



December 16, 2009

Dear Market Participants and Interested Parties:

Re: Letter of Notice – Proposed New Level I ISO Rules Part 500, Facilities, Division 501.3 – Generation Facility Owners, Section 501.3.1 – Wind Generating Facilities Technical Requirements

Pursuant to Section 2(1) of the Alberta Utilities Commission (“Commission”) Rule 017, the Alberta Electric System Operator (“AESO”) is providing notice and seeking feedback on new Wind Generating Facilities Technical Requirements ISO rules (“Wind Technical Rules”) being proposed by the AESO.

Background

The AESO is proposing to remove the *Wind Power Facility Technical Requirements* currently under the ISO tariff and replace them with newly drafted ISO rule provisions. These new ISO rules will incorporate existing mandatory technical requirements, as well as add contemporary requirements dealing with such matters as the grandfathering, power limiting, ramp rate limiting, over frequency control, wind power forecasting and monitoring.

It should be noted that the Wind Technical Rules and related Section “501” numbering are being implemented under the new ISO rules framework, which has been developed under the Transition of Authoritative Documents (“TOAD”) project and related reforms.

Also as a part of the TOAD initiative, the AESO is in the process of internally reviewing and subsequently proposing new or amended definitions that are intended to have universal and consistent applicability and interpretation across all AESO Authoritative Documents (ISO Rules, the ISO Tariff, and the Reliability Standards). A number of these definitions are proposed to be implemented concurrently with the new Wind Technical Rules.

As the Wind Technical Rules will require some existing wind generating facilities to comply with certain of the new provisions, the AESO is also proposing that the Wind Technical Rules not be in force and effect for 180 days following the date of confirmation by the Commission. This will provide a reasonable period of time for owners to assess the implications of the new Wind Technical Rules and, if required, upgrade their existing facilities to come in to compliance.



The AESO has considered all of the following in arriving at the provisions contained in the Wind Technical Rules:

- Current *Wind Power Facility Technical Requirements, November 2004*;
- Wind Power Forecasting Pilot Project Work Group recommendations;
- Wind Power Management Protocol Work Group recommendations;
- Wind Power Management Technical Requirements Work Group;
- TOAD policies, template, framework, standards and principles;
- Any applicable provisions of the Alberta Reliability Standards; and
- AESO final recommendations to implement the *Market and Operational Framework for Wind Integration June 2009*.

Some Specific Policy Considerations

- All forms of generation in Alberta have certain basic obligations through reliability standards and requirements to support grid reliability. Wind power facilities are no exception and the new Wind Technical Rules reflect these obligations.
- The Wind Technical Rules are specifically for wind power facilities that connect to the transmission system. All other forms of generation continue to be subject to all other applicable “Transmission Interconnection Requirements” under the ISO tariff.
- The 2004 approved *Wind Power Facility Technical Requirements* included “policy place holders” for future technical requirements that would be developed from industry consultation. Such developments reflected in the new Wind Technical Rules include grandfathering, power limiting, ramp rate limiting, over frequency control, wind power forecasting and monitoring.
- As a result, the Wind Technical Rules now will require wind power facilities to maintain technical capability for wind power management and forecasting.
- For wind generating facilities, the AESO currently is not consulting on how and when power or ramp rate limiting would be used, or details on forecasting as this will occur at a future date prior to new ISO rules development.

For ease of reference, the following grid is hyperlinked to provide assistance in directing stakeholders to a summary of the Wind Technical Rules and the attachments. The summary provides more detailed information on the Wind Technical Rules, including a brief explanation of the reasons why they are needed and some further policy elaboration.

Rule Number	Description	Level	Most relevant stakeholder interest
501.3.1	Wind Generating Facilities Technical Requirements	I	All Market Participants



Comments and suggestions from market participants on the proposed Wind Technical Rules are encouraged. The AESO would also encourage feedback from suppliers of wind power facility equipment. Please use the comment matrix provided when submitting comments to the AESO on the Wind Technical Rules. Click [here](#) to access the comment matrix for the Wind Technical Rules. Only written comments will be considered in finalizing the Wind Technical Rules.

Please provide feedback or questions by **Friday, January 22, 2010** to the *individual* specified in the “AESO Contact section of the “Proposed LEVEL I ISO Rule Changes” below.

The AESO will be publishing all stakeholder comments received for industry review shortly after the comment deadline. Stakeholder comments received along with AESO responses will be published with the final proposed Wind Technical Rules being recommended for internal approval in February 2010.

Yours sincerely,

Original Signed By

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Proposed LEVEL I ISO Rules Changes

Level I changes are changes that have a significant operational or financial impact on the industry or the AESO.

ISO Rules Section 501.3.1 – Wind Generating Facilities Technical Requirements	
Rules Section/Number	<p>New or amended G1 Definitions:</p> <ul style="list-style-type: none"> - generating facilities - maximum authorized MW - operator - person - wind turbine generator - voltage regulating system - owner - gross MW - point of connection <p>Section 501.3.1 – Wind Generating Facilities Technical Requirements</p>
Summary of New ISO Rules	<p>The new Wind Technical Rules consist of the existing technical requirements for wind power generating facilities and includes proposed new rules for grandfathering, power limiting, ramp rate limiting, over frequency control, wind power forecasting and monitoring.</p> <p>The new Wind Technical Rules would apply to all existing and new wind power generating facilities.</p>



Summary of Amendment	This is a new ISO rule
Level	I
Explanation of Confidentiality	None
Proposed Effective Date	180 days following the later of the date a final order of the Commission is issued respecting directions set out in Decision 2008-137 and confirmation of these proposed ISO rule changes filed pursuant to Commission Rule 017.
AESO Contact	Operations and Reliability, John Kehler, john.kehler@aeso.ca , (403) 539-2622 or alternate, Kevin Wiens, kevin.wiens@aeso.ca (403) 539-2672
Attachments	See attached: Comparison and Rationale Document for Wind Generating Facilities Technical Requirements