

## AUC Rule 017: Stakeholder comment matrix

Please provide comments relating to the subsection of the rule in the corresponding box. If you have proposed language changes, please make the changes under the “proposed changes” column with tracked changes on (they are on by default).

Section	Subsection	Existing	Proposed changes	Stakeholder comment	AUC staff response
		<b>Part 1: General matters</b>	<b>Part 1: General matters</b>		
1	1.1	<b>Definitions</b> The definitions from the <i>Electric Utilities Act</i> apply to these rules.	<b>Definitions</b> The definitions from the <i>Electric Utilities Act</i> apply to these rules.	No comment.	
1	1.2	In these rules: (a) “ISO” means the Independent System Operator. (b) “ISO rule” means a rule made by the ISO under its authority in the <i>Electric Utilities Act</i> that: i. has been approved by the Commission after August 1, 2018; or ii. was made by the ISO before August 1, 2018 and has not been amended or removed on or after August 1, 2018.	In these rules: (a) “ISO” means the Independent System Operator. (b) “ISO rule” means a rule made by the ISO under its authority in the <i>Electric Utilities Act</i> that: i. has been approved by the Commission after August 1, 2018; or ii. was made by the ISO before August 1, 2018 and has not been amended or removed on or after August 1, 2018.	No comment.	
		<b>Part 2: Procedures and process for development of proposed rules and application for Commission approval</b>	<b>Part 2: Procedures and process for development of proposed rules and application for Commission approval</b>		
2	2.1	<b>Definitions</b> In this Part: (a) “proposed rule” means a proposed new ISO rule, a proposed amendment to an existing ISO rule, a proposed removal of an existing ISO rule, or a renewal of an existing ISO rule that has a fixed term.	<b>Definitions</b> In this Part: (a) “proposed rule” means a proposed new ISO rule, a proposed amendment to an existing ISO rule, a proposed removal of an existing ISO rule, or a renewal of an existing ISO rule that has a fixed term.	No comment.	
3	3.1	<b>Application</b> This Part does not apply to proposed provisional rules or	<b>Application</b> This Part does not apply to proposed provisional rules or	No comment.	

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		proposed initial rules as those terms are defined in Part 3.	proposed initial rules as those terms are defined in Part 3.		
4	4.1	<p><b>Notice for development of proposed rules</b></p> <p>When the ISO identifies an issue, or receives a complete proposal pursuant to its process under Section 20.81 of the <i>Electric Utilities Act</i>, that, in the opinion of the ISO, may require a proposed rule, the ISO must issue written notice to the Market Surveillance Administrator, market participants, and other interested parties prior to developing a proposed rule and must post the notice on the ISO’s website.</p>	<p><b>Notice for development of proposed rules</b></p> <p>When the ISO identifies an issue, or receives a complete proposal pursuant to its process under Section 20.81 of the <i>Electric Utilities Act</i>, that, in the opinion of the ISO, may require a proposed rule, the ISO must issue written notice to the Market Surveillance Administrator, market participants, and other interested parties prior to developing a proposed rule and must post the notice on the ISO’s website.</p>	<p><b>Recommendation:</b></p> <p>TransAlta proposes the following changes:</p> <p>When the ISO identifies an issue, or receives a <b>reasonably adequate</b> proposal pursuant to its process under Section 20.81 of the <i>Electric Utilities Act</i>, that, in the opinion of the ISO, may require a proposed rule, <b>which is sufficient to enable the ISO to consider the development of a proposed rule</b>, the ISO must issue written notice to the Market Surveillance Administrator, market participants, and other interested parties prior to developing a proposed rule and must post the notice on the ISO’s website.</p> <p><b>Rationale:</b></p> <p>Requiring a standard of “completeness” for a proposal puts a very heavy burden on a market participant in terms of studies and/ or evidence in order to be considered “complete” by the AESO. In terms of typical regulatory requirements, “completeness” would more properly be required at the stage of the application when submitted to the regulator for approval. Compelling a “complete” proposal from market participants for a rule or rule change under the section 20.81 <i>Electric Utilities Act</i> (EUA) process at the <i>commencement</i> of AESO consultation is premature, and could deter effective consultation.</p>	

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				<p>TransAlta submits that the standard for “completeness” of a proposal under a Section 20.81 EUA process should be the equivalent of the standard of a “prima facie” case (i.e. reasonably adequate or sufficient to establish or raise a presumption that the rule or change is necessary, advisable or appropriate). Accordingly, TransAlta has incorporated the concepts of “reasonable adequacy” and “sufficiency” in this suggested wording change to section 4.1.</p> <p>The AESO has expressed concern that, without qualifying the standard for a Section 20.81 EUA proposal, it could be forced to issue notice on a large number of proposals that may be incomplete or inadequately reasoned. TransAlta agrees with the AESO that this is a valid concern.</p> <p>However, TransAlta considers that its suggested language will lead to thoughtful and robust market participant proposals for ISO rules and rule changes, without deterring such proposals through an excessive evidentiary burden at first instance. Such proposals should be encouraged, as they can result in improved regulatory and market efficiency by facilitating greater congruence and workability across all market rules and impacts from an operational perspective.</p>	
4	4.2	If the notice is required because of receipt of a complete proposal received by the ISO pursuant to its process under Section 20.81 of the <i>Electric Utilities Act</i> , the ISO must issue	If the notice is required because of receipt of a complete proposal received by the ISO pursuant to its process under Section 20.81 of the <i>Electric Utilities Act</i> , the ISO must issue	Please see our comments to section 4.1 above.	

