

January 26, 2012

Dear Market Participants and Interested Parties:

Re: Letter of Notice – Consultation on Proposed Removal of Existing ISO OPP 803 SaskPower Emergency Assistance Energy (“ISO OPP 803 Removal”)

Pursuant to Section 2(1) of the Alberta Utilities Commission (“AUC” or “Commission”) Rule 017, the Alberta Electric System Operator (“AESO”) is providing notice and seeking feedback from market participants on the attached proposed [ISO OPP 803 Removal](#).

Applicability

The proposed ISO OPP 803 Removal applies to the Saskatchewan Power Corporation (“SaskPower”) and the AESO.

Summary of Existing ISO OPP 803

Existing ISO OPP 803 sets out the terms and conditions for provision of emergency assistance between the AESO, as the Alberta balancing authority and SaskPower, as the Saskatchewan balancing authority, to define the policies and procedures for the AESO system controllers; and the policies for the SaskPower system operator in meeting the requirements for the exchange of emergency assistance energy.

AESO Papers and Other Related Communications

On October 20, 2010, the AESO issued the [Proposed Rules Framework and Transition Approach for Market Rules discussion paper](#) setting out the AESO’s proposed phased approach for the redrafting and transitioning of the market rules and ISO OPPs.

On April 7, 2011 the AESO issued the [Transition of Market Rules – New Framework Transition Approach and Update on Status of the TOAD Project recommendation paper](#) finalizing its approach to redrafting and transitioning the market rules and ISO OPPs, including the transition of existing ISO OPP 803.

Summary of ISO OPP 803 Removal

The AESO is proposing to remove existing ISO OPP 803 in its entirety for the following reasons:

1. ISO OPP 803 was initially established to create transparency for AESO system controllers with respect to the general principles set out in operating agreements. In the AESO’s opinion, the procedures in ISO OPP 803 do not need to be reflected in ISO rules as the appropriate mechanisms for addressing emergency energy assistance are operating agreements if necessary, and through the Northwest Power Pool Reserve Sharing Program.
2. Proposed Alberta reliability standard EOP-001-AB-2 *Emergency Operations Planning* requires the AESO to establish operating agreements, if necessary, with adjacent balancing authorities for emergency assistance energy. The AESO has completed consultation on EOP-001-AB-2 and intends to file with the Commission in February 2012. EOP-001-AB-2 is proposed to come into effect January 1, 2014.

Information Document

A draft Information Document # 2012-002RS *Emergency Assistance Energy with Adjacent Balancing Authorities* ("ID 2012-002RS") has been created to retain transparency with respect to the general procedures for requesting and providing emergency assistance energy. In addition, the AESO proposes that those general principles be represented in the AESO's internal System Controller Procedure Manual.

[Click here](#) to view draft ID 2012-002RS or visit the AESO website at www.aeso.ca, and follow the path Rules & Standards > Draft Information Documents.

Request for Stakeholder Comments

Comments and suggestions on the proposed ISO OPP 803 Removal are encouraged.

Please use the attached comment matrix when submitting comments to the AESO on the proposed ISO OPP 803 Removal. The AESO's rationale for the proposed ISO OPP 803 Removal has been provided within the comment matrix. Only written comments will be considered in finalizing the proposed ISO OPP 803 Removal.

In keeping with the [AESO Principles for Consultation on ISO Rules Changes](#) please ensure that comments provided represent all interests within each stakeholder organization with respect to the proposed ISO OPP 803 Removal.

Please provide feedback or questions by **February 10, 2012** to Evelyn Kelly, (403) 539 - 2468 at rules_comments@aeso.ca

The AESO will be publishing all written stakeholder comments received for industry review in February 2012. Stakeholder comments received along with AESO replies will be published in February 2012.

AESO Reply to Stakeholder Comments

In accordance with Section 8 of AUC Rule 017, the AESO is required to provide a reply to stakeholder comments received regarding the proposed ISO OPP 803 Removal.

If no comments are received by the AESO regarding the proposed ISO OPP 803 Removal, the AESO will proceed pursuant to AUC Rule 017 to file the proposed removal of ISO OPP 803 with the Commission. The AESO will be expecting to file with the Commission in March 2012.

In accordance with Section 20.4 of the *Electric Utilities Act*, market participants, may object to ISO rules filed with the Commission within 10 days of the publication by the Commission of the notice of filing of the ISO rules.

Attachments to Letter of Notice

In accordance with Section 4 of AUC Rule 017, the following documents are attached to this Letter of Notice:

1. [Copy](#) of existing ISO OPP 803 *SaskPower Emergency Assistance Energy* ; and
2. Copy of the [comment-rationale matrix](#) for the proposed removal of ISO OPP 803.

Proposed Effective Date

The proposed effective date for the proposed ISO OPP 803 Removal is June 27, 2012.

Yours sincerely,

Original Signed By

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Attachments