

AUC Rule 021 and Rule 028 Industry Consultation Meeting Summary

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| Meeting date | February 28, 2017 | Time | 12 p.m. to 3 p.m. |
| Location | <u>Video conference AUC offices</u> Tenth Floor, 10055 – 106 Street Edmonton Fourth Floor, 425 First St. S.W. Calgary <u>Teleconference</u> Phone: 1-866-792-1318 Conference code: 8665992 | Facilitator | AUC staff |

1 Introductions

| Name | Company |
|----------------------|------------------------------|
| Flora van Wageningen | AESO |
| Mike Choboter | AESO |
| Anne Glass | Alberta Utility Billing Inc. |
| Edwin Loo | AltaGas Utilities Inc. |
| Heather Hart | AltaGas Utilities Inc. |
| Linda Kinnee | AltaGas Utilities Inc. |
| Daryl Pattison | ATCO Electric Ltd. |
| Enrique Nino | ATCO Electric Ltd. |
| Jacque Zabiran | ATCO Electric Ltd. |
| Tina Ellis | ATCO Electric Ltd. |
| Jessica Laird | ATCO Energy |
| Carol Benoit | ATCO Gas |
| Andrea Laroiya | AUC |
| Fino Tiberi | AUC |
| Maria Baitoiu | AUC |
| Raymond Lee | AUC |
| Rose Ferrer | AUC |
| Bettyann Skagen | Battle River Power Coop |
| Lori Harnack | Cognera Corp. |
| Natasia Wasson | Cognera Corp. |
| Carol Lawrence | Direct Energy |
| Jessica Halland | Direct Energy |
| Karen Cooke | Direct Energy |
| Nicole Black | Direct Energy |
| Helen McKinlay | ENMAX Customer Care |

| Name | Company |
|--------------------|--|
| Ray Poon | ENMAX Commercial Services |
| Paul Lindsay | ENMAX Power Corporation |
| Sandra McCowan | ENMAX Power Corporation |
| Christine Harkness | EPCOR Distribution & Transmission Inc. |
| Hala El Saadi | EPCOR Distribution & Transmission Inc. |
| Danielle Blackwell | EPCOR Energy Alberta Inc. |
| Melissa Gibson | EPCOR Energy Alberta Inc. |
| Naomi Broni | EPCOR Energy Alberta Inc. |
| Yusra El Saadi | EPCOR Energy Alberta Inc. |
| Christine Jasper | EQUUS REA Ltd. |
| Michele Delcolle | Farmers' Advocate Office |
| Brian Neufeld | FortisAlberta Inc. |
| Tina Dulguerov | FortisAlberta Inc. |
| Megan Gill | UCA |
| Joanne Mulders | Utility Network & Partners Inc. |

2 Abandoned oil wells

- AUC staff provided background information on an existing proceeding with the AUC (Proceeding 22091) in which the Commission would be considering changes to the terms and conditions of service of distribution utilities with oil and gas rates. The purpose of proceeding would be to ensure that a rural property owner would not be made responsible for paying electrical distribution charges related to service for an energy company's oil and natural gas facilities located on the rural property owner's sites.
- AUC staff posed to the group a number of questions regarding how the industry could more readily identify abandoned wells sooner and what processes could be put into place to deal with situations where an energy company was no longer paying for the electricity services. Discussion also ensued regarding whether there was a way for competitive retailers and distributors to identify if a site was an abandoned oil and gas well, so that distributors could decide whether to continue with service or to salvage the site, rather than dropping the site to the RRO and have it continue incurring charges.
- Recognizing the complexity of the issue, stakeholders agreed to form a working group regarding this topic. Those who were interested in being part of the working group were asked to send their information to regulatorypolicy@auc.ab.ca by March 7, 2017.
- AUC staff would be chairing the working group.

ACTION: Stakeholders who are interested in being part of the Abandoned Oil and Gas Sites Working Group to email regulatorypolicy@auc.ab.ca by March 7, 2017.

3 Micro-Generation (MG)

a. Micro-Generation Regulation: process and methodology to handle aggregated sites

- AUC staff gave a presentation to stakeholders regarding the recent changes made to the *Micro-Generation Regulation* which became effective January 1, 2017.

- The main changes included the following:
 - 1) An increase in MG capacity from 1 MW or less, to no more than 5 MW
 - 2) Allow MG proponents to aggregate sites in order to install larger capacity generation (but must meet certain aggregated sites criteria as stated in the *Micro-Generation Regulation*.)
- AUC staff noted that changes to Rule 024 would be incorporated by the end of June 2017. The AUC has already formed a MG working group to deal with the issue ensued from the regulation. Those issues will be addressed in Rule 024. However, Rule 021 would also require changes in order to handle any future cases of aggregated sites. Issues such as how to communicate aggregated sites information between retailers and distributors and compensation method(s) for aggregated sites, etc. Existing rules have not yet addressed these issues.
- It was agreed by the meeting participants that a working group should be formed to discuss thoroughly what issues or changes would need to be made to Rule 021 as a result of the changes made to the *Micro-Generation Regulation*. AESO staff volunteered to head this working group and those who were interested in being part of the Micro-Generation Working Group were asked to email compliance@aeso.ca (and copy regulatorypolicy@auc.ab.ca) by March 7, 2017.
- The AESO would be chairing the working group.

