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Dear Colleen,

TransCanada thanks the AESO for its efforts to find “workaround” solutions to the outstanding TMR price reconstitution and import rules previously included in the approved AESO rules of April 3, 2006. TransCanada supports the new rule recommendations as outlined by the AESO and encourages expedited implementation of the amended rules package.

Our support is premised on the following detailed comments:

- As acknowledged, dispatching and re-pricing TMR at zero dollars has an artificially depressing impact on Pool Price and requires amendments to ensure the price signal is appropriate. The rule design proposed by the AESO achieves those goals and is an improvement over the April 3 rules in that a separate market is envisioned for “Dec Down Service (“DDS”)” to ensure system balance.
- The import rules outlined in the April package were complicated and provided imports the opportunity to price offers into the Pool that would likely not materialize given transmission access issues. Accordingly, TransCanada supports the AESO deferring import rule changes until the intertie rules as a whole can be addressed as part of a package that also includes discussions on dynamic scheduling.
- TransCanada supports the AESO’s repackaging of the rule changes including the plan for addressing deferred items and encourages a timely implementation of the revised recommended rules as an alternative to the April package. This support is independent of any potential pending changes to the Transmission Regulation.

Should you wish to discuss this further, please feel free to contact me at (403) 920-2092. TransCanada looks forward to continually working with AESO and industry on outstanding market rule changes required to implement the market policy.

Regards,

Cheryl L. Terry  
Director, Market Services

Cc Kent McDuffie, AESO  
Ken Kunz, TransCanada  
Wendell Klassen, TransCanada