

GOVERNMENT OF ALBERTA

DEPARTMENT OF ENERGY

MINISTERIAL ORDER 64/2010

I, RON LIEPERT, Minister of Energy, pursuant to section 7 of the *Government Organization Act* RSA 2000 cG-10, make the Order in the attached Appendix, being the Transmission Facilities Cost Monitoring Committee Order.

Dated the 31st day of July, 2010.

Original signed by, Ronald Liepert

Minister of Energy

APPENDIX

Transmission Facilities Cost Monitoring Committee Order

1. The Transmission Facilities Cost Monitoring Committee (the “Committee”) is hereby established.

The Committee

2. The Committee shall consist of up to 13 individuals appointed as members as follows:
 - a. the Alberta Association of Municipal Districts and Counties may appoint one member;
 - b. the Alberta Chambers of Commerce may appoint one member;
 - c. the Alberta Direct Connect Consumers Association may appoint one member;
 - d. the Alberta Federation of Rural Electrification Associations may appoint one member;
 - e. the Alberta Urban Municipalities Association may appoint one member;
 - f. the Consumers’ Coalition of Alberta may appoint one member;
 - g. the Canadian Federation of Independent Business may appoint one member;
 - h. the Industrial Power Consumers Association of Alberta may appoint one member;
 - i. the Independent Power Producers Society of Alberta may appoint one member;
 - j. the Minister may appoint up to two independent members with technical, regulatory, transmission facility development or other experience that, in the opinion of the Minister, will benefit the Committee;
 - k. the Independent System Operator (“Alberta Electric System Operator”) shall appoint one member; and
 - l. the Office of the Utilities Consumer Advocate shall appoint one member.
3. The Minister shall appoint a Chair of the Committee from among the members of the Committee. The Committee may recommend to the Minister a member to be appointed as Chair when a Chair needs to be appointed. The members may select an Acting Chair to fulfill the role of the Chair in absence of the Chair.
4. The appointments shall specify a term.

5. An individual may be reappointed after the expiry of a term, but the cumulative appointment shall not exceed 10 years.
6. An appointment may be rescinded by the person making the appointment.
7. A vacancy in the membership of the Committee shall be filled by an appointment made in the same manner as the member who is being replaced was appointed.
8. The Committee may allow alternate members for those individuals appointed as members to attend meetings of the Committee, and the Committee may invite other persons to attend meetings of the Committee to provide information to the Committee.
9. Representatives from or on behalf of the Department of Energy may attend meetings of the Committee as observers.

Committee Mandate

10. The Committee shall review records that relate to the cost, scope, schedule and variances of Alberta transmission facility projects that are forecast to cost in excess of \$100 million¹.
11. The Committee shall prepare reports that summarize the records it reviews and the status of the transmission facility projects.
12. The Committee shall provide at least two reports to the organizations represented on the Committee each calendar year.
13. The Committee shall provide at least one report to the Ministers of Energy and Service Alberta each calendar year.
14. The Committee shall not delay or slow the development of transmission facility projects.

Committee and Member Functions

15. The Committee shall determine its procedural and operational rules, which may include rules relating to the call of meetings, the procedure to be used at meetings, the conduct of business at meetings, conflicts of interest, treatment of confidential information and any other procedural or operational matters.
16. It is recognized that the Utilities Consumer Advocate will provide administrative support to the Committee, which may include providing meeting location space and taking and distributing meeting minutes, in the event the Committee determines such support appropriate.

¹ A transmission facility project may include more than one transmission facility, as part of a contiguous transmission facility project. The Alberta Electric System Operator shall determine the transmission facilities that are part of a transmission facility project.

