



November 5, 2009

**To: Alberta Utilities Commission (“Commission”)**

**Re: Notice of Filing – Reject NERC Modeling, Data and Analysis (MOD) Reliability Standards for application in Alberta:**

- 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**
1. Please be advised that pursuant to Section 19(4)(b) of the *Transmission Regulation* (“T-Reg”) the Alberta Electric System Operator (“AESO”) is recommending the rejection of the above-captioned NERC Reliability Standards (“NERC Standards”) for application as Alberta Reliability Standards (“Reliability Standards”).

### **Summary of NERC Standard**

#### MOD-002-0 Review of TTC and ATC Calculations and Results

2. 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).

#### MOD-003-0 Procedure for Input on TTC and ATC Methodologies and Values

3. 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).

#### MOD-004-1 Capacity Benefit Margin

4. To promote the consistent and reliable calculation, verification, preservation, and use of Capacity Benefit Margin (CBM) to support analysis and system operations.



#### MOD-005-0 Procedure for Verifying CBM Values

5. 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).

#### MOD-009-0 Procedure for Verifying TRM Values

6. To promote the consistent application of transmission Transfer Capability margin calculation among Transmission System Providers and Transmission Owners.

#### **Reason for Recommendation to Reject**

7. The recommendation is to reject these NERC reliability standards as Alberta Reliability Standards because they are deemed to be not applicable in Alberta for one or more of the following reasons:
  - a) The requirements are responsibilities of either the Western Electric Coordinating Commission (“WECC”) or the Vancouver Reliability Coordinator and not of any Alberta market participants or the AESO.
  - b) The requirements are not applicable in Alberta as they relate to practices not applied in Alberta.
  - c) Alberta entities do not use Capacity Benefit Margin to support analysis and system operations.
8. The AESO has consulted on this recommendation with those market participants that it considers are likely to be directly affected in accordance with Section 19(4)(a) of the T-Reg.

#### **Attachments to Notice of Filing**

9. Please find the following attached to this Notice of Filing:
  - a) The [Letter of Notice](#) that was sent to market participants that the AESO considers likely to be affected by these changes and that was posted on the AESO web site on September 9, 2009. In this letter, the AESO sought feedback from stakeholders;
  - b) The [Final Recommendation to Reject NERC Reliability Standards](#) letter (posted on October 22, 2009). In this letter, the AESO confirmed that no comments were received on these reliability standards.



- c) Copies of the following NERC Standards:
  - i. [MOD-002-0](#) Review of TTC and ATC Calculations and Results
  - ii. [MOD-003-0](#) Procedure for input on TTC and ATC Methodologies and values
  - iii. [MOD-004-1](#) Capacity Benefit Margin
  - iv. [MOD-005-0](#) Procedure for Verifying CBM Values
  - v. [MOD-009-0](#) Procedure for Verifying TRM Values

Yours truly,

*<original signed by>*

Paul Glatthor  
Manager, Authoritative Documents Process  
Regulatory Services  
Phone: (403) 539-2464  
[Paul.glatthor@aeso.ca](mailto:Paul.glatthor@aeso.ca)

Attachments