



October 22, 2009

Dear Market Participants and Interested Parties:

**Re: Final Recommendation to Reject NERC Reliability Standards (“NERC Standards”):**

- a) **MOD-002-0 Review of TTC and ATC Calculations and Results**
- b) **MOD-003-0 Procedure for Input on TTC and ATC Methodologies and Values**
- c) **MOD-004-1 Capacity Benefit Margin**
- d) **MOD-005-0 Procedure for Verifying CBM Values**
- e) **MOD-009-0 Procedure for Verifying TRM Values**

Please find attached the above-captioned NERC Standards that are being recommended to be rejected as Alberta Reliability Standards (“Reliability Standards”) by the AESO’s internal approval process in November 2009. After internal AESO approval, the AESO intends to submit a recommendation to reject these NERC Standards as Reliability Standards to the Alberta Utilities Commission (“Commission”) pursuant to Section 19 of the *Transmission Regulation*.

Please note that these NERC Standards are not applicable to any entity in Alberta.

The following grid is hyperlinked to provide assistance in directing you to the summary of the Reliability Standards and related attachments for more information on the NERC Standards.

<b>Reliability Standard Number</b>	<b>Description</b>
MOD-002-0	<a href="#">Review of TTC and ATC Calculations and Results</a>
MOD-003-0	<a href="#">Procedure for Input on TTC and ATC Methodologies and Values</a>
MOD-004-1	<a href="#">Capacity Benefit Margin</a>
MOD-005-0	<a href="#">Procedure for Verifying CBM Values</a>
MOD-009-0	<a href="#">Procedure for Verifying TRM Values</a>



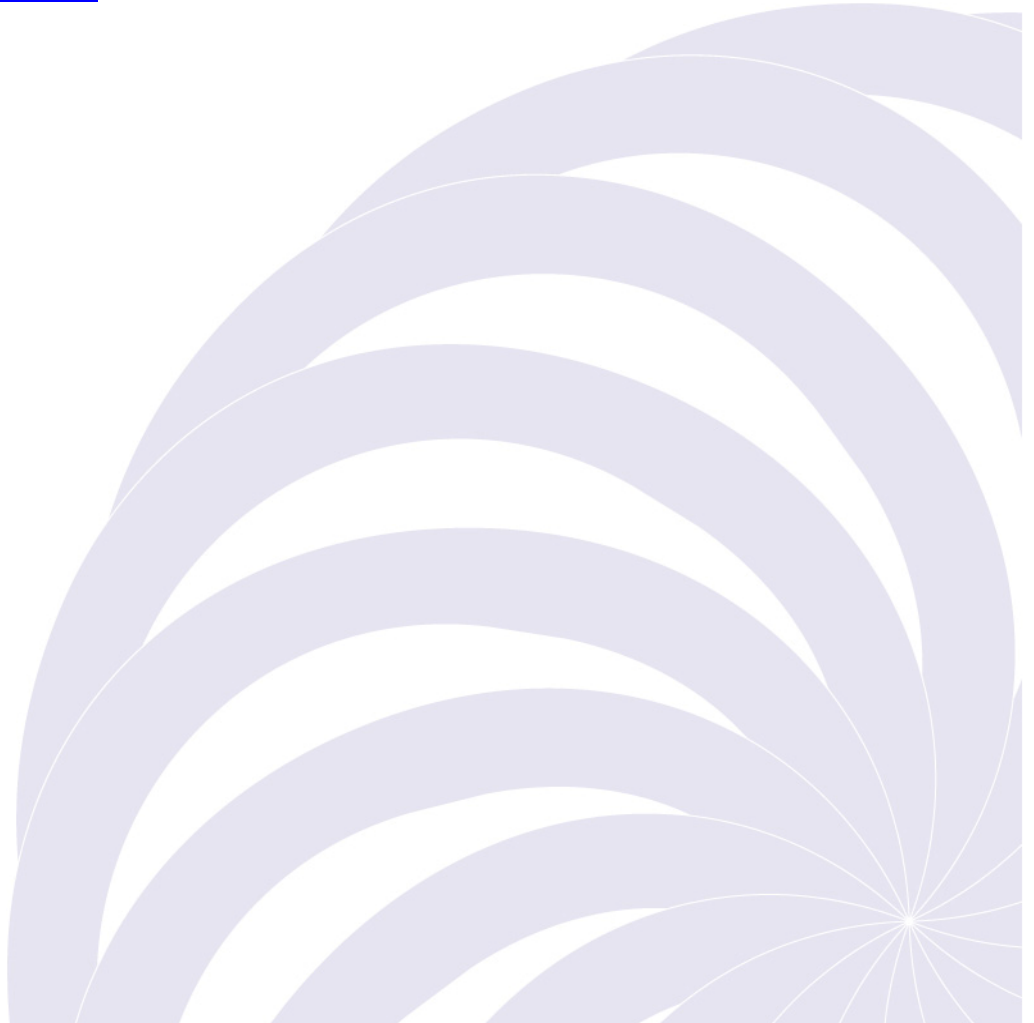
The recommendation to reject the NERC Standards as Reliability Standards was initially distributed for consultation on September 9, 2009. Please note that comments were not received from market participants on these NERC Standards.