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4	4.3	<p>notice within 30 days of receipt of the complete proposal.</p> <p>The notice must set out:</p> <ul style="list-style-type: none"> <li>(a) the issue that a proposed rule is intended to address;</li> <li>(b) a description of the potential objective or purpose of the proposed rule;</li> <li>(c) the manner in which the Market Surveillance Administrator, market participants, and other interested parties may submit: <ul style="list-style-type: none"> <li>(i) written comments;</li> <li>(ii) a notice of intent to participate in consultation; and</li> <li>(iii) comments on the form of consultation;</li> </ul> </li> <li>(d) the deadline date for comments, which must not be less than 15 days from the later of: <ul style="list-style-type: none"> <li>(i) the date the notice is issued to the Market Surveillance Administrator, market participants, and other interested parties; or</li> <li>(ii) the date the notice is issued on the ISO's website; and</li> </ul> </li> <li>(e) where the information set out in subsection 4.4 can be accessed.</li> </ul>	<p>notice within 30 days of receipt of the complete proposal.</p> <p>The notice must set out:</p> <ul style="list-style-type: none"> <li>(a) the issue that a proposed rule is intended to address;</li> <li>(b) a description of the potential objective or purpose of the proposed rule;</li> <li>(c) the manner in which the Market Surveillance Administrator, market participants, and other interested parties may submit: <ul style="list-style-type: none"> <li>(i) written comments;</li> <li>(ii) a notice of intent to participate in consultation; and</li> <li>(iii) comments on the form of consultation;</li> </ul> </li> <li>(d) the deadline date for comments, which must not be less than 15 days from the later of: <ul style="list-style-type: none"> <li>(i) the date the notice is issued to the Market Surveillance Administrator, market participants, and other interested parties; or</li> <li>(ii) the date the notice is issued on the ISO's website; and</li> </ul> </li> <li>(e) where the information set out in subsection 4.4 can be accessed.</li> </ul>	<p><b><u>Recommendation:</u></b></p> <p>(c) the manner in which the Market Surveillance Administrator, market participants and other interested parties <b><u>will be afforded an opportunity to provide meaningful input to the proposed rule and other ISO rules that are affected by the proposed rule, and</u></b> may submit:</p> <ul style="list-style-type: none"> <li>(i) written comments;</li> <li>(ii) a notice of intent to participate in consultation; and</li> <li>(iii) comments on the form of consultation;</li> </ul> <p><b><u>Rationale:</u></b></p> <p>TransAlta considers that meaningful consultation should allow for input on a proposed rule or rule change, together with input on how it may impact other ISO rules and the operational workability of the market as a whole. ISO rules must be considered across all markets that make up the total Alberta market for electric energy, ancillary services and capacity.</p>	
4	4.4	<p>When the notice is posted on the ISO's website, the ISO must also post a copy of any material the ISO considers to be relevant that is related to the need for, the development of, removal of, or renewal of the proposed rule.</p>	<p>When the notice is posted on the ISO's website, the ISO must also post a copy of any material the ISO considers to be relevant that is related to the need for, the development of, removal of, or renewal of the proposed rule.</p>	<p><b><u>Recommendation:</u></b></p> <p>When the notice is posted on the ISO's website, the ISO must also post a copy of any material <b><u>that either the ISO and/or the proponent of the proposed rule</u></b> considers to be relevant that <b><u>and</u></b> is related to the need for, the development of, removal of, or</p>	

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				<p>renewal of the proposed rule. <b><u>The ISO must provide analysis and the complete set of data relied upon to support a proposed rule change and analysis of alternatives.</u></b></p> <p><b><u>Rationale:</u></b></p> <p>The AESO should be obliged to be open and transparent, and should be required to share all data and analysis that is related to the need for and the development of the proposed rule. Stakeholders should be provided the same level of information as the AESO in order to effectively contribute to the rule development process.</p> <p>Without access to the AESO's and/or the proponent's analysis and the underlying data used in the analysis, stakeholders cannot meaningfully contribute in the stakeholder process. Information asymmetries can forestall a collaborative stakeholder engagement from occurring. It is important to ensure that the stakeholder process allows for analysis to be validated and tested as doing so improves stakeholder confidence and can improve regulatory submissions that are made before the AUC.</p> <p>While the AESO may be concerned about disclosing confidential and commercially sensitive information, TransAlta submits that in many cases data can be aggregated and/or irrelevant material can be redacted to address this concern. In special cases, confidentiality undertakings and agreed protocols for treatment of confidential documents may be used for the sharing and handling of</p>	

