AUC
Alberta Utilities Commission

Rule 024 stakeholder comment matrix

Comments from *(company/stakeholder name)*:	FortisAlberta Inc.	**Contact name *(for companies)*:**	Elizabeth von Engelbrechten
Date [yyyy/mm/dd]:	2026/09/08	**Phone:**	[redacted]
		Email:	[redacted]

Instructions:

1. Please download this document, save as "**Rule 024 matrix**" and fill out the demographic/contact information above.
2. Please review Bulletin 2026-10 and the blackline document for Rule 024: *Rules Respecting Micro-Generation.*
3. Please comment on the proposed information requirements below, including whether you agree that these information requirements should be included in an application under Section 4(3) or 4(3.1) of the *Micro-generation Regulation*. Please explain your position.
4. There are two open-ended questions included at the end of the document, including an opportunity to provide any additional information requirements that you believe should be included.
5. You can submit comments on as many or as few of the proposed changes as you wish. Blank boxes will be interpreted as neutral/favourable.
6. If a change from the blackline documents does not appear in the table below, it is considered administrative. You may provide comments on administrative changes in the general box at the end, if necessary.
7. While not all suggestions can be implemented, all relevant comments will be fully reviewed and considered.
8. Submit your response to engage@auc.ab.ca. In the email, please include the following subject line: **Rule 024 engagement**.

Rule 024 stakeholder comment matrix

Please review Sections 4(3) and 4(3.1) of the *Micro-generation Regulation:*

Connection and operation

4(3) Where in the opinion of the owner, concurred in by the Commission on application by the owner, the costs of connecting a particular micro-generation generating unit to the interconnected electric system are extraordinary, due to safety considerations, technological complexity or any other reason, the owner may require that the micro-generator directly reimburse the owner for the extraordinary portion of the costs.

(3.1) Where a micro-generator has changed the nameplate capacity of a micro-generation generating unit that is connected to the interconnected electric system and, in the opinion of the owner, concurred in by the Commission on application by the owner, the costs of maintaining the connection of the micro-generation generating unit to the interconnected electric system are extraordinary, due to safety considerations, technological complexity or any other reason, the owner may require that the micro-generator directly reimburse the owner for the extraordinary portion of the costs.

Rule 024 stakeholder comment matrix

Rule 024: New Section 6(2) **2) An application under Section 4(3) or 4(3.1) of the *Micro-generation Regulation* must include the following information requirements. If any of the below information is not available, the owner must explain why.**		
Category	**Proposed wording**	**Stakeholder comments**
Description of costs	c) A description of each cost, or portion of each cost, necessary to connect the micro-generation generating unit to the interconnected electric system which is, in the opinion of the owner, extraordinary. (i) Include the item or category of items associated with each cost. The item or category of items may include, for example, specific equipment, equipment upgrades, studies, or protective devices. (ii) For any equipment upgrades, please indicate if existing equipment will be salvageable. If yes, please ensure the salvage value of the existing equipment is deducted from the extraordinary costs. If there is a reason why the salvage value should not be deducted from the extraordinary costs, please explain. (iii) For any included cost that does not have a finalized cost estimate, please indicate when a finalized cost estimate is expected.	FortisAlberta has no comments on this proposed subsection of the rule.
Comparative analysis	d) For each of the costs provided in (c), please provide a comparative analysis that explains why the owner considers these costs to be extraordinary, for example, due to safety considerations, technological complexity or any other reason. This analysis must include any supporting evidence that the owner considers relevant and may address the following: (i) The costs and types of costs to connect the average micro-generation generating unit; (ii) The costs and types of costs to connect the average micro-generation generating unit of the same size category (small <150 kW or large >150 kW); (iii) The costs and types of costs to connect comparable micro-	(i) and (ii) FortisAlberta is concerned that the costs associated with connecting an "average" micro-generation (MG) generating unit may not be an appropriate comparator, as there is no single average MG generating unit. Connection costs and requirements can vary significantly depending on the generating technology, the size of the generating unit, and the location and characteristics of the connection. If these provisions remain in Rule 024, parties would benefit from additional clarity of what is meant by “average” MG generating unit and how this analysis would assist the Commission. Further, FortisAlberta notes that the requirements in subsections (i) and (ii) appear to be duplicative and would benefit from clarification. Both provisions require information regarding the costs and types of costs associated with connecting an average MG generating unit, with subsection (ii) further limiting the comparison to units within the

