

September 12, 2011

To: Alberta Utilities Commission (“AUC” or “Commission”)

Re: Notice of Filing - Proposed Alberta Reliability Standard:

Facilities Design, Connections and Maintenance “System Operating Limits Methodology for the Planning Horizon” FAC-010-AB-2.1

(“Final Proposed FAC-010-AB-2.1”)

1. The Alberta Electric System Operator (“AESO”) is forwarding and recommending that the Commission approve attached Final Proposed FAC-010-AB-2.1 for application as an Alberta Reliability Standard pursuant to Section 19 of the *Transmission Regulation*.
2. 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*.
3. 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.

Applicability

4. Final Proposed FAC-010-AB-2.1 is applicable to the AESO.

Summary of Final Proposed FAC-010-AB-2.1

5. The purpose of Final Proposed FAC-010-AB-2.1 is to ensure that system operating limits used in the reliable planning of the bulk electric system are determined based on an established methodology or methodologies.

Summary of AESO Consultation

6. On April 28 2011, the AESO posted on its website and into its stakeholder newsletter a [Letter of Consultation](#) requesting comments from market participants and interested parties on the proposed adoption of FAC-010-AB-2.1.
7. On June 2, 2011, the AESO posted the [Stakeholder Comments](#) received in response to the April 28, 2011 Letter of Consultation. All written comments received by the AESO were in support of proposed FAC-010-AB-2.1.
8. On August 11, 2011 the AESO posted its [reply](#) to the written stakeholder comments received on the April 28, 2011 Letter of Consultation. In that letter the AESO (i) confirmed that the only

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comments received were in support of proposed FAC-010-AB-2.1 and therefore in the AESO's opinion, comments of this nature did not warrant the provision of a specific reply; and (ii) attached the Final Proposed FAC-010-AB-2.1.

Changes to Final Proposed FAC-010-AB-2.1

9. Please see the AESO's April 28, 2011 Letter of Consultation for a summary of proposed FAC-010-AB-2.1.
10. Please see the AESO's August 11, 2011 Reply Letter that confirmed no changes were made to FAC-010-AB-2.1 as a result of stakeholder comments.

Attachments to Notice of Filing

11. The following documents are attached to this Notice of Filing:
 - a) [Letter of Consultation](#) dated April 28, 2011, forwarded to market participants that the AESO considers likely to be affected by the proposed adoption of FAC-010-AB-2.1, and which was posted on the AESO website on April 28, 2011;
 - b) [Stakeholder Comments](#) on the April 28, 2011 Letter of Consultation posted on the AESO website June 2, 2011, setting out the written comments received, the name of the market participant or other parties who submitted each comment, and the date on which the comment was submitted;
 - c) [AESO Reply Letter](#) posted on the AESO website on August 11, 2011; and
 - d) [Clean](#) copy of Final Proposed FAC-010-AB-2.1

Proposed Effective Date

12. The AESO proposes that Final Proposed FAC-010-AB-2.1 become effective on July 1, 2012.
13. The AESO submits that Final Proposed FAC-010-AB-2.1 complies with the requirements of the *Transmission Regulation*, is not technically deficient, and is in the public interest.

Yours sincerely,

<original signed by>

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

Attachments