



July 15, 2010

Dear Market Participants and Interested Parties:

Re: Letter of Notice – Protection and Control (“PRC”) Reliability Standard Proposed for Adoption as an Alberta Reliability Standard:
a) PRC-007-AB-0 Assuring Consistency with Regional Underfrequency Load Shedding Program Requirements (the “Proposed Reliability Standard”)

Section 19 of the *Transmission Regulation* requires the AESO to consult with market participants likely to be directly affected by the Alberta Electric System Operator’s (“AESO”) adoption or making of reliability standards, and also requires the AESO to forward the proposed reliability standard to the Alberta Utilities Commission (“AUC” or “Commission”) for review along with the AESO’s recommendation that the AUC approve or reject them.

Accordingly, the AESO is providing notice and seeking comments from market participants on the attached Proposed Reliability Standard.

Following the AESO’s receipt of and reply to comments from market participants regarding the Proposed Reliability Standard, the AESO intends to finalize the Proposed Reliability Standard and forward it to the AUC for review and approval as a reliability standard that applies in Alberta.

Applicability of the Proposed Reliability Standard

The Proposed Reliability Standard is applicable to:

- a) the legal owner of a transmission facility that owns or operates relays as part of the underfrequency load shedding program as published on the AESO website;
- b) a market participant that receives service under “Rate DTS” of the ISO tariff that has an obligation to shed load as part of the underfrequency load shedding program as published on the AESO website; and
- c) the AESO.

Summary of the Proposed Reliability Standard

The purpose of the Proposed Reliability Standard is to provide last resort system preservation measures by implementing an underfrequency load shedding program.

With regard to certain requirements of the Proposed Reliability Standard, reference will be made in the Alberta Reliability Standards section of the AESO website to documents with related requirements in order to inform applicable entities of the existence of such requirements.



Further, as part of the AESO's process to adopt Alberta reliability standards, the Proposed Reliability Standard has been amended to change passive terms such as "shall" to "must", to apply a consistent writing style, to clarify requirements, and to ensure that measures are appropriately aligned with requirements. In addition, defined terms now appear in bold font rather than italics; and the use of acronyms is limited to the ISO and the WECC with all other defined terms being written out in full.

Implementation of Alberta Reliability Standards

All reliability standards proposed for approval or rejection by the AESO are based on the reliability standards and definitions developed, or approved, and enforced by the North American Electric Reliability Corporation ("NERC"). NERC was certified as the Electric Reliability Organization ("ERO") for the United States by the Federal Energy Regulatory Commission ("FERC") under the US *Energy Policy Act of 2005*. NERC has been granted recognition as the ERO by the Minister of Energy in Alberta pursuant to Section 20 of the *Transmission Regulation*.

In accordance with Section 19 of the *Transmission Regulation*, the reliability standards that apply in Alberta are those of the ERO or any other reliability standards to the extent that such reliability standards are adopted by the AESO after consultation with market participants and after receipt of Commission approval.

Further information regarding the AESO's adoption of reliability standards is available on the AESO website at <http://www.aeso.ca/rulesprocedures/17004.html> .

AESO Papers and Other Related Communications

The AESO has not issued any AESO papers or other related communications with respect to the Proposed Reliability Standard.

Request for Stakeholder Comments

Comments and suggestions on the Proposed Reliability Standard are encouraged.

The attached Stakeholder Comparison Comment Rationale Matrix sets out the following:

- a) the complete text of NERC PRC-007-0, with the exception of the compliance section D. The Alberta reliability standards do not contain a compliance section. Compliance with all Alberta reliability standards is completed in accordance with the Alberta Reliability Standards Compliance Monitoring Program, available on the AESO website at: <http://www.aeso.ca/loadsettlement/17189.html>. For information, a link is provided to NERC compliance section D in the Stakeholder Comparison Comment Rationale Matrix;
- b) the proposed Alberta requirements and measures;
- c) the AESO's rationale with regard to any modifications to the NERC wording;



- d) a 'stakeholder comments' section to be used by market participants when providing written comments to the AESO; and
- e) an 'AESO replies' section that will be used by the AESO to respond to comments received from market participants, if any.

Please use the attached Stakeholder Comparison Comment Rationale Matrix when submitting comments to the AESO on the Proposed Reliability Standard. Only written comments will be considered by the AESO in finalizing the proposed Reliability Standards.

Please provide written stakeholder comments or questions by **August 15, 2010** to Jerry Mossing at ars_comments@aeso.ca.

The AESO will be publishing all stakeholder comments received for industry review shortly after the comment deadline. Stakeholder Comments received along with AESO replies to the comments will be published with the final proposed Reliability Standards being recommended for internal AESO approval in September, 2010.

Attachments to Letter of Notice

The following document is attached to this Letter of Notice:

- [Stakeholder Comparison Comment Rationale Matrix](#)

The full text of all NERC reliability standards, is available on the NERC website: <http://www.nerc.com/page.php?cid=2|20>

Proposed Effective Date

The AESO proposes that the Proposed Reliability Standard becomes effective Ninety (90) days after the date of approval by the Commission.

Yours sincerely,

Original Signed By

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Attachments