

July 5, 2018

Email: capacitymarket@auc.ab.ca

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

Attention: Kevin Thompson

Dear Mr. Thompson:

Re: AltaLink Management Ltd. Comments – AUC Rule 017 Stakeholder Consultation

Please consider the following letter AltaLink's written comments for the second stakeholder consultation regarding the proposed amendments to AUC Rule 017 (Draft Rule). AltaLink attended the June 26, 2018, second consultation session and has reviewed all information on the Alberta Utilities Commission (AUC) website with regards to the Draft Rule, including the AUC's second Stakeholder Consultation Meeting Summary. AltaLink has the following comments.

During the consultation session on June 26, 2018, multiple parties expressed concerns about of the lack of a requirement for the Alberta Electric System Operator (AESO) to provide replies to comments submitted to it during consultation on ISO rules. The June 26, 2018 meeting summary states:

"Stakeholders asked AUC staff about the decision to require the AESO to post comments, but not replies. AUC staff stated that the AESO's application would be the culmination of replies to comments and that having to respond to everyone during the consultation and then submit an application could create a large burden on the AESO, considering the replies would come to the AUC regardless.

Stakeholders responded that responses from the AESO can help market participants and contribute to efficiency in regulatory proceeding. If a participant does not receive a response to its comments, it would likely seek the reason why through regulatory proceeding (for example, in information requests), slowing down the process. There was general agreement that AESO responses to comments would likely be beneficial and that it would establish a complete record, limit repetitive comments and questions, provide an opportunity for clarification and smooth the regulatory process."

The AESO did not respond to the requirement to provide replies to stakeholders while at the consultation session. AltaLink firmly supports market participants in adding a requirement for the AESO to reply to comments submitted as well as rational for accepting or rejecting the comments. Otherwise, requiring the AESO to consult on rules without having the requirement to reply to questions or comments renders the consultation process to be truly one sided causing the process to be just a step in the approval process, rather than a fulsome conversation between the AESO and the market participants the ISO rules will impact. AltaLink reiterates the concerns expressed during the consultation session and is concerned that without a requirement to reply, the ISO rules process as proposed, will lead to regulatory inefficiency as well as lag due to parties being required to intervene and issue information requests in order to get a reply to their questions or comments.

AltaLink remains of the view that there needs to be established timelines for notifications, the consultation process and for the submission of the application for approval of ISO rules. This is to help ensure that all parties

are aware of the process and the timelines needed for the approval of an ISO rule. In the event that no timelines are firmly required, AltaLink trusts the AESO will take every step to ensure all parties are aware of the timelines for submissions and consultation on ISO rules as part of its requirement to complete a consultation process under the proposed amendments to AUC Rule 017.

Yours truly,

(Original signed by)

Rob Senko
Director, Regulator Economics Policy