


MADE at the City of Calgary, in the Province of Alberta, on 11th day of December 2007.	 ALBERTA ENERGY AND UTILITIES BOARD
Alberta Electric System Operator Sixth Amendment of Reliability Criteria Agreement	Application No. 1545152

1 INTRODUCTION

On November 7, 2007, the Alberta Energy and Utilities Board (the Board) received an application (the Application) from the Alberta Electric System Operator (AESO) in which the AESO requested approval of the sixth amendment (the Sixth Amendment) to the Reliability Criteria (RC) Agreement, between the AESO and the Western Electricity Coordinating Council (WECC). The AESO noted the WECC Board of Directors had approved the Sixth Amendment on October 6, 2007.

2 DETAILS OF THE APPLICATION

The AESO explained the Sixth Amendment provided for the following changes to the RC Agreement:

1. Make NERC Transmission Operators subject to the Reliability Management System (RMS) NERC System Operator Certification Criterion,
2. Clarify the language in Section III.M.3 by replacing the phrase “TAE authority” with “TAE”,
3. Add a Fifth excuse of performance to allow participation in Field Testing of new standards and criteria,
4. Replace in Attachment I Path 53 & Crossover/Yellowtail (Billings – Yellowtail – Crossover Phase Shifter) with Path 80 (Montana Southeast),
5. Replace Attachment II with a new Table 3 that includes additional Remedial Action Schemes, and
6. Add a clause for situations when there is a conflict with Electric Reliability Organization (ERO) Reliability Standards. The RMS criterion shall be no longer in effect and shall be unenforceable upon the effective date of the ERO Reliability Standard.

The AESO also stated the WECC Board of Directors requested and approved one change in wording to page two, section e. of the Sixth Amendment, replacing the phrase “‘Local’

transmission” with “Bulk Power System”. The approval was given with the understanding that the new requirements would become effective upon the Federal Energy Regulatory Commission’s (FERC) acceptance of an amendment to the RC Agreement and approval by the applicable Canadian Regulatory Authorities.

The AESO indicated that the Sixth Amendment had been discussed at several Transmission Operations Coordinating Committee (TOCC) meetings in 2006 and no changes are required to the AESO Operating Policies and Procedures. The AESO also stated that the Sixth Amendment was not expected to have any revenue requirement impacts and that no parties were expected to be impacted by the revisions.

3 BOARD FINDINGS

The Board published Notice of the Application on November 15, 2007. The Board received only one intervention, from the Utility Consumer Advocate (UCA). The UCA, however, raised no objections to the Application.

The Board has reviewed the Application and considers the amendments contained therein to be reasonable and in the public interest.

4 ORDER

IT IS THEREFORE ORDERED THAT:

- (1) The Sixth Amendment to the Reliability Criteria Agreement is approved as filed (copy attached as Appendix 1), effective November 1, 2007.

ATTACHMENT