

# CUSTOMER DRIVEN CHANGE?

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# PRESENTATION OUTLINE

- About IPCAA
- Alberta Electricity Market
- Delivered Cost of Energy
- Customer Perspective:
  - Customer Classes
  - Objectives
  - Willingness to Pay
- Questions?



# ABOUT IPCAA

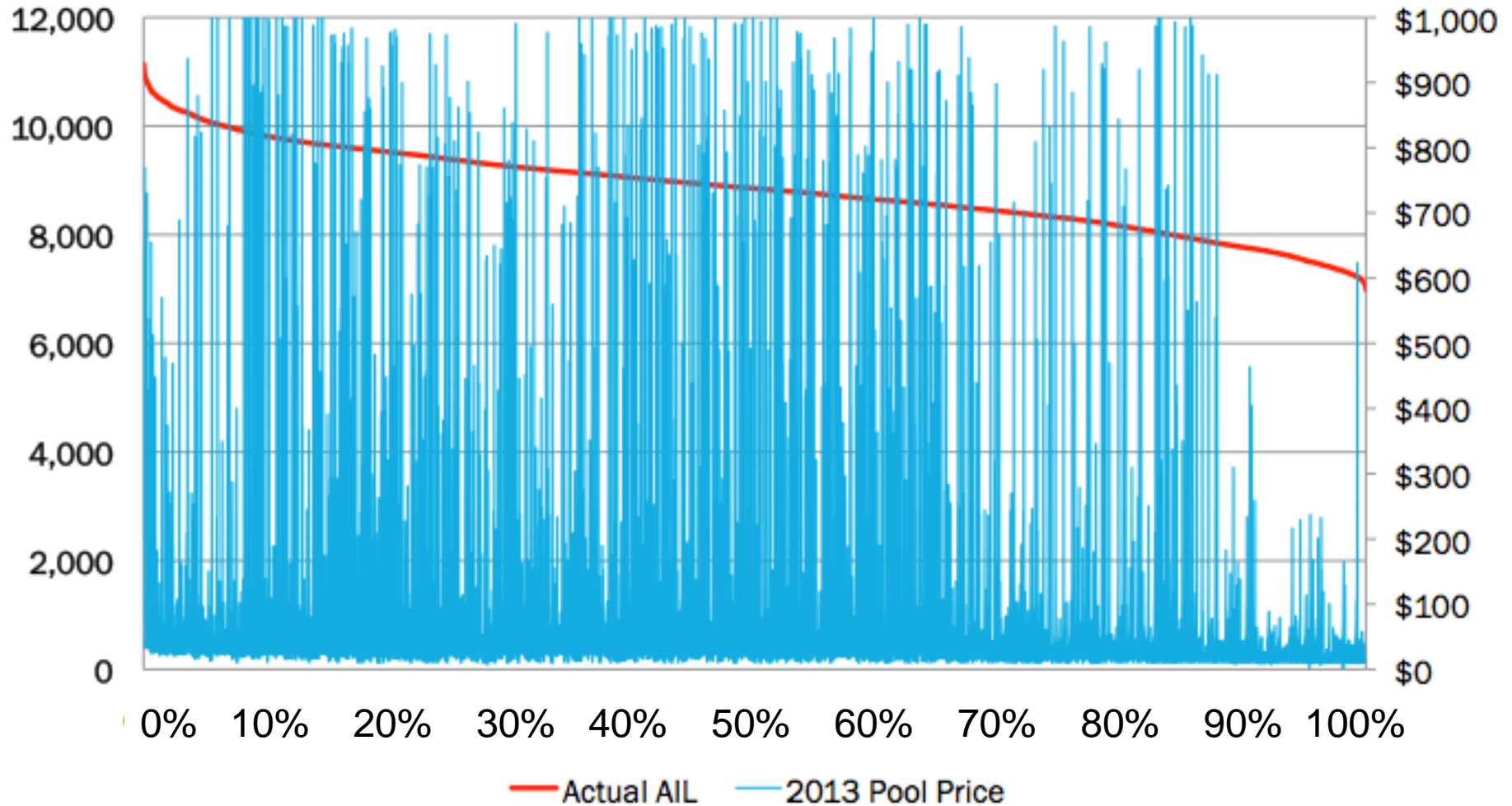
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- IPCAA was formed in 1983 as a membership-based society representing Alberta's large industrial electricity consumers.
- Our members are involved in key Alberta industries, including Oil & Gas, Pipelines, Petrochemicals, Agriculture and Steel.
- Our mission is to take a leadership role in ensuring that a competitive marketplace exists for electrical services.