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				confidential information, similar to the process the AUC has used in accordance with its Rules of Practice (Rule 001).	
5	5.1	<p><b>Comments</b></p> <p>The Market Surveillance Administrator, market participants, and interested parties may:</p> <ul style="list-style-type: none"> <li>(a) provide general written comments to the ISO on the need for, the development of, removal of, or renewal of a proposed rule;</li> <li>(b) submit a notice of intent to participate in consultation with the ISO; and</li> <li>(c) comment on the form of consultation.</li> </ul>	<p><b>Comments</b></p> <p>The Market Surveillance Administrator, market participants, and interested parties may:</p> <ul style="list-style-type: none"> <li>(a) provide general written comments to the ISO on the need for, the development of, removal of, or renewal of a proposed rule;</li> <li>(b) submit a notice of intent to participate in consultation with the ISO; and</li> <li>(c) comment on the form of consultation.</li> </ul>	No comment.	
5	5.2	<p>Within 5 business days of receipt of comments, the ISO must:</p> <ul style="list-style-type: none"> <li>(a) post all submissions received pursuant to subsection 5.1 on the ISO's website; and</li> <li>(b) provide written notice to the Market Surveillance Administrator, market participants and other interested parties regarding where the information set out in subsection 5.2(a) can be accessed.</li> </ul>	<p>Within 5 business days of receipt of comments, the ISO must:</p> <ul style="list-style-type: none"> <li>(a) post all submissions received pursuant to subsection 5.1 on the ISO's website; and</li> <li>(b) provide written notice to the Market Surveillance Administrator, market participants and other interested parties regarding where the information set out in subsection 5.2(a) can be accessed.</li> </ul>	No comment.	
6	6.1	<p><b>Consultation for development of proposed rules</b></p> <p>Upon receipt of any notice of intent to participate in consultation, the ISO must:</p> <ul style="list-style-type: none"> <li>(a) form a consultation group or consultation groups composed of any parties; <ul style="list-style-type: none"> <li>(i) who submitted a notice of intent to participate in consultation; or</li> <li>(ii) that the ISO thinks may be directly affected by the proposed rule;</li> </ul> </li> <li>(b) consult with the consultation group(s) in a manner determined by the ISO to: <ul style="list-style-type: none"> <li>(i) determine the need for a proposed rule; and</li> </ul> </li> </ul>	<p><b>Consultation for development of proposed rules</b></p> <p>Upon receipt of any notice of intent to participate in consultation, the ISO must:</p> <ul style="list-style-type: none"> <li>(a) form a consultation group or consultation groups composed of any parties; <ul style="list-style-type: none"> <li>(i) who submitted a notice of intent to participate in consultation; or</li> <li>(ii) that the ISO thinks may be directly affected by the proposed rule;</li> </ul> </li> <li>(b) consult with the consultation group(s) in a manner determined by the ISO to: <ul style="list-style-type: none"> <li>(i) determine the need for a proposed rule; and</li> </ul> </li> </ul>	<p><b>Recommendation:</b></p> <ul style="list-style-type: none"> <li>(b) consult with the consultation group(s) in a <b>an open, transparent and meaningful</b> manner determined by the ISO to: <ul style="list-style-type: none"> <li>(i) determine the need for a proposed rule;</li> <li>(ii) <b>receive and consider suggested modifications to the proposed rule and other ISO rules that are affected by the proposed rule; and</b></li> <li>(iii) develop a proposed rule if, in the opinion of the ISO a</li> </ul> </li> </ul>	

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		(ii) develop a proposed rule if, in the opinion of the ISO a proposed rule is necessary.	(ii) develop a proposed rule if, in the opinion of the ISO a proposed rule is necessary.	<p>proposed rule is necessary.</p> <p><b>Rationale:</b></p> <p>The requirement for “open, transparent and meaningful” consultation should be an objective regulatory stipulation. The remedy available to any affected party for inadequate consultation could involve submissions to the Commission on compliance with rules made under section 20.9, or a complaint about ISO conduct pursuant to section 26 of the EUA. An objective standard is needed rather than an unqualified allowance for ISO discretion.</p> <p>In addition, TransAlta submits that stakeholders should be able to address the impacts of a proposed rule on the market as a whole, and to suggest modifications to the rule or other rules in respect of the overall impacts as required.</p>	
6	6.2	When the ISO undertakes consultation with a consultation group or consultation groups under subsection 6.1, the ISO must provide an opportunity for members of the consultation group(s) to make submissions regarding the information required in subsections 7.2(b) through 7.2(i) of this rule.	When the ISO undertakes consultation with a consultation group or consultation groups under subsection 6.1, the ISO must provide an opportunity for members of the consultation group(s) to make submissions regarding the information required in subsections 7.2(b) through 7.2(i) of this rule.	No comment.	
6	6.3	<p>Following development of a proposed rule, the ISO must provide written notice to the Market Surveillance Administrator, market participants and other interested parties and solicit comments on the proposed rule by way of a:</p> <p>(a) proposed rule comment matrix; and</p> <p>(b) request for comment on whether the proposed rule is technically deficient.</p>	<p>Following development of a proposed rule, the ISO must provide written notice to the Market Surveillance Administrator, market participants and other interested parties and solicit comments on the proposed rule by way of a:</p> <p>(a) proposed rule comment matrix; and</p> <p>(b) request for comment on whether the proposed rule is technically deficient.</p>	No comment.	
6	6.4	The notice required by subsection 6.3 must:	The notice required by subsection 6.3 must:	No comment.	

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		(a) be posted on the ISO's website; (b) include the information required by subsection 4.3, excluding the requirement in subsection 4.3(c)(ii) and 4.3(c)(iii); and (c) include the information required by subsection 4.4.	(a) be posted on the ISO's website; (b) include the information required by subsection 4.3, excluding the requirement in subsection 4.3(c)(ii) and 4.3(c)(iii); and (c) include the information required by subsection 4.4.		
6	6.5	Within 5 business days of receipt of comments received pursuant to subsection 6.3, the ISO must: (a) post all submissions on the ISO's website; and (b) provide written notice to the Market Surveillance Administrator, market participants and other interested parties regarding where the submissions referred to in subsection 6.5(a) can be accessed.	Within 5 business days of receipt of comments received pursuant to subsection 6.3, the ISO must: (a) post all submissions on the ISO's website; and (b) provide written notice to the Market Surveillance Administrator, market participants and other interested parties regarding where the submissions referred to in subsection 6.5(a) can be accessed.	<p><b><u>Recommendation:</u></b></p> <p>Within 5 business days of receipt of comments received pursuant to subsection 6.3, the ISO must:</p> <p>(a) post all submissions on the ISO's website; <del>and</del></p> <p>(b) provide written notice to the Market Surveillance Administrator, market participants and other interested parties regarding where the submissions referred to in subsection 6.5(a) can be accessed; <b><u>and</u></b></p> <p>(c) <b><u>consider the comments received and provide a reply to the comments, including whether the ISO has made changes to the proposed rule.</u></b></p> <p><b><u>Rationale:</u></b></p> <p>The AESO should be required to respond to comments received from stakeholders. The existing Rule 017 requires the ISO to consider comments received and reply to those comments, specifying the ISO's rationale and explanation why certain positions were rejected or accepted (sections 8 – 10). This requirement should continue in the new Rule 017. An explicit requirement for the AESO to respond ensures that the framework has an effective feedback mechanism that</p>	