ACTION: Stakeholders who are interested in being part of the Micro-Generation Working Group to email compliance@aeso.ca (and copy regulatorypolicy@auc.ab.ca) by March 7, 2017.

ACTION: AUC staff to circulate the presentation to the group.

b. Reporting and tracking of micro-generation type and capacity (AESO)

- AESO staff noted that there was a substantive amount of manual work that is done to report and track micro-generation statistics related to type and capacity. As such, AESO staff had contemplated potentially automating this work or having the wire owners forward this information to parties themselves.
- The group agreed that this discussion could be part of the Micro-Generation Working Group.

4 RRO provider switch for West Wetaskiwin REA

- Battle River staff provided an update regarding the RRO provider switch from EPCOR Energy RRO to Battle River RRO for customers in West Wetaskiwin REA. All four parties involved, including FortisAlberta and the REAs expressed that they had been working together to ensure a smooth transition for May 1, 2017. This project is progressing smoothly and customers in West Wetaskiwin are notified and aware of the change.

5 Discussion communities:

a. Former RIM issue 530, Rules 021 and 028, Erroneous enrolment process

- Action item from June 14, 2016, AUC Rule 021 and Rule 028 Industry Consultation meeting: "Stakeholders to report back at the next meeting on the number of erroneous enrolment cases they are receiving. The UCA to report on the number of escalated enrolment cases it is receiving."

- Distributors and retailers gave an update regarding the number of erroneous enrolment cases they are receiving, and there was a consensus that the email process had brought improvements. However, stakeholders expressed that they were still experiencing some cases where the previous retailer had not picked up the site within the timeframe specified, causing the retailer to revoke the initial DSR from reason code “0003” to reason code “0002”. Further, in some cases, retailers are not receiving SROs required by their system.
- Both AESO and AUC staff noted that if stakeholders continue to run into issues related to erroneous enrolments, a report should be put forward to the AESO and the AESO would look into how the issue could be remediated.
- The group agreed to align the timing of erroneous enrollments and de-select rules by changing the days required for the previous retailer to re-enroll a site from three to two business days in Section 7.4 (6)(e).

ACTION: AUC staff to incorporate the following change in the draft proposed changes table for Rule 021:

Section 7.4(6)(e) The previous retailers shall re-enrol the site within two business days from the date of the notification from the LSA.

- The representative from the UCA suggested that perhaps language around the email process could be put into the rule. Stakeholders agreed to not include the email process in the rule for now and to close the discussion. However, if the UCA and/or stakeholders wished to propose draft language around changes to the erroneous enrollment process in the rule, they should provide it to regulatorypolicy@auc.ab.ca, prior to the next meeting.

ACTION: AUC staff to close former RIM issue 530.

ACTION: Stakeholders that wish to propose draft language around changes to the erroneous enrollment process in the rule, should provide it to regulatorypolicy@auc.ab.ca, prior to the next meeting.

b. Discussion 10, Rules 021 and 028, Distributors setup only one Retailer ID (account) per Retailer Legal Entity – Raised by ATCO Gas

- Action items from June 14, 2016, meeting:

“AESO staff to provide details regarding how multiple accounts for one retailer legal entity are dealt with on the electric side.

“Stakeholders to provide their comments under the discussion titled “Discussion 10, Rules 021 and 028, Distributors setup only one Retailer ID (account) per Retailer Legal Entity – ATCO Gas” regarding the associated impacts from having multiple retailer accounts per one legal entity and whether there should be any limits on the number of retailer accounts per legal entity.”

- ATCO Gas is concerned that multiple retailer accounts per legal entity will have the following negative impact on industry and customers.
 - 1) Increased administration costs for distributors to manage multiple retailer accounts for one legal entity.

- 2) Retailers will have greater flexibility with a larger aggregate window to operate within and ultimately affecting load balancing transactions.
- 3) Several small retailer accounts for one legal entity will not collect the Rider D that a combined large account would.
- AESO staff stated that on the electric side there were no restrictions on the number of retailer IDs for a legal entity but there was also no equivalent of the Rider D that could affect settlement and thus everyone is treated the same.
 - ATCO Gas staff mentioned that having multiple small retailers affects their load balancing transaction as the small retailers take more of the tolerance and are increasing the unaccounted for gas (UFG) for the other retailers. ATCO Gas mentioned that the increase from 15 to 50 retailer IDs had made them change their way of calculating UFG and the tolerance on the pipeline system. Although currently manageable, ATCO Gas staff expressed that changes to their terms and conditions may be needed in the future. ATCO Gas staff noted that they would keep monitoring the situation and may put forward a formal submission to the AUC if they continue to see impacts.
 - Gas Distributors also acknowledged that having multiple retailer IDs for one legal entity would not capture the actual risk for the prudential requirements, as retailers were perceived as low risk rather than higher risk should all active accounts be combined for prudential requirements purposes.
 - Stakeholders agreed to close the discussion. AUC staff noted that should negative impacts arise as a result of multiple retailer IDs being used for one legal entity, parties were asked to notify the AUC.