The AESO is expecting to submit the recommendation to reject the NERC Standards as Reliability Standards to the Commission on November 2, 2009.

Yours sincerely,

*Original Signed By*

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## Final Recommendation to Reject NERC Standards as Alberta Reliability Standards

<b>NERC Standard - MOD-002-0 Review of TTC and ATC Calculations and Results</b>	
Number/Name	MOD-002-0 Review of TTC and ATC Calculations and Results
Description of NERC Standard	To promote the consistent and uniform application of transfer capability calculations among Transmission Service Providers, the Regional Reliability Organizations need to review adherence to Regional methodologies for calculating Total Transfer Capability (TTC) and Available Transfer Capability (ATC).
Reason for Rejecting as an Alberta Reliability Standard	Applies to the WECC or the Vancouver Reliability Coordinator and not to Alberta market participants or the AESO.
AESO Contact	Manager, Operations Services, Jason Murray, <a href="mailto:jason.murray@aeso.ca">jason.murray@aeso.ca</a> , (403) 705-5230
Attachments	<a href="http://www.nerc.com/files/MOD-002-0.pdf">http://www.nerc.com/files/MOD-002-0.pdf</a>



**NERC Standard - MOD-003-0 Procedure for Input on TTC and ATC Methodologies and Values**

Number/Name	MOD-003-0 Procedure for Input on TTC and ATC Methodologies and Values
Description of NERC Standard	To promote the consistent and uniform application of transfer capability calculations among Transmission Service Providers, the Regional Reliability Organizations need to review adherence to Regional methodologies for calculating Total Transfer Capability (TTC) and Available Transfer Capability (ATC).
Reason for rejecting as an Alberta Reliability Standard	Applies to the WECC or the Vancouver Reliability Coordinator and not to Alberta market participants or the AESO.
AESO Contact	Manager, Operations Services, Jason Murray, <a href="mailto:jason.murray@aeso.ca">jason.murray@aeso.ca</a> , (403) 705-5230
Attachments	<a href="http://www.nerc.com/files/MOD-003-0.pdf">http://www.nerc.com/files/MOD-003-0.pdf</a>



**NERC Standard - MOD-004-1 Capacity Benefit Margin**

Number/Name	MOD-004-1 Capacity Benefit Margin
Description of NERC Standard	To promote the consistent and reliable calculation, verification, preservation, and use of Capacity Benefit Margin (CBM) to support analysis and system operations.
Reason for Rejecting as an Alberta Reliability Standard	Alberta entities do not use Capacity Benefit Margin to support analysis and system operations.
AESO Contact	Manager, Operations Services, Jason Murray, <a href="mailto:jason.murray@aeso.ca">jason.murray@aeso.ca</a> , (403) 705-5230
Attachments	<a href="http://www.nerc.com/files/MOD-004-1.pdf">http://www.nerc.com/files/MOD-004-1.pdf</a>



**NERC Standard - MOD-005-0 Procedure for Verifying CBM Values**

Number/Name	MOD-005-0 Procedure for Verifying CBM Values
Description of NERC Standard	To promote the consistent and uniform application of Transfer Capability calculations among transmission system users, the Regional Reliability Organizations need to review adherence to Regional methodologies for calculating Capacity Benefit Margin (CBM).
Reason for Rejecting as an Alberta Reliability Standard	Alberta entities do not use Capacity Benefit Margin to support analysis and system operations.
AESO Contact	Manager, Operations Services, Jason Murray, <a href="mailto:jason.murray@aeso.ca">jason.murray@aeso.ca</a> , (403) 705-5230
Attachments	<a href="http://www.nerc.com/files/MOD-005-0.pdf">http://www.nerc.com/files/MOD-005-0.pdf</a>



**NERC Standard - MOD-009-0 Procedure for Verifying TRM Values**

Number/Name	MOD-009-0 Procedure for Verifying TRM Values
Description of NERC Standard	To promote the consistent application of transmission Transfer Capability margin calculation among Transmission System Providers and Transmission Owners.
Reason for Rejecting as an Alberta Reliability Standard	Applies to the WECC or the Vancouver Reliability Coordinator and not to Alberta market participants or the AESO.
AESO Contact	Manager, Operations Services, Jason Murray, <a href="mailto:jason.murray@aeso.ca">jason.murray@aeso.ca</a> , (403) 705-5230
Attachments	<a href="http://www.nerc.com/files/MOD-009-0.pdf">http://www.nerc.com/files/MOD-009-0.pdf</a>