



Rule 017

Procedures and Process for Development of ISO Rules and Filing of ISO Rules with the Alberta Utilities Commission

This rule, as amended, was approved by the Alberta Utilities Commission on ~~July 24~~[insert date], 2020-2018, and is effective on [insert date]~~August 1, 2020~~18.

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Part 1: General matters

1 Definitions

1.1 The definitions from the *Electric Utilities Act* apply to these rules.

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 *Electric Utilities Act*.

Part 2: Procedures and process for development of proposed rules and application for Commission approval

2 Definitions

2.1 In Part 2:

- (a) “proposed rule” means a proposed new ISO rule and a proposed amendment to an ISO rule other than an administrative amendment, which includes a proposed removal of an ISO rule or a renewal of an ISO rule that has a fixed term.

3 Application

~~Part 2 does not apply to proposed provisional rules or proposed initial rules as those terms are defined in Part 3.~~

3.1 [Part 2 does not apply to administrative amendments to ISO rules as defined in Part 45.](#)

4 Notice for development of proposed rules

4.1 When the ISO identifies an issue, or receives a proposal pursuant to its process under Section 20.81 of the *Electric Utilities Act*, that, in the opinion of the ISO, requires the development of a proposed rule, the ISO ~~will~~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 and establish a process for consultation on the proposed rule.

~~5.0 If the notice is required because the ISO has received a proposal pursuant to its process under Section 20.81 of the *Electric Utilities Act*, then the ISO must issue notice within 30 days of deciding that the proposal requires the development of a proposed rule.~~

~~6.0 The notice must set out:~~

- ~~(g) the issue that a proposed rule is intended to address;~~
- ~~(h) a description of the potential objective or purpose of the proposed rule;~~

- (i) ~~the manner in which the Market Surveillance Administrator, market participants, and other interested parties may submit:~~
 - (x) ~~written comments;~~
 - (xi) ~~a notice of intent to participate in consultation; and~~
 - (xii) ~~comments on the form of consultation;~~
- (m) ~~the deadline date for comments, which must not be less than 15 days from the later of:~~
 - (xiv) ~~the date the notice is issued to the Market Surveillance Administrator, market participants, and other interested parties; or~~
 - (xv) ~~the date the notice is issued on the ISO's website; and~~
- (p) ~~where the information set out in subsection 4.4 can be accessed.~~

~~17.0~~ When the notice is posted on the ISO's website, the ISO must also post a copy of any data, analyses or other material that the ISO considers to be relevant to the need for, the development of, removal of, or renewal of the proposed rule.

18.5 Comments

~~18.4.5.1~~ The Market Surveillance Administrator, market participants, and interested parties may submit written comments on the ISO's proposed rule in accordance with the consultation process established by the ISO in section 4.1:

- (s) ~~provide general written comments to the ISO on the need for, the development of, or amendment to a proposed rule;~~
- (t) ~~submit a notice of intent to participate in consultation with the ISO; and~~
- (u) ~~comment on the form of consultation.~~

~~22.0~~ Within five business days of receipt of comments, the ISO must:

- (w) ~~post all submissions received pursuant to subsection 5.1 on the ISO's website; and~~
- (x) ~~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.~~

25 Consultation for development of proposed rules

~~26.0~~ Upon receipt of any notice of intent to participate in consultation, the ISO must:

- (aa) ~~form a consultation group that includes:~~

~~(xxviii) any party who submitted a notice of intent to participate in consultation; and~~

~~(xxix) any party that the ISO thinks may be directly affected by the proposed rule;~~

~~(dd) consult with the consultation group in a manner determined by the ISO to:~~

~~(xxx) determine the need for a proposed rule; and~~

~~(xxxii) develop a proposed rule if, in the opinion of the ISO, a proposed rule is necessary.~~

~~33.0 — When the ISO undertakes consultation under subsection 6.1, the ISO must provide an opportunity for members of the consultation group to make submissions regarding:~~

~~(hh) whether a proposed rule is needed; and~~

~~(ii) the information required in subsections 7.2(b) through 7.2(j) of this rule.~~

~~36.0 — 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, as drafted, including comments on whether the proposed rule is technically deficient.~~

~~37.0 — The notice required by subsection 6.3 must:~~

~~(ll) be posted on the ISO's website;~~

~~(mm) include the information required by subsection 4.3, excluding the requirement in subsection 4.3(e)(ii) and 4.3(e)(iii); and~~

~~(nn) include where the information required by subsection 4.4 can be accessed.~~

~~41.0 — Within 15 days of receiving comments pursuant to subsection 6.3, the ISO must:~~

~~(pp) post all submissions on the ISO's website;~~

~~(qq) provide written responses to the comments; and~~

~~(rr) 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) and 6.5(b) can be accessed.~~

~~45.0~~ After consulting under Section 6, the ISO may proceed to make an application to the Commission under Section 7.