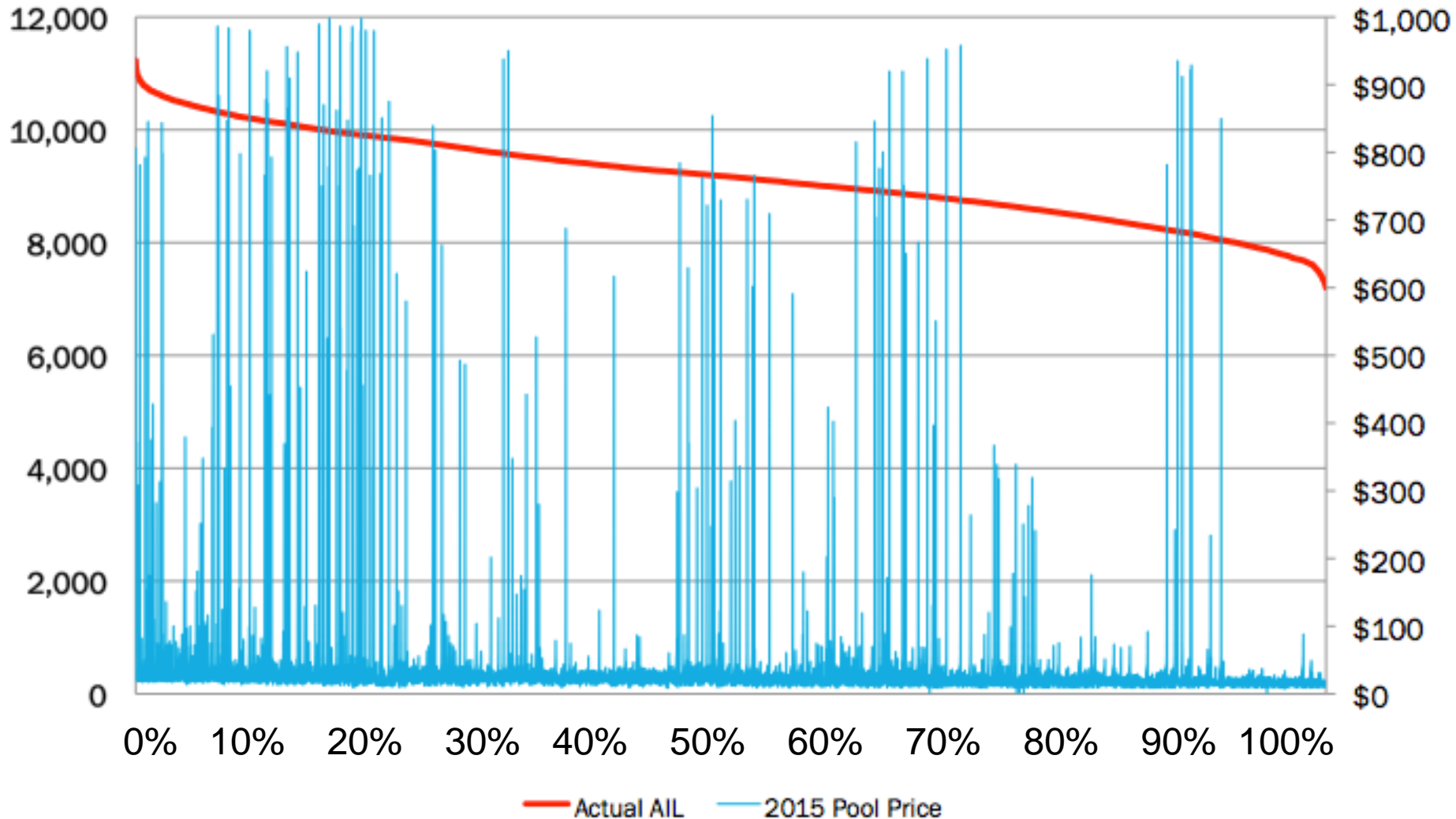
# ALBERTA ELECTRICITY MARKET

## 2013 Duration Curve of Demand versus Hourly Pool Price



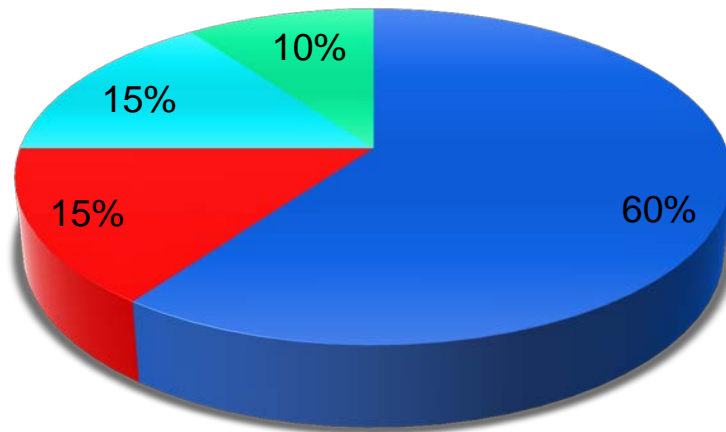