ACTION: AUC staff to close Discussion 10.

c. Discussion 11, Rule 021, SMC – Raised by EQUUS and FortisAlberta

- EQUUS staff had recommended that rather than relying on the non-standard SCA transaction to communicate metering changes with the LSA within the parameters of Rule 021, the SMC should allow for the LSA to be added as an optional recipient when the LSA and the WSP are separate entities.
- FortisAlberta staff mentioned that the current process in place that uses the non-standard transaction SCA is working, and should new process be incorporated and system changes be made in Rule 021 there needs to be a cost benefit analysis. Other stakeholders who were not directly impacted by this issue agreed.
- EQUUS agreed to take the issue offline with the appropriate stakeholders. AESO staff and Battle River REA also expressed interest in taking part in these discussions.
- Stakeholders agreed to close Discussion 11.

ACTION: AUC staff to close Discussion 11.

d. Discussion 12, Rule 021, Salvaging a Site ID – Raised by EQUUS

- EQUUS staff had noted that, currently, the SRO was being used to notify the retailer that a site had been salvaged, but assumes that the LSA and WSP were the same entity. In cases where the WSP function was not performed by the LSA, EQUUS was trying to determine the

most efficient way to inform the LSA of site salvage in order for the LSA to issue the SRO with the appropriate salvage code.

- EQUUS staff agreed to take the issue offline with the appropriate stakeholders.
- Stakeholders agreed to close Discussion 12.

ACTION: AUC staff to close Discussion 12.

e. Discussion 13, Rule 021, Expand WSP Transaction Status Code 1216 to ENF Transaction – Raised by ENMAX Power

- ENMAX Power explained that there were instances where a customer had requested site IDs for a construction service and future permanent service. In some instances, the retailer would send the energize request for the permanent service rather than the construction service. As such, EPC would like to respond to the retailer by using the transaction status code 1216 “Incorrect premises” for the ENF transaction.
- Stakeholders agreed with the proposed change and to close Discussion 13.

ACTION: AUC staff to close Discussion 13. AUC staff to also include in the draft proposed changes table for Rule 021, the ENF transaction reference to the Transaction column (of Table A-9. WSP transaction status codes) for status code 1216.

f. Discussion 14, Rules 021 and 028, UCI improvements – Raised by ATCO Gas

- As per the last meeting, ATCO Gas had raised a discussion under the Rule 021 and Rule 028 discussion community summarizing a list of current issues related to the UCI transaction.

Stakeholders agreed that a working group should be formed to begin discussions regarding potential improvements to the UCI transaction. The working group would be chaired by Carol Benoit from ATCO Gas. Stakeholders who were interested in being part of the UCI Working Group were asked to email Carol Benoit at Carol.Benoit@atco.com (and copy regulatorypolicy@auc.ab.ca) with their information.

Stakeholders agreed to close Discussion 13

ACTION: Stakeholders who are interested in being part of the Update Customer Information (UCI) Working Group to email Carol Benoit at Carol.Benoit@atco.com (and copy regulatorypolicy@auc.ab.ca) by March 7, 2017.

ACTION: AUC staff to close Discussion 14.

6 Other issues

a. Table A-18, PFAM adjustment reason code table – Raised by ATCO Electric through email

- ATCO Electric proposed clarification for Table A-18 for PFAM reason code 2005 to specify that calculation errors referred to settlement errors rather than all calculation errors.

- The group agreed to add the wording “as described in PFAM Reason Code 2008” after the calculation error. AUC staff to incorporate the change in the draft proposed changes table for Rule 021.

| ACTION: | | |
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| AUC staff to incorporate the following change in the draft proposed changes table as follows (changes in bold and underlined): | | |
| PFAM reason code | Description | Reason for PFAM |
| 2005 | Meter read error | For situations where a replacement DCM or DIM is sent after final settlement where the need for the replacement DCM or DIM was due to a meter read error (not because of a crossed meter, meter multiplier error or a calculation error as described in PFAM Reason Code 2008). Also for a customer read that resulted in a DCM and was then found to be incorrect after final settlement. |

b. Discussion 15, Rule 021 and 028, New DER Transaction Status Code Required – Raised by ENMAX Power

- ENMAX Power staff advised that they had received a request to de-energize a site that had not yet been energized, but only enrolled by the retailer. This had caused the DEF response to fail in EPC’s system as it did not have the correct transaction status code. The code 0027-Other was used. As such, EPC staff proposed the addition of a new code 1207 - No meter at site.
- It was agreed that status code 1200 - Already De-energized could be used, as retailer would be able to check internally and identify that it was a new site. Therefore, stakeholders agreed to close Discussion 15.

ACTION: AUC staff to close Discussion 15.

- Next meeting to be scheduled for the beginning of May 2017.