



July 23, 2009

Posted on AESO website

Wind Forecasting Service Cost Recovery Working Group Members
AESO Stakeholders

Dear Working Group Member:

Re: Meeting Agenda for Wind Forecasting Service Cost Recovery Working Group

The first meeting of the Wind Forecasting Service Cost Recovery Working Group for the AESO's 2010 tariff application is scheduled as follows:

Time: 9:00 to 11:00 AM
Date: Thursday, July 30, 2009
Location: Meeting Room 2539, AESO Office, 330 – 5th Avenue SW, Calgary
Refreshments: Coffee, juice, and pastries

This working group includes the following members:

- Canadian Hydro: Sarah Kennedy
- ENMAX: Dan Chapman
- Greengate Power: Pablo Argenal
- Mainstream: Steven Xuereb
- Suncor: Sean LeBlanc
- TransAlta: Lauren Andre
- TransCanada: Chris Best
- AESO: Anita Lee, John Martin

If you intend to participate in the meeting by conference call, are unable to attend the meeting, or will be represented by an alternate, please let me know as soon as possible. TransCanada has already advised that they are unable to participate in this first meeting.

The agenda for the meeting is proposed to include the following items:

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|---|--|---------|
| 1 | Introductions | 9:00 AM |
| | <ul style="list-style-type: none">• Please indicate which stakeholders you represent | |
| 2 | Review agenda | 9:10 AM |
| 3 | Review draft working groups terms of reference | 9:15 AM |
| | <ul style="list-style-type: none">• Identify any concerns with or additional revisions to the terms of reference• Terms of reference will be finalized after this meeting | |

- 4 **Background for wind forecasting service cost recovery** 9:20 AM
- Please review the enclosed information before the meeting, if possible:
 - (a) [MOF Implementation Recommendation Paper – March 2009](#)
 - (b) [Final Recommendations Regarding Implementation of Market and Operational Framework \(MOF\) for Wind Integration in Alberta and AESO Response to Stakeholder Comments - June 18, 2009](#)
 - Is there other background that participants consider particularly relevant?
- 5 **Discuss options in wind power forecasting service cost recovery** 9:30 AM
- Who should pay for the wind power forecasting service cost? The Final Recommendation paper proposed that the cost is to be paid by wind power facility owners.
 - Should costs be recovered through the tariff or through an ISO fee? The AESO proposes a tariff basis as it is more transparent and easier to charge a subset of customers.
 - How should the payment be calculated?
 - Per wind power facility site, or
 - Per installed MW capacity, or
 - Per MWh of energy production, or
 - A combination of any of the above
 - Should the costs be levelized over a period of time? If so, what should be the appropriate period of time?
 - Costs are currently expected to be on the order of \$500,000 per year for the first few years of the program. How should variances of actual costs from forecast be addressed?
 - How do other jurisdictions such as California ISO and New York ISO deal with cost recovery of wind power forecasting service?
 - Other considerations?
- 6 **Follow-up required for next meeting** 10:45 AM
- Summarize what tasks need to be completed before next meeting and who will complete them
- 7 **Dates and times for next meeting(s)** 10:55 AM
- 8 **Adjourn** 11:00 AM

This agenda and all other printed information related to the Wind Forecasting Service Cost Recovery Working Group is available on the AESO's website at www.aeso.ca by following the path Tariff ► Current Consultations ► 2010 Tariff. The AESO appreciates stakeholders' participation in this consultation.

If you have any comments or questions on this consultation process, please contact me at 403-539-2497 or anita.lee@aeso.ca, or John Martin at 403-539-2465 or john.martin@aeso.ca.

Sincerely,

[original signed by]

Anita Lee
Director, Wind Integration

cc: John Martin, Director Tariff Applications, AESO