

November 24, 2011

Dear Market Participants and Interested Parties:

RE: AESO Reply to Stakeholder Comments on Consultation for Proposed Alberta Reliability Standard: Emergency Preparedness and Operations *Emergency Operations Planning* EOP-001-AB-2b (originally consulted on as EOP-001-AB-1) (“EOP-001-AB-2b”)

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’s adoption or making of reliability standards, and also requires the AESO to forward proposed reliability standards to the Alberta Utilities Commission (“Commission”) for review along with the AESO’s recommendation that the Commission approve or reject them.

Accordingly, the AESO issued a [Stakeholder Consultation Letter](#) on September 13, 2011 providing notice and seeking comments from market participants on proposed EOP-001-AB-2.

The AESO’s reply is set out in the attached AESO Replies document, and a summary of the stakeholder comments received and the AESO’s reply to these comments is included below.

In addition, the final proposed EOP-001-AB-2b (“Final Proposed EOP-001-AB-2b”) is attached.

Summary of proposed EOP-001-AB-2

Please see the AESO’s September 13, 2011 Stakeholder Consultation Letter for a summary of proposed EOP-001-AB-2.

AESO Reply to Market Participant Comments

The written comments received by the AESO in response to proposed EOP-001-AB-2 attached to its September 13, 2011 Stakeholder Consultation Letter and the AESO’s replies to these comments are summarized below:

1. A stakeholder was unclear as to what constitutes an operating emergency and recommended an adoption of a formal definition of “operating emergencies”. In response to this comment, the AESO replied that NERC has not provided a definition or an interpretation for “operating emergency” and in order to stay aligned with NERC, the AESO preferred not to create a defined term at this time. However, it is the AESO’s opinion that the plain meaning of the term “operating emergencies” in conjunction with the application of Good Electric Industry Practice is sufficient for the adoption of proposed EOP-001-AB-2 in Alberta.
2. Certain stakeholders made various recommendations for exclusionary language for “generator interconnection facilities”. In response to these comments, the AESO replied that it disagreed that the term “generator interconnection facility” is required for proposed EOP-001-AB-2. In the AESO’s opinion, the definitions of “transmission facility” and “generating unit” and the current wording of the applicability section of proposed EOP-001-AB-2 provides sufficient clarity of the applicable facilities under proposed EOP-001-AB-2. For example, if “switch yards” associated with generating units were to be included in proposed EOP-001-AB-2, then the following wording would appear in the

applicability section: "The operator of a generating unit, that portion of which, but for the exclusion of generating unit in the definition of transmission facility, would otherwise meet the criteria for being a transmission facility that is part of the bulk electric system."

3. Clarification was also requested by a stakeholder on how proposed EOP-001-AB-2 applied to industrial system designation facilities. In response to this stakeholder comment, the AESO replied that as a supplement to the reply provided in item 2 above, the applicability to industrial systems would be determined by assessing the bulk electric system transmission facilities operated by the industrial system against the applicability section of proposed EOP-001-AB-2, and in the AESO's opinion, there was sufficient information provided in the applicability section for the participant to determine whether or not proposed EOP-001-AB-2 applied to their facility. The AESO also indicated in its reply that the definition of "bulk electric system" stated that radial transmission facilities serving only load with one transmission source are generally not included.
4. A stakeholder asked if there are any circumstances or interconnection configurations in which the AESO could envision a generator connected via a radial line could still be considered a transmission facility operator and must comply with proposed EOP-001-AB-2. In response to this comment, the AESO replied it does not anticipate that there are any circumstances or interconnection configurations in which a transmission facility providing a radial connection between a generating unit(s) and the transmission system would be applicable to proposed EOP-001-AB-2. However, in the event of such a situation, the applicability section of proposed EOP-001-AB-2 would need to be revised to identify this exception.
5. A stakeholder recommended that the effective date be adjusted to align with the NERC standard. In response to this comment, the AESO replied that it agreed with the stakeholder and has revised the proposed effective date to January 1, 2014.

Other than a change to the effective date identified in item 5 above, no other changes have been made to Final Proposed EOP-001-AB-2b as a result of these stakeholder comments.

Additional Changes to the Final Proposed EOP-001-AB-2b

The AESO has re-numbered the Alberta standard as version 2b, following consultation with stakeholders on proposed EOP-001-AB-2 to align with NERC EOP-001-2b. The only difference between NERC EOP-001-2 and NERC EOP-001-2b is the inclusion of Appendix 1 and 2 in NERC EOP-001-2b. Furthermore, the interpretations contained in Appendix 1 and 2 of NERC EOP-001-2b do not align with the Alberta reliability framework. Accordingly, as NERC EOP-001-2b resulted in no changes to proposed EOP-001-AB-2, the AESO decided to align the numbering of Final Proposed EOP-001-AB-2b with NERC EOP-001-2b.

Forwarding Final Proposed EOP-001-AB-2b to the Commission

Pursuant to Section 19 of the *Transmission Regulation*, the AESO intends to forward Final Proposed EOP-001-AB-2b to the Commission on December 7, 2011, with the AESO's recommendation that the Commission approve Final Proposed EOP-001-AB-2b as an Alberta Reliability Standard.

Final Proposed EOP-001-AB-2b is proposed to be effective on January 1, 2014.

Attachments to AESO Reply

1. [AESO Replies](#) to the September 13, 2011 Stakeholder Consultation Letter, including stakeholder comments and blacklined version of the Final Proposed EOP-001-AB-2b; and
2. [Clean](#) copy of Final Proposed EOP-001-AB-2b.

Yours sincerely,

Original Signed By

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Attachments