# ALBERTA ELECTRICITY MARKET

2015 Duration Curve of Hourly Demand versus Pool Price

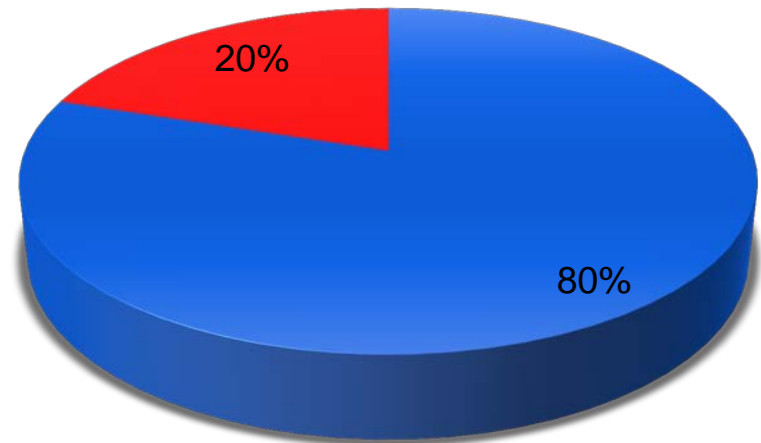


# DELIVERED COST OF POWER 2011

## RESIDENTIAL

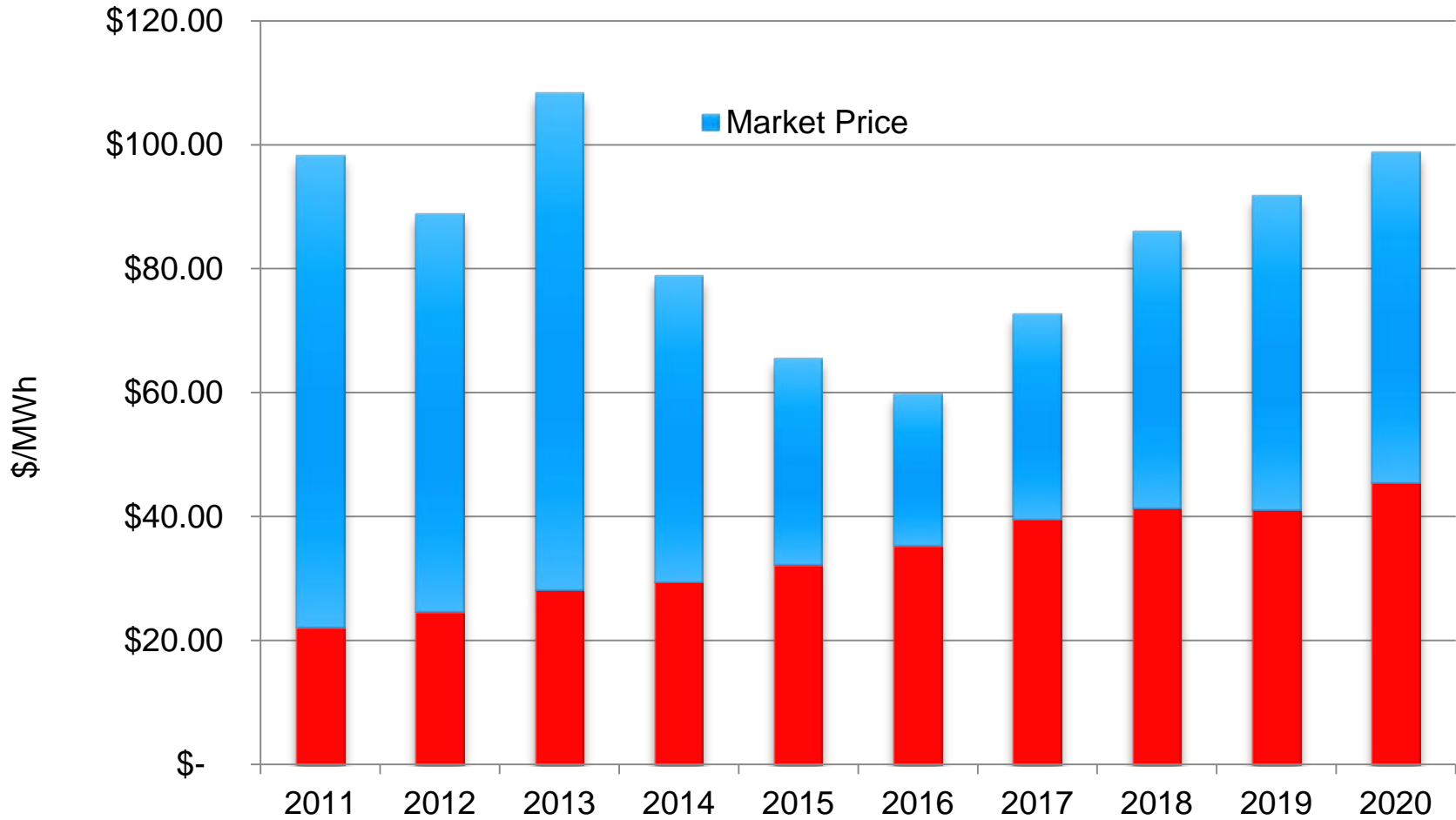


