) began an initiative to standardize the transmission access charge (TAC) deferral account rider applications presently filed by the electric distribution facility owners (DFOs) with the Commission with a view to streamlining the approval process for these applications. The Commission stated:

The purpose of this consultation is to review the existing filing practice with a view to establishing the following:

(a) Whether there is an opportunity to standardize the content of the filing documents.

(b) Whether there is an opportunity to standardize the approach for filing quarterly TAC deferral account rider applications (prospective approach v. retrospective approach).

(c) Assuming that improvements and agreement on these improvements in (a) and (b) can be achieved, whether there is an opportunity to streamline the regulatory approval process such that these applications could be processed by way of filings for acknowledgment similar to the manner currently done for regulated monthly gas and electric retail rate filings.

The Commission held a consultation meeting with invited participants on February 27, 2012. The participants agreed that most aspects of the DFOs’ transmission rider applications could be standardized as outlined in the meeting summary. It was agreed that the DFOs would jointly develop a common application template, including a schedules template, and that each distribution utility would submit its own application to the Commission for approval, that would follow this template (the standardized application).

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1 Invited participants were: ATCO Electric Ltd., ENMAX Power Corporation, EPCOR Distribution & Transmission Inc., FortisAlberta Inc., the Alberta Electric System Operator, the Consumers’ Coalition of Alberta and the Office of the Utilities Consumer Advocate.

2 Proceeding ID No. 1678, Exhibit 20.
**DFO applications**

In furtherance of the process agreed to by the parties at the consultation meeting, and in recognition of the concurrent commitments by the parties in the Rate Regulation Initiative proceeding, the Commission directs the DFOs to file their respective standardized applications by June 1, 2012. The standardized applications should be filed as submissions to Proceeding ID No. 1678.

The standardized applications filed by the DFOs will focus on the methodology of the developed standard approach, and related amendments to each of the DFO’s existing practices with respect to their respective transmission riders, as well as a common schedules template.

Following the consultation meeting, the Consumers’ Coalition of Alberta proposed that it may be desirable to have customer representatives included as part of the process to develop the common application template, and schedules template.

The Commission considers that including customer representatives in this process, before the standardized applications are filed, would result in a more efficient use of both the DFOs’ and customer representatives’ resources. If all parties are part of the development of the templates, there is less likelihood that disputes or confusion will arise in subsequent proceedings which rely on these templates. Consequently, the Commission encourages all parties to work together to develop the templates for approval by the Commission in this proceeding.

As well, following the consultation meeting, the Utilities Consumer Advocate asked for confirmation that cost allocation issues will be addressed by the Commission in the DFOs’ annual filings. As set out in the meeting summary, to streamline the approval process for the quarterly applications, the DFOs will use the energy (dollars per kilowatt-hour, or $/kWh) approach in their quarterly applications for both cost allocation and rate design. However, for the annual filings, the DFOs can use their currently approved methods for allocating costs. The Commission expects that a full process will be implemented for annual filings which will include, if required, an opportunity for interested parties to raise issues pertaining to the DFOs’ existing cost allocation methodologies.

**Additional information**

Documents for this proceeding are available for viewing through the Proceeding Search system which is accessible under the E-Filing Services & Regulatory Document Search section of the home page on the Commission website at www.auc.ab.ca, or by accessing the following link: https://www.auc.ab.ca/eub/dds/EPS_Query/ProceedingDetail.aspx?ProceedingID=1678

Participants or other interested parties with questions or concerns are directed to contact Olexandr Vasetsky by phone at 403-592-4417 or by email at olexandr.vasetsky@auc.ab.ca.

*(original signed by)*

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