~~46.6~~ Application for Commission approval of proposed rules

~~46.16.1~~ Applications for The ISO must apply to the Commission for approval of a proposed rule are required under Section 20.2 of the *Electric Utilities Act*.

~~46.2~~ Subject to subsection 7.3, an application for approval of a proposed rule must include the following information:

- ~~(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;
- ~~(b)~~ an explanation of whether the proposed rule relates to the capacity market and why;
- ~~(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;

~~a description of the objective or purpose of the proposed rule;~~

- ~~(e)~~ a description of how the proposed rule affects the performance of the capacity market and the electricity market;
- ~~(e)~~ a copy of any analysis conducted or commissioned by the ISO supporting the proposed rule, with a description of assumptions and methodology;
- ~~(e)~~ 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;
- ~~(e)~~ a description of any alternatives that were explored during consultation and an explanation as to why they were rejected;
- ~~(f)~~ 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
- ~~(g)~~ an explanation of how the proposed rule supports the public interest.

~~46.3~~ 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.

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Part 3: Procedures and process for development of proposed provisional rules and proposed initial rules and application for Commission approval

47—Definitions

In Part 3:

- (g) — “proposed initial rule” means a proposed new ISO rule and a proposed amendment to an ISO rule, which includes a proposed removal of an ISO rule or a renewal of an ISO rule that has a fixed term that:
 - (i) — has received provisional approval from the Commission under Section 20.22 of the *Electric Utilities Act*; or
 - (ii) — has not received provisional approval from the Commission under Section 20.22 of the *Electric Utilities Act* and was:
 - 0. — directed by the Commission, pursuant to Section 20.22(4)(c) of the *Electric Utilities Act*, to be considered under Section 20.21 of the *Electric Utilities Act*; or
 - 0. — developed by the ISO pursuant to Section 41.42(1) of the *Electric Utilities Act*.
- (g) — “proposed provisional rule” means a proposed new ISO rule and a proposed amendment to an ISO rule, which includes a proposed removal of an ISO rule that is developed by the ISO pursuant to Section 41.42(3) of the *Electric Utilities Act*.

47—Application

47.1 — Part 3 expires on the date the Commission issues a decision under Section 20.23 of the *Electric Utilities Act*.

48—Notice for development of proposed provisional rules

48.1 — Prior to filing an application with the Commission for approval of proposed provisional rules, the ISO must issue a list of proposed provisional rules.

48.1 — Prior to filing an application with the Commission for approval of a proposed provisional rule, the ISO must issue a notice setting out:

- (a) — the consultation schedule for the proposed provisional rule;
- (a) — the manner in which the Market Surveillance Administrator, market participants, and other interested parties may submit a notice of intent to participate in consultation; and
- (b) — the deadline date by which a notice of intent to participate in consultation must be received by the ISO.

~~48.2~~—Prior to consultation on a proposed provisional rule, the ISO must ensure that a copy of any material the ISO considers to be relevant to the need for, the development of, or amendment of the proposed provisional rule is available on the ISO's website.

~~49~~ Notice of intent to participate

~~49.1~~—The Market Surveillance Administrator, market participants, and interested parties may submit a notice of intent to participate in consultation with the ISO on a proposed provisional rule.

~~—~~ Consultation on proposed provisional rules

~~50.0~~—Upon receipt of any notice of intent to participate in consultation, the ISO must:

- ~~(b)~~—form a consultation group that includes:
 - ~~(i)~~—any party who submitted a request to participate in consultation; and
 - ~~(ii)~~—any party that the ISO thinks may be directly affected by the proposed provisional rule;
- ~~(a)~~—consult with the consultation group in a manner determined by the ISO to further develop the proposed provisional rule.

~~50.1~~—When the ISO undertakes consultation under subsection 12.1, the ISO must provide an opportunity for members of the consultation group to make submissions regarding the information required in subsections 13.2(b) through 13.2(k) of this rule.

~~50.1~~—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, as drafted, including comments on whether the proposed provisional rule is technically deficient.

