



October 26, 2007

*Sent via E-mail*

Mr. Jamie Cameron  
Applications Officer  
Alberta Energy and Utilities Board  
605 5<sup>th</sup> Avenue S.W.  
Calgary, Alberta  
T2P 3G4

Dear Mr. Cameron;

**Re: Alberta Electric System Operator (AESO) Negotiated Settlement Process – Application # 1357161**

The purpose of this correspondence is to request an extension for the AESO's submission with respect to Article 11 of its Tariff.

In Decision 2007-062 (August 3, 2007), the Board approved the AESO's request to commence a Negotiated Settlement Process (NSP) concerning the final wording of Article 11 and the final compensation to be paid by the AESO for the provision of Ancillary Services (AS), including Transmission Must Run (TMR) services.

In that decision the Board also directed the AESO to file, by no later than October 31, 2007, either:

- (a) a settlement agreement along with relevant request for Board approval; or
- (b) withdraw its existing applications relating to Article 11 (and previously Article 24) and file a new and comprehensive application that fully reflects the issues resolved and unresolved in the NSP.

The AESO requests that for the purposes of part (a) noted above, the October 31, 2007 date be amended to November 16, 2007. Interested stakeholders and the AESO have been working together in an effort to resolve this matter since the beginning of September (part of which was described in the AESO's letter to the Board September 28, 2007) and have agreed that, if a settlement is to be reached it will require until November 16, 2007 to be ready to file with the Board.

For the purposes of part (b), the AESO requests the date be amended to November 30, 2007, as the AESO is currently focusing its efforts on the NSP work, and in the absence of a settlement requires additional time to file a comprehensive application.

Please contact me at [heidi.kirrmaier@aeso.ca](mailto:heidi.kirrmaier@aeso.ca) or (403) 539 2751 or Doyle Sullivan at [doyle.sullivan@aeso.ca](mailto:doyle.sullivan@aeso.ca) or (403) 539 2759 if you have any questions. We would appreciate your response to this request as soon as possible.

Sincerely,

“original signed by”

Heidi Kirrmaier  
Vice-President, Regulatory

c: Interested Parties