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				enables the AESO and stakeholders to communicate, collaborate, and make informed decisions. Without this requirement, communication would essentially be one-way, which would likely drive more issues into the AUC regulatory process that could have been dealt with more efficiently in the stakeholder consultation process.	
6	6.6	After consulting under Section 6, the ISO may proceed to make an application to the Commission under Section 7.	After consulting under Section 6, the ISO may proceed to make an application to the Commission under Section 7.	No comment.	
7	7.1	<p><b>Application for Commission approval of proposed rules</b></p> <p>The ISO must apply to the Commission for approval of a proposed rule.</p>	<p><b>Application for Commission approval of proposed rules</b></p> <p>The ISO must apply to the Commission for approval of a proposed rule.</p>	No comment.	
7	7.2	<p>Subject to subsection 7.3, an application for approval of a proposed rule must include the following information:</p> <ul style="list-style-type: none"> <li>(a) a description of the consultation process that was undertaken by the ISO including a list of parties who participated and copies of any submissions made by parties under subsections 6.2 and 6.3;</li> <li>(b) an explanation of whether the proposed rule relates to the capacity market and why;</li> <li>(c) if the proposed rule relates to the capacity market, an explanation of whether or not the proposed rule will be in effect for a fixed term and why;</li> <li>(d) a description of the objective or purpose of the proposed rule;</li> <li>(e) a copy of any analysis conducted or commissioned by the ISO supporting the proposed rule, with a description of assumptions and methodology;</li> <li>(f) an explanation of why the proposed rule, taken together with all ISO rules and in light of the principle of a fair, efficient and openly competitive market, was proposed;</li> </ul>	<p>Subject to subsection 7.3, an application for approval of a proposed rule must include the following information:</p> <ul style="list-style-type: none"> <li>(a) a description of the consultation process that was undertaken by the ISO including a list of parties who participated and copies of any submissions made by parties under subsections 6.2 and 6.3;</li> <li>(b) an explanation of whether the proposed rule relates to the capacity market and why;</li> <li>(c) if the proposed rule relates to the capacity market, an explanation of whether or not the proposed rule will be in effect for a fixed term and why;</li> <li>(d) a description of the objective or purpose of the proposed rule;</li> <li>(e) a copy of any analysis conducted or commissioned by the ISO supporting the proposed rule, with a description of assumptions and methodology;</li> <li>(f) an explanation of why the proposed rule, taken together with all ISO rules and in light of the principle of a fair, efficient and openly competitive market, was proposed;</li> </ul>	<p><b><u>Recommendation:</u></b></p> <ul style="list-style-type: none"> <li>(b) an explanation of whether the proposed rule relates to the capacity market <b>or the electricity market</b> and why;</li> </ul> <p><b><u>Rationale:</u></b></p> <p>TransAlta remains concerned that requirements in subsections (a) through (i) are not prescriptive enough to ensure that the proposed rules are well supported.</p> <p>One of our key concerns is that subsection (b) does not explicitly require the AESO to explain how a proposed rule relates to the market as a whole, including the capacity, energy and ancillary services markets. Assessment of a proposed rule's impact should not be limited only to the capacity market. Rather, the</p>	

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		<p>(g) a description of any alternatives that were explored during consultation and an explanation as to why they were rejected;</p> <p>(h) if the rule relates to the capacity market, a description of how the proposed rule supports ensuring a reliable supply of electricity at a reasonable cost to customers; and</p> <p>(i) an explanation of how the proposed rule supports the public interest.</p>	<p>(g) a description of any alternatives that were explored during consultation and an explanation as to why they were rejected;</p> <p>(h) if the rule relates to the capacity market, a description of how the proposed rule supports ensuring a reliable supply of electricity at a reasonable cost to customers; and</p> <p>(i) an explanation of how the proposed rule supports the public interest.</p>	<p>assessment should address whether the proposed rule supports fairness, efficiency, open competition, reliable supply, reasonable cost to customers, consistency with regulations, and the public interest across the market.</p> <p>Similarly, subsections (f) and (h) do not require the AESO to provide analysis that quantifies near and long-term price and volume impacts related to the capacity, energy and ancillary services markets to properly assess whether the rule or other alternatives meet all of the tests for ISO rules. There is a significant risk that rule submissions will only be qualitative assessments based on theoretical arguments that cannot be validated, and therefore do not allow for a robust comparison of alternatives. Such assessments are low quality and provide little in assurance as to their legal sufficiency and expected impacts of proposed rules. This is of particular concern with provisional rules given that they are approved in a shorter process, whereas the regular rule process would permit more comprehensive evidence testing.</p> <p>Therefore, we strongly encourage the AUC to reconsider including a more detailed list of minimum filing requirements to ensure that there is well developed analysis of alternatives and strong evidence justifying the legal sufficiency of the proposed rules.</p>	
7	7.3	In the event that any of the information set out in subsection 7.2 is not included in the application, the ISO must provide an explanation for not doing so.	In the event that any of the information set out in subsection 7.2 is not included in the application, the ISO must provide an explanation for not doing so.	<p><b>Recommendation:</b></p> <p><u>Section 7.3 should be removed.</u></p>	