## INDUSTRIAL



- Energy
- Transmission

# DELIVERED COST OF POWER TO 2020



# CONSUMER ENGAGEMENT?

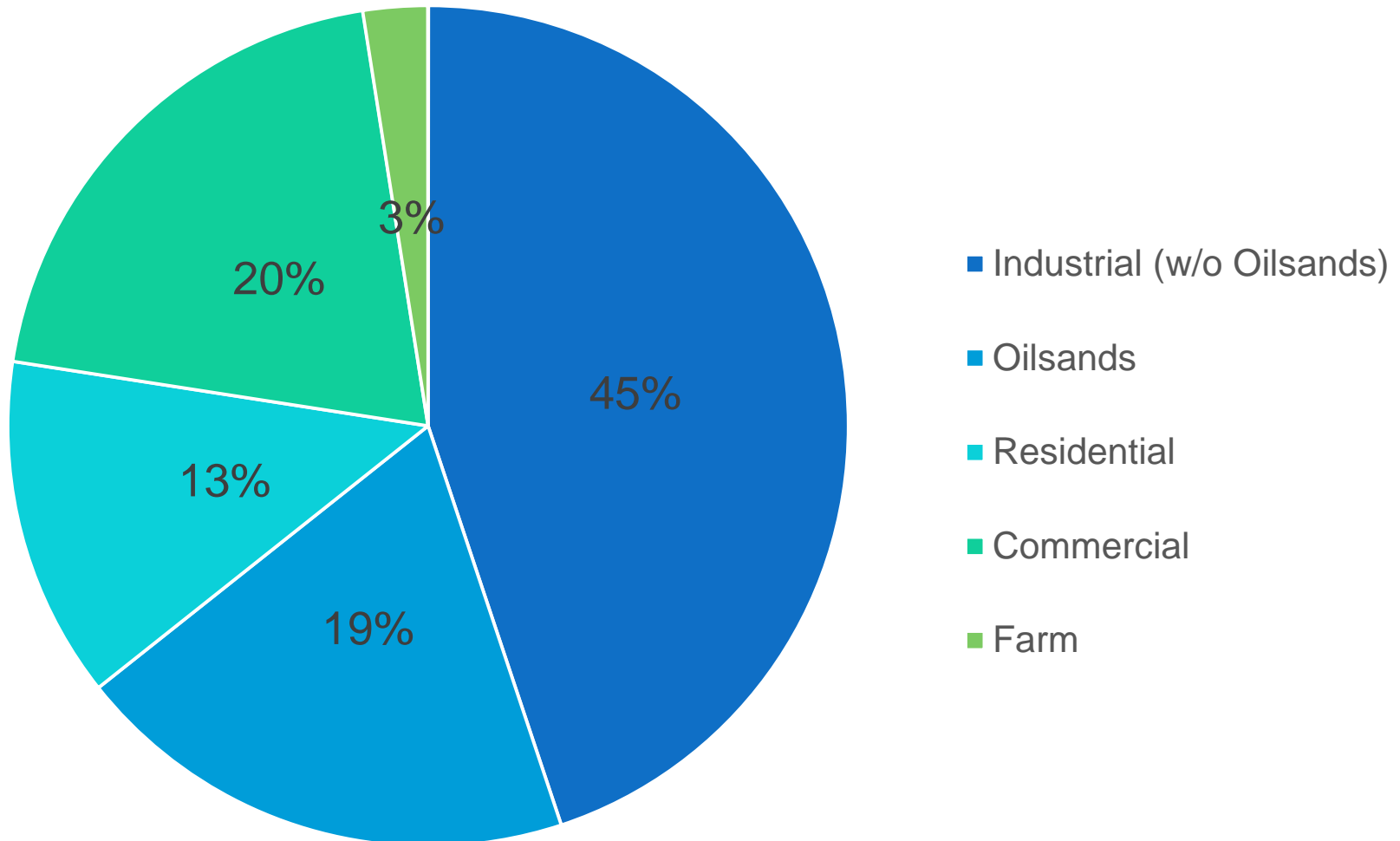
## ALBERTA ELECTRICITY PRIORITIES:

1. Coal Shut Down
2. Renewable Electricity Program
3. Power Purchase Arrangements
4. Transmission Costs
5. Distribution Costs

ARE WE ENABLING SUFFICIENT CONSUMER  
ENGAGEMENT IN THESE PRIORITY AREAS?