Rule 024 stakeholder comment matrix

	generation generating units (i.e., similar nameplate capability, geographic area, safety, technical, or other reasons); (iv) Any specific characteristics of the micro-generation generating unit that contribute to the technological complexity of connecting the micro-generation generating unit to the interconnected electric system; (v) Any factors related to the connection of the micro-generation generating unit that may impact the safety and/or reliability of the interconnected electric system, along with any implemented or planned mitigation strategies; and (vi) Any other information the owner considers relevant to the Commission's consideration.	same size category. If the intent is to provide an appropriate comparator for assessing extraordinariness, subsection (ii) may be sufficient on its own, as it provides a more like-for-like comparison while avoiding the duplication of information and associated administrative burden. (iii) FortisAlberta has concerns regarding the requirement to provide information on the costs and types of costs associated with connecting "comparable MG generating units (i.e., similar nameplate capability, geographic area, safety, technical, or other reasons)." While FortisAlberta appreciates the Commission's objective of providing context for assessing whether costs are extraordinary, compliance with this requirement would create a significant administrative burden. FortisAlberta does not currently maintain a database that categorizes MG projects according to the various comparison criteria identified in the proposed rule, such as geographic area, safety considerations, technical characteristics, or other project-specific attributes. As a result, identifying and assessing "comparable" projects would require substantial manual review of historical project files and the development of new processes and systems to capture and categorize this information on an ongoing basis. In addition, the proposed criteria are broad and inherently subjective, creating uncertainty regarding what projects would qualify as sufficiently comparable for the purposes of the analysis. Different comparison factors may lead to different comparator groups and conclusions, potentially reducing the usefulness and consistency of the information provided. FortisAlberta recommends that the Commission either remove this requirement or provide additional guidance regarding the expected methodology and level of effort required. If a comparison is necessary, FortisAlberta submits that comparisons based on existing and readily available information, such as average connection costs for the applicable MG size category, would provide a more practical and objective benchmark while avoiding the need to establish and maintain a new project classification database. (iv) FortisAlberta submits that subsection (d)(iv) would benefit from further clarification regarding the information the Commission expects applicants to provide to demonstrate comparability with other MG generating units. In the Company's experience, the size of a MG installation is often a key driver of connection costs. However, size alone may not

		be determinative. Emerging technologies, such as combined heat and power units (CHP), can introduce unique technical, protection, safety, and system integration requirements that may result in extraordinary costs. Accordingly, FortisAlberta seeks clarification as to whether a comparison of CHP units, for example, to other MG technologies of a similar size would be sufficient to satisfy the requirements of this subsection. (v) FortisAlberta submits that the requirement to provide a comparative analysis of factors related to the connection of a MG generating unit that may impact the safety and/or reliability of the interconnected electric system is unnecessary and would not materially assist the Commission in assessing an extraordinary cost application. Safety and reliability assessments are conducted by FortisAlberta's qualified engineering and technical personnel in accordance with established engineering practices, applicable codes and standards, and the Company's obligations as a distribution facility owner. Where a project presents safety or reliability concerns, the required mitigation measures are identified through the Company's engineering review process based on the specific characteristics of the proposed interconnection and the conditions of the distribution system. These determinations are inherently technical and project-specific. FortisAlberta submits that the Commission should be able to rely on the Company's engineering assessment regarding whether particular equipment, studies, upgrades, protection requirements, or other mitigation measures are necessary to maintain the safe and reliable operation of the interconnected electric system. Requiring a comparative analysis of these factors would create additional administrative burden without necessarily producing information that is relevant to the Commission's determination of whether the associated costs are extraordinary. In addition, safety and reliability requirements often arise from unique system conditions at a particular point of interconnection. As a result, comparisons to other MG projects may have limited value, as apparently similar projects can require materially different mitigation measures depending on feeder characteristics, protection requirements, system capacity, fault levels, or other local conditions.