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				<p><b>Rationale:</b></p> <p>We are concerned about the potential application of this section in practice, particularly if the AESO were to exhibit a pattern of filing proposed rules that do not include all of the requirements in 7.2. Frequent application of this section would essentially negate the prudence requirements for proposing rules laid out in 7.2.</p>	
		<p><b>Part 3: Procedures and process for development of proposed provisional rules and proposed initial rules and application for Commission approval</b></p>	<p><b>Part 3: Procedures and process for development of proposed provisional rules and proposed initial rules and application for Commission approval</b></p>		
8	8.1	<p><b>Definitions</b></p> <p>In this Part:</p> <p>(a) “proposed initial rule” means a proposed new ISO rule, a proposed amendment to an existing ISO rule, a proposed removal of an existing ISO rule, or a renewal of an existing ISO rule that has a fixed term that:</p> <ul style="list-style-type: none"> <li>(i) has received provisional approval from the Commission under Section 20.22 of the <i>Electric Utilities Act</i>; or</li> <li>(ii) has not received provisional approval from the Commission under Section 20.22 of the <i>Electric Utilities Act</i> and was: <ul style="list-style-type: none"> <li>1. directed by the Commission to be considered under Section 20.22 of the <i>Electric Utilities Act</i> pursuant to Section 20.22(4)(c) of the <i>Electric Utilities Act</i>; or</li> <li>2. developed by the ISO pursuant to Section 41.42(1) of the <i>Electric Utilities Act</i>.</li> </ul> </li> </ul> <p>(b) “proposed provisional rule” means a proposed new ISO rule, a proposed amendment to an existing ISO rule, or a proposed removal of an existing ISO rule that is developed by the ISO pursuant to Section 41.42(3) of the <i>Electric</i></p>	<p><b>Definitions</b></p> <p>In this Part:</p> <p>(a) “proposed initial rule” means a proposed new ISO rule, a proposed amendment to an existing ISO rule, a proposed removal of an existing ISO rule, or a renewal of an existing ISO rule that has a fixed term that:</p> <ul style="list-style-type: none"> <li>(i) has received provisional approval from the Commission under Section 20.22 of the <i>Electric Utilities Act</i>; or</li> <li>(ii) has not received provisional approval from the Commission under Section 20.22 of the <i>Electric Utilities Act</i> and was: <ul style="list-style-type: none"> <li>1. directed by the Commission to be considered under Section 20.22 of the <i>Electric Utilities Act</i> pursuant to Section 20.22(4)(c) of the <i>Electric Utilities Act</i>; or</li> <li>2. developed by the ISO pursuant to Section 41.42(1) of the <i>Electric Utilities Act</i>.</li> </ul> </li> </ul> <p>(b) “proposed provisional rule” means a proposed new ISO rule, a proposed amendment to an existing ISO rule, or a proposed removal of an existing ISO rule that is developed by the ISO pursuant to Section 41.42(3) of the <i>Electric</i></p>	No comment.	

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		<i>Utilities Act.</i>	<i>Utilities Act.</i>		
9	9.1	<b>Application</b> This Part expires on the date the Commission issues a decision under Section 20.23 of the <i>Electric Utilities Act</i> .	<b>Application</b> This Part expires on the date the Commission issues a decision under Section 20.23 of the <i>Electric Utilities Act</i> .	No comment.	
10	10.1	<b>Notice for development of proposed provisional rules</b> When the ISO develops or intends to develop a proposed provisional rule, the ISO must issue written notice to the Market Surveillance Administrator, market participants, and other interested parties prior to developing a proposed provisional rule and must post the notice on the ISO's website.	<b>Notice for development of proposed provisional rules</b> When the ISO develops or intends to develop a proposed provisional rule, the ISO must issue written notice to the Market Surveillance Administrator, market participants, and other interested parties prior to developing a proposed provisional rule and must post the notice on the ISO's website.	No comment.	
10	10.2	The notice must set out: (a) the issue that a proposed provisional rule is intended to address; (b) a description of the potential objective or purpose of the proposed provisional rule; (c) the manner in which the Market Surveillance Administrator, market participants, and other interested parties may submit: (i) written comments; (ii) a notice of intent to participate in consultation; and (iii) comment on the form of consultation; (d) the deadline date for comments which must not be less than 15 days from the later of: (i) the date the notice is issued to the Market Surveillance Administrator, market participants, and other interested parties; or (ii) the date the notice is issued on the ISO's website; and (e) where the information outlined in subsection 10.3 can be accessed.	The notice must set out: (a) the issue that a proposed provisional rule is intended to address; (b) a description of the potential objective or purpose of the proposed provisional rule; (c) the manner in which the Market Surveillance Administrator, market participants, and other interested parties may submit: (i) written comments; (ii) a notice of intent to participate in consultation; and (iii) comment on the form of consultation; (d) the deadline date for comments which must not be less than 15 days from the later of: (i) the date the notice is issued to the Market Surveillance Administrator, market participants, and other interested parties; or (ii) the date the notice is issued on the ISO's website; and (e) where the information outlined in subsection 10.3 can be accessed.	No comment.	
10	10.3	When the notice is posted on the ISO's website, the ISO must also post a copy of any material the ISO considers to be relevant that is related to the need for, the development of, or	When the notice is posted on the ISO's website, the ISO must also post a copy of any material the ISO considers to be relevant that is related to the need for, the development of, or	Please see our comments to section 4.4.	