- 17.** The Committee will seek consensus on views, positions and work products. External communication, correspondence or reports of the Committee must report on dissenting views if consensus is not achieved. The representative of the Alberta Electric System Operator may, but is not required to, provide its views or positions in respect of Committee views, positions and work products.
- 18.** The representative of the Alberta Electric System Operator will facilitate the provision of records to the Committee.
- 19.** The Committee shall receive the monthly reports that the Alberta Electric System Operator receives from a transmission facility owner under the Alberta Electric System Operator's Rule 9.1.3 (or an amended or subsequent Alberta Electric System Operator Rule) in respect of a transmission facility project that is forecast to cost in excess of \$100 million.
- 20.** The monthly reports shall be provided by the Alberta Electric System Operator to the Committee as soon as reasonably practicable after the Alberta Electric System Operator receives the reports from the transmission facility owner.
- 21.** A transmission facility owner may request the Alberta Electric System Operator, or the Alberta Electric System Operator may determine on its own initiative, to exclude certain records from a monthly report that will be provided to the Committee. The Alberta Electric System Operator shall determine whether to exclude the records, based on its consideration and view of whether the records are confidential, commercially sensitive or disclose future matters relating to a project's cost, scope, or schedule and whether their disclosure would have a significant impact on the electricity market or the project's cost, scope, or schedule.
- 22.** Where the Alberta Electric System Operator excludes certain records from a monthly report that is provided to the Committee under 20, the Alberta Electric System Operator shall advise the Committee that records have been excluded from a monthly report and provide the Committee with an anticipated date when the records will be available to the Committee.
- 23.** The Committee may request clarification of the records included in a monthly report from a transmission facility owner. The transmission facility owner shall provide a timely response to a clarification request of the Committee if it relates to records prescribed in the Alberta Electric System Operator Rules. The transmission facility owner may, but is not required to, provide a response to a request for additional detailed information. If necessary, the Alberta Electric System Operator shall determine whether the request is a clarification or detailed information request.
- 24.** The Committee shall allow a transmission facility owner to review and provide written comments on any report it produces that may reference a transmission facility owner or a project the owner is developing before the report is distributed external to the Committee.
- 25.** The Committee shall include the transmission facility owner's written comments as an Appendix to the report if the transmission facility owner requests their comments to be included.

Remuneration for Committee Members and Committee Budget

26. The Committee members that are eligible for an award of costs shall be subject to the Scale of Costs set out in the Alberta Utilities Commission's Rule 22 (as may be subsequently amended or replaced by the Alberta Utilities Commission).
27. The Committee members appointed under 2.a to 2.i are eligible for an award of costs for Professional Fees as set out in Appendix A, Scale of Costs, of the Alberta Utilities Commission Rule 22, for participation on the Committee, if the entity or association that appointed them would be eligible under the Alberta Utilities Commission's Rule 22.
28. The Committee members appointed under 2.a to 2.i are eligible for an award of costs for Personal Disbursements as set out in Appendix A, Scale of Costs, of the Alberta Utilities Commission's Rule 22, for participation on the Committee.
29. The Committee members appointed under 2.j are eligible for an award of costs for Professional Fees and Personal Disbursements as set out in Appendix A, Scale of Costs, of the Alberta Utilities Commission Rule 22, for participation on the Committee.
30. The Committee members appointed under 2.k and 2.l are not eligible for an award of costs for participation on the Committee.
31. Administration and payment of the award of costs will be undertaken and made by the Utilities Consumer Advocate. The award of costs paid by the Utilities Consumer Advocate will be eligible as professional and other costs that are approved by the Minister of Energy under section 148 of the *Electric Utilities Act*, and paid by the Balancing Pool.
32. The Utilities Consumer Advocate will, after giving consideration to input of the members of the Committee, prepare an annual budget for the Committee. The budget for the Committee shall reasonably provide the Committee with sufficient resources to achieve the mandate of Committee described under 10 to 14.
33. The Minister of Energy may elect to approve or amend the budget for the Committee.

Review of the Committee

34. Prior to June 1, 2015, the Committee shall recommend to the Minister of Energy an independent person to undertake a review of the Committee. The Minister of Energy shall determine the person to undertake the review.
35. The review shall include whether, and the extent to which, the Committee's mandate continues to be relevant and whether the Committee is effectively and efficiently fulfilling its mandate.
36. A report on the review of the Committee shall be provided to the Minister of Energy prior to the end of 2015.