~~50.2~~—The notice required by subsection 12.3 must:

- ~~(a)~~—be posted on the ISO's website; and
- ~~(b)~~—include
 - ~~(i)~~—a description of the issue that the proposed provisional rule is intended to address;
 - ~~(ii)~~—a description of the potential objective or purpose of the proposed provisional rule;
 - ~~(ii)~~—the manner in which the Market Surveillance Administrator, market participants and other interested parties may submit written comments; and

(iii) ~~the deadline date for comments which must not be less than 15 days from the later of:~~

~~0. the date the notice is issued to the Market Surveillance Administrator, market participants, and other interested parties; or~~

~~1. the date the notice is issued on the ISO's website.~~

~~50.2 Within 15 days of receiving comments pursuant to subsection 12.3, the ISO must:~~

~~(a) post all submissions on the ISO's website;~~

~~(b) provide written responses to the comments; 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) and 12.5(b) can be accessed.~~

~~50.2 After consulting with the working group, the ISO may proceed to make an application to the Commission under Section 13.~~

51 Application for Commission approval of proposed provisional rules

~~51.0 The ISO must apply to the Commission for approval of a proposed provisional rule under Section 20.2 of the *Electric Utilities Act*.~~

~~51.0 An application for approval of a proposed provisional rule must include the following information:~~

~~(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;~~

~~(a) an explanation of whether the proposed provisional relates to the capacity market and why;~~

~~(a) an explanation of whether or not the proposed provisional rule will be in effect for a fixed term and why;~~

~~(a) a description of the objective or purpose of the proposed provisional rule;~~

~~(a) a description of how the proposed provisional rule affects the performance of the capacity market and the electricity market;~~

~~(a) a copy of any analysis conducted or commissioned by the ISO supporting the proposed provisional rule, with a description of assumptions and methodology;~~

- (b) — an explanation of why the proposed provisional rule, taken together with all ISO rules and in light of the principle of a fair, efficient and openly competitive market, was proposed;
- (c) — a description of any alternatives that were explored during consultation and an explanation as to why they were rejected;
- (d) — a description of how the proposed provisional rule supports ensuring a reliable supply of electricity at a reasonable cost to customers;
- (d) — an explanation of how the proposed provisional rule supports the public interest; and
- (d) — the ISO's targeted capacity procurement volumes for the first two capacity market auctions.

51.1 — If the ISO has not complied with any of the requirements to consult in sections 10 or 12 for any proposed provisional rule, it must describe the deficiency in its consultation and provide an explanation of why its consultation was deficient.

51.1 — The Commission may establish additional application requirements for proposed provisional rules.

52— Notice and consultation for proposed initial rules

52.1 — The Commission may direct additional consultation with respect to proposed provisional rules that have been provisionally approved by the Commission pursuant to Section 20.22(4) of the *Electric Utilities Act*.

52.2 — When the ISO identifies an issue, or receives a proposal pursuant to its process under Section 20.81 of the *Electric Utilities Act*, that, in the opinion of the ISO, requires the development of a proposed initial rule pursuant to Section 41.42(1) of the *Electric Utilities Act*, the ISO must provide notice and consult in the manner required by sections 10 through 12.

52— Application for Commission approval of proposed initial rules

52.3 — The ISO must apply to the Commission for approval of a proposed initial rule under Section 20.2 of the *Electric Utilities Act*.

52.3 — An application for approval of a proposed initial rule must include the following information:

- (d) — 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 subsection 14.1;
- (e) — an explanation of whether the proposed initial rule relates to the capacity market and why;

- (f) an explanation of whether or not the rule will be in effect for a fixed term and why;
 - (g) a description of the objective or purpose of the proposed initial rule;
 - (h) a description of how the proposed initial rule affects the performance of the capacity market and the electricity market;
 - (i) a copy of any analysis conducted or commissioned by the ISO supporting the proposed initial rule, with a description of assumptions and methodology;
 - (j) an explanation of why the 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;
- a description of any alternatives that were explored during consultation and an explanation as to why they were rejected;
- (l) a description of how the proposed initial rule supports ensuring a reliable supply of electricity at a reasonable cost to customers; and
 - (m) an explanation of how the proposed initial rule supports the public interest.

~~52.4 The Commission may establish additional application requirements for proposed initial rules.~~

Part 3-4: Application for Commission approval of expedited rules

53.7 Definitions

53.7.1 In Part 3-4:

- (a) “expedited ISO rule” means a proposed rule for which the Commission has approved expedited implementation under Section 20.6 of the *Electric Utilities Act*.
- (b) “proposed rule” has the meaning given to it in Part 2 of this rule.

548 Application

~~54.18.1~~ Subject to subsection 918.2, Part 2 of this rule does not apply to applications for expedited implementation of proposed rules.

~~54.28.2~~ Unless otherwise directed by the Commission, Part 2 of this rule does not apply to expedited ISO rules.