Section	Subsection	Existing	Proposed changes	Stakeholder comment	AUC staff response
		removal of the proposed provisional rule.	removal of the proposed provisional rule.		
11	11.1	<p><b>Comments</b></p> <p>The Market Surveillance Administrator, market participants, and interested parties may:</p> <p>(a) provide general written comments to the ISO on the need for a proposed provisional rule;</p> <p>(b) submit a request to participate in consultation with the ISO; and</p> <p>(c) comment on the form of consultation.</p>	<p><b>Comments</b></p> <p>The Market Surveillance Administrator, market participants, and interested parties may:</p> <p>(a) provide general written comments to the ISO on the need for a proposed provisional rule;</p> <p>(b) submit a request to participate in consultation with the ISO; and</p> <p>(c) comment on the form of consultation.</p>	No comment. Make consistent with proposed changes above.	
11	11.2	<p>Within 5 business days of receipt of comments, the ISO must:</p> <p>(a) post all submissions received pursuant to subsection 11.1 on the ISO's website; and</p> <p>(b) provide written notice to the Market Surveillance Administrator, market participants and other interested parties regarding where the information set out in subsection 11.2(a) can be accessed.</p>	<p>Within 5 business days of receipt of comments, the ISO must:</p> <p>(a) post all submissions received pursuant to subsection 11.1 on the ISO's website; and</p> <p>(b) provide written notice to the Market Surveillance Administrator, market participants and other interested parties regarding where the information set out in subsection 11.2(a) can be accessed.</p>	Please see our comments to section 6.5.	
12	12.1	<p><b>Consultation on proposed provisional rules</b></p> <p>Upon receipt of any notice of intent to participate in consultation, the ISO must:</p> <p>(a) form a consultation group or consultation groups composed of any parties:</p> <p>(i) who submitted a request to participate in consultation; or</p> <p>(ii) that the ISO thinks may be directly affected by the proposed provisional rule;</p> <p>(iii) consult with the consultation group(s) in a manner determined by the ISO to further develop the proposed provisional rule.</p>	<p><b>Consultation on proposed provisional rules</b></p> <p>Upon receipt of any notice of intent to participate in consultation, the ISO must:</p> <p>(a) form a consultation group or consultation groups composed of any parties:</p> <p>(i) who submitted a request to participate in consultation; or</p> <p>(ii) that the ISO thinks may be directly affected by the proposed provisional rule;</p> <p>(iii) consult with the consultation group(s) in a manner determined by the ISO to further develop the proposed provisional rule.</p>	No comment.	
12	12.2	When the ISO undertakes consultation with a consultation group or consultation groups under subsection 12.1, the ISO must provide an opportunity for members of the consultation group(s) to make submissions regarding the information	When the ISO undertakes consultation with a consultation group or consultation groups under subsection 12.1, the ISO must provide an opportunity for members of the consultation group(s) to make submissions regarding the information	No comment.	

Section	Subsection	Existing	Proposed changes	Stakeholder comment	AUC staff response
		required in subsections 13.2(b) through 13.2(j) of this rule.	required in subsections 13.2(b) through 13.2(j) of this rule.		
12	12.3	Following development of a proposed provisional rule, the ISO must provide written notice to the Market Surveillance Administrator, market participants and other interested parties and solicit comments on the proposed provisional rule by way of a: (a) proposed provisional rule comment matrix; and  (b) request for comment on whether the proposed provisional rule is technically deficient.	Following development of a proposed provisional rule, the ISO must provide written notice to the Market Surveillance Administrator, market participants and other interested parties and solicit comments on the proposed provisional rule by way of a: (a) proposed provisional rule comment matrix; and  (b) request for comment on whether the proposed provisional rule is technically deficient.	No comment.	
12	12.4	The notice required by subsection 12.3 must: (a) be posted on the ISO's website; (b) include the information required by subsection 10.3, excluding the requirement in subsection 10.3(c)(ii) and 10.3(c)(iii); and (c) include the information required by subsection 10.4.	The notice required by subsection 12.3 must: (a) be posted on the ISO's website; (b) include the information required by subsection 10.3, excluding the requirement in subsection 10.3(c)(ii) and 10.3(c)(iii); and (c) include the information required by subsection 10.4.	The subsection references should be conformed to the revised Rule 017; in section 12.4 (b) the references would be to subsection 10.2 and in section 12.4(c) the reference would be to subsection 10.3.  Please see our comments to section 4.4.	
12	12.5	Within 5 business days of receipt of comments received pursuant to subsection 12.3, the ISO must: (a) post all submissions on the ISO's website; and (b) provide written notice to the Market Surveillance Administrator, market participants and other interested parties regarding where the submissions referred to in subsection 12.5(a) can be accessed.	Within 5 business days of receipt of comments received pursuant to subsection 12.3, the ISO must: (a) post all submissions on the ISO's website; and (b) provide written notice to the Market Surveillance Administrator, market participants and other interested parties regarding where the submissions referred to in subsection 12.5(a) can be accessed.	Please see our comments to section 6.5.	
12	12.6	After consulting with the working group(s), the ISO may proceed to make an application to the Commission under Section 13.	After consulting with the working group(s), the ISO may proceed to make an application to the Commission under Section 13.	No comment.	
13		<b>Application for Commission approval of proposed provisional rules and proposed initial rules</b>	<b>Application for Commission approval of proposed provisional rules and proposed initial rules</b>	No comment.	
	13.1	The ISO must apply to the Commission for approval of a proposed provisional rule and a proposed initial rule.	The ISO must apply to the Commission for approval of a proposed provisional rule and a proposed initial rule.		
13	13.2	An application for approval of a proposed provisional rule or a proposed initial rule must include the following information:	An application for approval of a proposed provisional rule or a proposed initial rule must include the following information:	Please see our comments to section 7.2.	