Rule 024 stakeholder comment matrix

		Accordingly, FortisAlberta recommends that the rule require only a description of any safety and reliability concerns identified through the Company's engineering assessment and the associated mitigation measures, rather than a comparative analysis of those factors. This approach would provide the Commission with the necessary information while appropriately recognizing the expertise of the distribution facility owner in assessing system safety and reliability requirements.
General		
Section 6(1) of Rule 024 states that "the owner shall file a completed notice of dispute…within 14 days from the date in which the owner finalizes its cost estimate". The Commission is aware that the cost estimates for each item or category of items associated with the connection of a micro-generation generating unit may be finalized at different times in the connection process. Please comment on the optimal timing for an owner to submit an application under Section 4(3) or 4(3.1) of the *Micro-generation Regulation*.		FortisAlberta submits that the deadline for filing an application under sections 4(3) or 4(3.1) of the *Micro-generation Regulation* should be 90 days from the date the owner finalizes its cost estimate. A 90-day filing period would provide distribution facility owners with sufficient time to assess the finalized cost estimate, gather supporting information, complete the required analysis, and prepare a complete and accurate application for the Commission's consideration. This is particularly important given the complexity of many MG connection projects and the need to coordinate information from multiple internal stakeholders, including engineering, system planning, project management, operations, and regulatory groups. The need for a longer filing period is further amplified if the Commission adopts Rule 024 as currently drafted. The proposed information requirements would impose a significant administrative burden on distribution facility owners, including the collection of detailed cost information, comparative analyses, historical project information, and assessments of comparable MG installations. Much of this information is not currently maintained in a format that can be readily extracted and may require substantial manual review and analysis before an application can be finalized.
Please provide any additional information requirements that should be included in an application under Section 4(3) or 4(3.1) of the *Micro-generation Regulation*. Please explain your position.		**<u>Section 6(2)(b)</u>** With respect to section 6(2)(b), which requires that the distribution facility owner provide the following dates: application received; application approved; first communication from owner to customer that the owner would be submitting an application to the AUC for concurrence on extraordinary costs; and actual or expected date that the MG generating unit was or will be connected to the owner's system, FortisAlberta submits that this

	information is not relevant to the Commission's assessment of whether a cost is extraordinary under sections 4(3) or 4(3.1) of the *Micro-generation Regulation*. The determination of whether a cost is extraordinary should be based on the nature and magnitude of the costs incurred to connect the MG generating unit and the circumstances that give rise to those costs, including any technical, operational, safety, reliability, or system-related considerations. Administrative milestones and project timelines do not inform that assessment and do not assist in determining whether the costs exceed those typically associated with a MG connection. While such information may be useful for process monitoring or administrative purposes, it does not bear on the substantive question before the Commission, namely whether the costs at issue are extraordinary. Accordingly, FortisAlberta recommends that section 6(2) be removed. **General Comments** FortisAlberta submits that the *Micro-generation Regulation* is structured to afford significant deference to the distribution facility owner's assessment of whether connection costs are extraordinary. This intent is reflected in the language of sections 4(3) and 4(3.1), which expressly contemplate that an owner may apply to the Commission where, in the owner's opinion, the costs necessary to connect a MG generating unit are extraordinary and require the Commission to determine whether it concurs with that assessment. The use of the phrase "in the opinion of the owner" recognizes that the distribution facility owner is best positioned to evaluate the technical, operational, safety, reliability, and system-specific factors that drive connection costs. Distribution facility owners are responsible for planning, operating, and maintaining the distribution system and possess the engineering expertise and system knowledge necessary to assess the scope of work required to safely and reliably accommodate a proposed MG interconnection. Similarly, the requirement that the Commission determine whether it "concurs" with the owner's assessment suggests that the legislative framework contemplates a review of the owner's determination, rather than a de novo assessment of the connection requirements and associated costs. In the Company's view, the Regulation requires the

Rule 024 stakeholder comment matrix

	distribution system owner to provide sufficient information for the Commission to determine whether it agrees with the owner's opinion that the costs are extraordinary. While the Company supports providing information sufficient to enable the Commission to make an informed decision, the Rule should recognize that extraordinary cost determinations are fundamentally grounded in the engineering, operational, and system expertise of the distribution facility owner. FortisAlberta submits that the Commission should consider not only the information that may assist its review, but also the cost and effort required to produce that information. A highly detailed and administratively burdensome application process would impose costs that do not, in themselves, improve service or provide a benefit to customers overall. In the Company's view, the burden to conduct a process for seeking concurrence should not become disproportionate to the amounts at issue. An overly burdensome process risks undermining that cost causation principle. Where the evidentiary requirements are excessive, the costs of preparing the application may themselves become an additional administrative burden that is ultimately borne by the broader customer base. That outcome would be difficult to justify where the underlying connection costs are attributable to a specific MG project and do not provide a corresponding system-wide benefit. Accordingly, FortisAlberta recommends that Rule 024 be developed and interpreted in a manner that remains consistent with the framework established in the *Micro-generation Regulation*. The Rule should require sufficient information to enable the Commission to determine whether it concurs with the owner's opinion, while avoiding unnecessary evidentiary and administrative requirements. A balanced approach would preserve the Commission's oversight role, respect the expertise of distribution facility owners, and ensure that extraordinary costs continue to be allocated to the appropriate party in accordance with the intent of the Regulation.