



July 22, 2010

Dear Market Participants and Interested Parties:

**Re: Letter of Notice – Protection and Control (“PRC”) Reliability Standard Proposed for Adoption as Alberta Reliability Standard:
a) PRC-017-AB-0 Remedial Action Scheme Maintenance and Testing (the “Proposed Reliability Standard”)**

Section 19 of the *Transmission Regulation* requires the Alberta Electric System Operator (“AESO”) to consult with market participants likely to be directly affected by the 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:

- TFOs that own a RAS or equipment integral to a RAS that is listed as either an AB RAS or WECC RAS in the ISO RAS database as published on the AESO website, and as may be amended from time to time by the AESO on notice to market participants;
- GFOs that own a RAS or equipment integral to a RAS that is listed as either an AB RAS or WECC RAS in the ISO RAS database as published on the AESO website, and as may be amended from time to time by the AESO on notice to market participants;
- WOs that own a RAS or equipment integral to a RAS that is listed as either an AB RAS or WECC RAS in the ISO RAS database as published on the AESO website, and as may be amended from time to time by the AESO on notice to market participants; and
- the AESO.

Summary of the Proposed Reliability Standard

The purpose of the Proposed Reliability Standard is to ensure adequate maintenance and testing of RASs and equipment integral to RASs.



The Proposed Reliability Standard has been amended to contain certain “Alberta variances” from the NERC standards. These variances have been included to ensure the Proposed Reliability Standard properly aligns with the industry structure in Alberta and is capable of being applied in Alberta. A summary of these variances are as follows:

- a) In order to capture all components that make up a remedial action scheme, the identification of other equipment as required for the remedial action scheme to function was added to the list of items in requirement R1.1.
- b) Sub-requirement R3 amended for Alberta participants to provide documentation to the ISO as the compliance monitor for TFOs, WOs and demand customers and upon receiving a written request from the ISO.
- c) Sub-requirement R4 added for the ISO to maintain and publish a list of relevant remedial action schemes so that the Alberta entities were notified of which requirements applied to which remedial action schemes.

Further, the Alberta Reliability Standards section of the AESO website, and in particular the section that contains this Proposed Reliability Standard, will contain reference to the ISO RAS database and the related Classification of Remedial Action Schemes and Applicability to Reliability Standards Information Document. The ISO RAS database and the related Classification of Remedial Action Schemes and Applicability to Reliability Standards Information Document are currently available on the AESO website, under current Alberta Reliability Standard PRC-001-AB-1 Protection System Coordination. ([click here](#) to view the PRC-001-AB-1 web page).

Finally, 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.

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 Information Documents

An Information Document - “Classification of Remedial Action Schemes and Applicability to Reliability Standards” has been created to support the Proposed Reliability Standard. [Click here](#) to view the Information Document or visit the AESO website at <http://www.aeso.ca/> and follow the path Rules & Standards > Information Documents. The information document supports a number of reliability standards relating to protection and control, and interconnected reliability operations and coordination. The purpose of this document is to identify the process and criteria the AESO uses to classify a remedial action scheme and to identify the application of the remedial action scheme classifications to reliability standards.

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-017-0, 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 Alberta variances or other 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 Standard.



Please provide written stakeholder comments or questions by **August 27, 2010** to Jerry Mousing 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 August, 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 one hundred and eighty (180) days after the date of approval by the Commission.

Yours sincerely,

Original Signed By

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Attachments