Section	Subsection	Existing	Proposed changes	Stakeholder comment	AUC staff response
		<ul style="list-style-type: none"> <li>(a) A description of the consultation process that was undertaken by the ISO including a list of parties who participated and copies of any submissions made by parties under subsections 12.2 and 12.3, if applicable;</li> <li>(b) An explanation of whether the proposed provisional rule or proposed initial rule relates to the capacity market and why;</li> <li>(c) If the proposed provisional rule or proposed initial rule relates to the capacity market, an explanation of whether or not the rule will be in effect for a fixed term and why;</li> <li>(d) A description of the objective or purpose of the proposed provisional rule or proposed initial rule;</li> <li>(e) A copy of any analysis conducted or commissioned by the ISO supporting the proposed provisional rule or proposed initial rule, with a description of assumptions and methodology;</li> <li>(f) An explanation of why the proposed provisional rule or proposed initial rule, taken together with all ISO rules and in light of the principle of a fair, efficient and openly competitive market, was proposed;</li> <li>(g) A description of any alternatives that were explored during consultation and an explanation as to why they were rejected;</li> <li>(h) If the rule relates to the capacity market, a description of how the proposed provisional rule or proposed initial rule supports ensuring a reliable supply of electricity at a reasonable cost to customers;</li> <li>(i) An explanation of how the proposed provisional rule or proposed initial rule supports the public interest; and</li> <li>(j) For an application for approval of a proposed provisional rule, the ISO's targeted capacity procurement volumes for the first two capacity market auctions.</li> </ul>	<ul style="list-style-type: none"> <li>(a) A description of the consultation process that was undertaken by the ISO including a list of parties who participated and copies of any submissions made by parties under subsections 12.2 and 12.3, if applicable;</li> <li>(b) An explanation of whether the proposed provisional rule or proposed initial rule relates to the capacity market and why;</li> <li>(c) If the proposed provisional rule or proposed initial rule relates to the capacity market, an explanation of whether or not the rule will be in effect for a fixed term and why;</li> <li>(d) A description of the objective or purpose of the proposed provisional rule or proposed initial rule;</li> <li>(e) A copy of any analysis conducted or commissioned by the ISO supporting the proposed provisional rule or proposed initial rule, with a description of assumptions and methodology;</li> <li>(f) An explanation of why the proposed provisional rule or proposed initial rule, taken together with all ISO rules and in light of the principle of a fair, efficient and openly competitive market, was proposed;</li> <li>(g) A description of any alternatives that were explored during consultation and an explanation as to why they were rejected;</li> <li>(h) If the rule relates to the capacity market, a description of how the proposed provisional rule or proposed initial rule supports ensuring a reliable supply of electricity at a reasonable cost to customers;</li> <li>(i) An explanation of how the proposed provisional rule or proposed initial rule supports the public interest; and</li> <li>(j) For an application for approval of a proposed provisional rule, the ISO's targeted capacity procurement volumes for the first two capacity market auctions.</li> </ul>		
13	13.3	The Commission may establish additional application requirements for proposed provisional rules and proposed initial rules.	The Commission may establish additional application requirements for proposed provisional rules and proposed initial rules.	No comment.	
14		<b>Notice and consultation for proposed initial rules</b>	<b>Notice and consultation for proposed initial rules</b>	No comment.	