# CUSTOMER CLASSES



# OBJECTIVES

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## 1. INPUT

- Greener grid

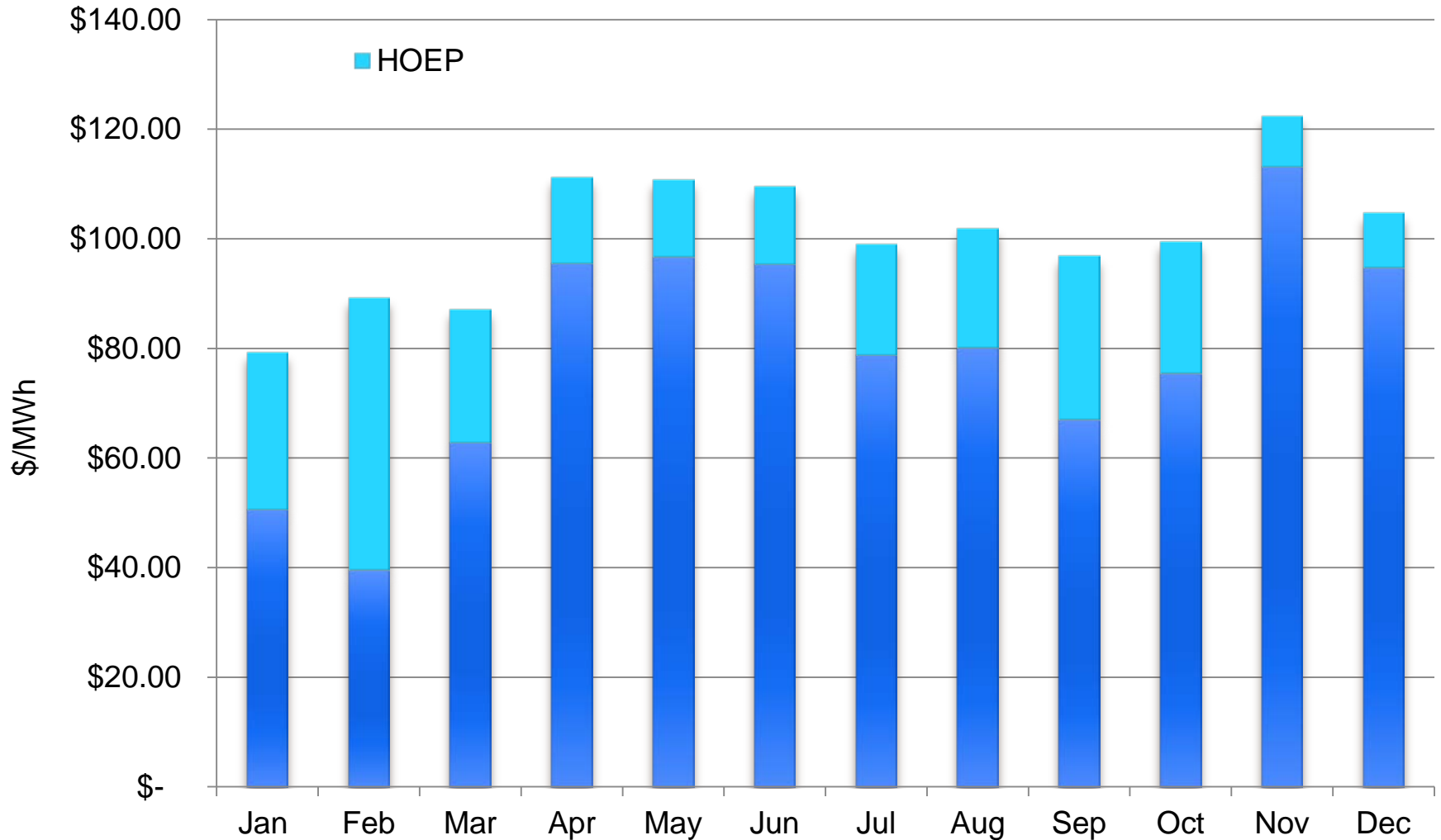
## 2. CONTROL

- Ability to hedge
- Prompt customer connections
- Customer-specific facilities / redundancy & increased reliability

## 3. ACCOUNTABILITY

- Predictable rates
- Gradual rate increases as opposed to rate shock

# ONTARIO COMPARISON



# WILLINGNESS TO PAY

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1. RELIABILITY has different values for different customers
1. SELF SUPPLY is a real option for different customers
2. DELIVERED COST OF ENERGY should be considered by customers, regulators and utilities in ratemaking processes

# QUESTIONS?

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