

September 17, 2019

The AUC Invites Submissions on the Self-Supply Provisions of Alberta's Electricity Legislation

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Matter Commented On: Consultation on the issue of power plant self-supply and export, [AUC Bulletin 2019-16](#), September 13, 2019

The [Electric Utilities Act, SA 2003, c E-5.1](#), (*EUA*; and regulations) and the [Hydro and Electric Energy Act, RSA 2000, c H-16](#), (*HEEA*) oblige generators in Alberta to offer their generation to the power pool and to exchange energy through the pool. There are number of exceptions to these requirements but in a series of recent decisions the AUC has observed that these exceptions are narrowly framed. These decisions are EPCOR Water Services Inc., EL Smith Solar Power Plant, February 20, 2019, [Decision 23418-D01-2019](#); [AUC Decision 23756-DOI-2019](#), Advantage Oil and Gas Ltd. Glacier Power Plant Alteration, April 26, 2019; [AUC Decision 24393-D01-2019](#), International Paper Canada Pulp Holdings ULC Request for Permanent Connection for 48-Megawatt Power Plant, June 6, 2019; and [AUC Decision 24126-D01-2019](#), Keyera Energy Ltd, Cynthia Gas Plant Power Plant Application, June 25, 2019. I commented on those decisions in [Opening a Can of Worms](#) and [here](#) and [here](#).

In this [Bulletin](#), the AUC recognizes that the legislative scheme was enacted “prior to the recent increase in distributed generation and the availability of economic, small-scale generating units” and accordingly the exceptions scheme as it stands may no longer be optimal. The Commission does not resile from its interpretation of the legislation in these four decisions and it recognizes that it has no power to change the statutory rules. Nevertheless, it is inviting “feedback on potential amendments to the statutory scheme which it can share with the Department of Energy” as to whether “further exemptions to the prohibition against self-supply and export are appropriate and if so, on potential regulatory solutions.”

More specifically, the AUC seeks advice on three options:

- Option 1: Status quo – no change to the statutory scheme is required.
 - Option 2: Allow limited self-supply and export – this requires a change to the statutory scheme. This exemption could be similar to the micro-generation exemption where operators are required to size their plant to meet internal need on an annual basis, but will be allowed to export excess energy to the grid to a certain percentage of annual production.
- ...

- Option 3: Unlimited self-supply and export – this requires a change to the statutory scheme and may require changes to existing transmission and distribution tariff structures.

The Commission is asking for input by October 11, 2019.

This post may be cited as: Nigel Bankes, “The AUC Invites Submissions on the Self-Supply Provisions of Alberta’s Electricity Legislation” (September 17, 2019), online: ABlawg, http://ablawg.ca/wp-content/uploads/2019/09/Blog_NB_AUCBulletin.pdf

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