

CHALLENGE STATEMENT #7

Regulatory processes accommodate capacity differences across consumers

What is the systemic barrier?

Provincial electricity policy and regulations are intended to ensure individuals, communities, Right and Title Holders, and businesses in Alberta receive safe and reliable electricity services at just and reasonable rates. The challenge is that, while changes in the electricity system can impact all consumers across this spectrum, not everyone has the time, finances, awareness and literacy on electricity matters to effectively participate and engage in the development of policy and regulation. Related processes have not been designed in a way that prioritizes broad awareness of the matter under review, diverse opinions and lived experiences, nor provide education and capacity supports to enable formal participation in proceedings.

Effectively engaging numerous types of consumers with unique perspectives and concerns takes time. The need for representative engagement must be balanced with keeping processes efficient to support timely, transparent decision-making. The challenge becomes additionally complex as it applies to engaging Indigenous Rights and Title holders, communities, and businesses, especially where trust-based relationships have not already been established.

To build effective relationships, historical and ongoing harms to Indigenous Rights and Title holders must be addressed in a way that respects Treaty obligations and legal realities; engages Indigenous communities as partners at planning stages; and reflects actions and commitments towards reconciliation in final decisions. Going forward, effective relationships with Indigenous communities will be critical for de-risking projects and avoiding prolonged delays, in particular for electricity infrastructure expansion.

Why is this critical to achieving our vision?

[Alberta's Electricity Future's vision](#) puts consumer needs at the centre to ensure Alberta's electricity system reflects evolving consumer expectations and enables sectors to remain competitive as the world continues to decarbonize. During the 2024 emergency power alerts, people and businesses in Alberta demonstrated their willingness to make short-term adjustments to their electricity usage to avoid rotating power outages. This willingness to participate is in itself an asset that can be leveraged with increased transparency, literacy, tools and reward structures. By enabling diverse groups of consumers to participate in policy and regulatory processes, policy-makers, regulators and utilities will gain a broader

understanding of changing consumers' needs. This, in turn, can support the creation of a new set of products and services, as well as more equitable services and programs. Additionally, consumers would gain an understanding of why decisions are made, and help them make better informed choices.

What surface-level barriers are related to this systemic barrier?

Surface level barriers are often what actors see or experience as a result of a systemic barrier. Such barriers provide insights into areas that can be improved should the systemic barrier be resolved.

The following are examples of surface level-barriers as a result of policy and regulatory processes that currently do not accommodate capacity differences across consumers:

- **There is no common definition of affordability or energy poverty in Alberta to determine just and reasonable rates**
- **The lived experience of electricity consumers is not sought out in regulatory decisions**
- **There is no requirement for regulators or applicants to deeply engage with Indigenous communities or build ongoing relationships**
- **Lack of funding for intervenors limits participation in regulatory proceedings**
- **Methods, timelines and communications employed in the regulatory process limit the engagement of affected communities, individuals and organizations**
- **Emerging need for and business opportunities in creating regional data centres will have substantial electricity needs that require consideration**
- **Industrial consumers have to participate in both federal and provincial regulatory processes, e.g. Clean Electricity Regulation**
- **Lack of avenues for collaboration between government, regulator and consumer groups**