Section	Subsection	Existing	Proposed changes	Stakeholder comment	AUC staff response
	14.1	Following the Commission’s order under Section 20.22(4) of the <i>Electric Utilities Act</i> (the “provisional decision”), for proposed initial rules that were not developed pursuant to Section 41.42(1) of the <i>Electric Utilities Act</i> , the ISO must provide notice and conduct any additional consultation, if any, in the manner directed by the Commission in the provisional decision within the timeframe directed by the Commission.	Following the Commission’s order under Section 20.22(4) of the <i>Electric Utilities Act</i> (the “provisional decision”), for proposed initial rules that were not developed pursuant to Section 41.42(1) of the <i>Electric Utilities Act</i> , the ISO must provide notice and conduct any additional consultation, if any, in the manner directed by the Commission in the provisional decision within the timeframe directed by the Commission.		
14	14.2	When the ISO identifies an issue, or receives a complete proposal under Section 20.81 of the <i>Electric Utilities Act</i> , that, in the opinion of the ISO, may require a proposed initial rule to be developed pursuant to Section 41.42(1) of the <i>Electric Utilities Act</i> , the ISO must provide notice and consult in the manner required by sections 10 through 12.	When the ISO identifies an issue, or receives a complete proposal under Section 20.81 of the <i>Electric Utilities Act</i> , that, in the opinion of the ISO, may require a proposed initial rule to be developed pursuant to Section 41.42(1) of the <i>Electric Utilities Act</i> , the ISO must provide notice and consult in the manner required by sections 10 through 12.	No comment.	
		<b>Part 4: Application for Commission approval of expedited rules</b>	<b>Part 4: Application for Commission approval of expedited rules</b>		
15	15.1	<b>Definitions</b> In this Part: (a) “expedited ISO rule” means a proposed rule for which the Commission has approved expedited implementation under Section 20.6 of the <i>Electric Utilities Act</i> . (b) “proposed rule” has the meaning given to it in Part 2 of this rule.	<b>Definitions</b> In this Part: (a) “expedited ISO rule” means a proposed rule for which the Commission has approved expedited implementation under Section 20.6 of the <i>Electric Utilities Act</i> . (b) “proposed rule” has the meaning given to it in Part 2 of this rule.	No comment.	
16	16.1	<b>Application</b> Subject to subsection 17.2, Part 2 of this rule does not apply to: (a) applications for expedited implementation of proposed rules; or (b) expedited rules.	<b>Application</b> Subject to subsection 17.2, Part 2 of this rule does not apply to: (a) applications for expedited implementation of proposed rules; or (b) expedited rules.	No comment.	
17	17.1	<b>Expedited rule applications</b> The ISO must apply for Commission approval for expedited implementation of a proposed rule.	<b>Expedited rule applications</b> The ISO must apply for Commission approval for expedited implementation of a proposed rule.		
17	17.2	When the ISO makes an application to the Commission for expedited implementation of a proposed rule, it must provide written notice to the Market Surveillance Administrator, market	When the ISO makes an application to the Commission for expedited implementation of a proposed rule, it must provide written notice to the Market Surveillance Administrator, market	No comment.	

Section	Subsection	Existing	Proposed changes	Stakeholder comment	AUC staff response
		participants and other interested parties in the manner set out in subsection 4.3(a) and (b) and includes the information required by subsection 4.4, if any.	participants and other interested parties in the manner set out in subsection 4.3(a) and (b) and includes the information required by subsection 4.4, if any.		
17	17.3	<p>An application for Commission approval for expedited implementation of a proposed rule must include:</p> <p>(a) a copy of the proposed rule for which expedited implementation is sought; and</p> <p>(b) a description of:</p> <ul style="list-style-type: none"> <li>(i) the urgent risk to the reliable supply of electricity, if any;</li> <li>(ii) the urgent risk to the safe and reliable operation of the interconnected electric system, if any; or</li> <li>(iii) the reason for requesting expedited implementation of the proposed rule if it does not fall within (i) or (ii).</li> </ul>	<p>An application for Commission approval for expedited implementation of a proposed rule must include:</p> <p>(a) a copy of the proposed rule for which expedited implementation is sought; and</p> <p>(b) a description of:</p> <ul style="list-style-type: none"> <li>(i) the urgent risk to the reliable supply of electricity, if any;</li> <li>(ii) the urgent risk to the safe and reliable operation of the interconnected electric system, if any; or</li> <li>(iii) the reason for requesting expedited implementation of the proposed rule if it does not fall within (i) or (ii).</li> </ul>	No comment.	
17	17.4	If the Commission approves expedited implementation of a proposed rule, the ISO must post the expedited ISO rule on the ISO's website on the day upon which the expedited implementation is approved by the Commission.	If the Commission approves expedited implementation of a proposed rule, the ISO must post the expedited ISO rule on the ISO's website on the day upon which the expedited implementation is approved by the Commission.	<p>TransAlta suggests that section 17 should be clarified in respect of which consultation and minimum filing requirements in Part 2, if any, will apply to the section 20.21 EUA full review process for an expedited rule (as referred to in subsection 20.6(6) of the EUA). Under section 2.1 of Rule 017, "proposed rule" does not appear to include a proposed rule for which expedited implementation has been approved by the Commission; this is referred to as "the expedited ISO rule" in section 17.4. Section 16.1(b) says that Part 2 does not apply to "expedited rules". However, consultation and filing requirements would have been abridged in accordance with sections 17.2 and 17.3.</p> <p>TransAlta notes that expedited rules have not been uncommon in practice, as set out in the table below. In some</p>	

Section	Subsection	Existing	Proposed changes	Stakeholder comment	AUC staff response																								
				<p>circumstances they have governed important matters (e.g. mothball rule).</p> <p><b>Table 1: Expedited Rule Filings from 2008-2018</b></p> <table border="1" data-bbox="1913 397 2260 781"> <thead> <tr> <th>Year</th> <th>Number</th> </tr> </thead> <tbody> <tr><td>2018</td><td>2</td></tr> <tr><td>2017</td><td>3</td></tr> <tr><td>2016</td><td>1</td></tr> <tr><td>2015</td><td>1</td></tr> <tr><td>2014</td><td>0</td></tr> <tr><td>2013</td><td>1</td></tr> <tr><td>2012</td><td>22</td></tr> <tr><td>2011</td><td>1</td></tr> <tr><td>2010</td><td>1</td></tr> <tr><td>2009</td><td>3</td></tr> <tr><td>2008</td><td>17</td></tr> </tbody> </table> <p>We believe that it is important that the level of consultation and filing requirements for the full review process of expedited rules to be clarified. In principle, they should be treated like any other proposed ISO rule for purposes of consultation and filing requirements prior to AUC approval under section 20.21 of the EUA.</p>	Year	Number	2018	2	2017	3	2016	1	2015	1	2014	0	2013	1	2012	22	2011	1	2010	1	2009	3	2008	17	
Year	Number																												
2018	2																												
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General category	General stakeholder comments	AUC staff response	Section of Rule 017