559 Expedited rule applications

~~55.19.1~~ Applications for ~~The ISO must apply for~~ Commission approval for expedited implementation of a proposed rule are required under Section 20.6 of the *Electric Utilities Act*.

~~55.29.2~~ When the ISO makes an application to the Commission for expedited implementation of a proposed rule, it ~~will issue~~must provide written notice and post the notice on the ISO's website to the Market Surveillance Administrator, market 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.

~~55.3~~ An application for Commission approval for expedited implementation of a proposed rule must include:

- (a) ~~a copy of the proposed rule for which expedited implementation is sought;~~
and
- (b) ~~a description of:~~
 - (i) ~~the urgent risk to the reliable supply of electricity, if any;~~
 - (ii) ~~the urgent risk to the safe and reliable operation of the interconnected electric system, if any; or~~
 - (iii) ~~the reason for requesting expedited implementation of the proposed rule if it does not fall within (i) or (ii).~~

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9.3 If the Commission approves expedited implementation of a proposed rule, the ISO will ~~must~~ post the expedited ISO rule on the ISO's website on the day upon which the expedited implementation is approved by the Commission.

Part 45: Procedures and process for development of administrative amendments to ISO rules and application for Commission approval

10 Definitions

10.1 In Part 45:

"administrative amendment" means an amendment to an existing ISO rule that:

- (a) addresses ISO operations or obligations that are not subject to compliance by a market participant or do not materially impact the ability of a market participant to comply with the ISO rule;
- (b) corrects typographical errors, corrects or makes address or name changes, corrects or updates cross references, updates drafting style to align with current ISO drafting principles, or clarifies the language of the ISO rule without changing its effect;
- (c) adopts or incorporates by reference, without material change, legislative statutes or regulations;
- (d) adopts or amends content explicitly and specifically dictated by legislative statutes or regulations;
- (e) removes a provision of the ISO rule because it is no longer required; or
- (f) removes or amends a provision of an ISO rule ~~The proposed amendment is a result of to facilitate the ISO's efforts to reduce regulatory requirements; or,~~
~~The proposed administrative amendment achieves other similar administrative outcomes.~~

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11 Notice of administrative amendment to ISO Rules

11.1 ~~When the ISO identifies an issue, that in the opinion of the ISO, requires an administrative amendment to an ISO rule, the ISO will issue a notice of the proposed administrative amendment, and post the notice on the ISO's website and establish a process for consultation on the proposed administrative amendment to the ISO rule.~~

~~A description of the purpose of the proposed administrative amendment and a blackline copy of any relevant ISO rules identifying the proposed administrative amendments will be included in the notice.~~

12 Comments

12.1 ~~The Market Surveillance Administrator, market participants, and interested parties may submit written comments on the ISO's proposed administrative amendments in accordance with the ISO's consultation process in section 11.1. The deadline for comments is 14 days from the date the notice is issued on the ISO's website.~~

~~Within 15 business days of receipt of comments, the ISO must:~~

- ~~— post all written comments received pursuant to subsection 21.1 on the ISO's website;~~
- ~~— provide written responses to substantive comments; and~~
- ~~— provide written notice to the Market Surveillance Administrator, market participants, and interested parties identifying where the comments and responses referred to in subsection 21.1 (a) and 21.1 (b) can be accessed.~~

13 Application for Commission approval of proposed administrative amendments

13.1 ~~The ISO may apply to the Commission for approval of the proposed administrative amendment if:~~

- ~~(a) no substantive written comments opposing the proposed administrative amendment are submitted to the ISO within 14 days after the notice of proposed administrative amendment is issued on the ISO's website,~~
- ~~(b) all substantive written comments opposing the proposed administrative amendments are withdrawn by the parties that submitted them or are addressed by the ISO; or~~
- ~~(c) there are unresolved substantive written comments but, in the opinion of the ISO, the proposed administrative amendment is required.~~

13.2 ~~If:~~

- ~~(a) no substantive written comments opposing the proposed administrative amendment were submitted to the ISO; or~~

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(b) all substantive written comments opposing the proposed administrative amendments were withdrawn by the parties that submitted them or were addressed by the ISO.

The Commission shall consider and make an order with respect to the proposed administrative amendments to the ISO rule in the same manner as it would consider and make an order for an expedited ISO rule pursuant to section 20.6 of the *Electric Utilities Act*.

13.3 If the Commission approves implementation of an administrative amendment to an ISO rule, the ISO will post the amended ISO rule on the ISO's website on the day upon which the administrative amendment is approved by the Commission.

55.4

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