



AESO Reliability Committee (ARC) – Terms of Reference

Purpose

The AESO Reliability Committee (ARC) shall serve as a forum for owners, operators and users of the transmission system to provide advice to the AESO respecting standards, criteria, procedures, rules and processes regarding maintenance, security and reliability matters, and is being established in compliance with sections 5(3), 5(4) and 19(4)(a) of the *Transmission Regulation* (AR 86 / 2007). The committee will provide a high level industry perspective as opposed to detailed and specific comments on individual standards. In addition working groups will be set up to provide input to the detailed requirements contained within standards.

Committee Membership

The ARC will be chaired by the AESO and will be comprised of one senior person representing each of the following:

- Each Transmission Facility Owner (TFO),
 - AltaLink Management Ltd.
 - ATCO Electric Ltd.
 - ENMAX
 - EPCOR
 - City of Red Deer
 - City of Lethbridge
- Distribution Facility Owners (DFO)
 - one representative to be selected by DFOs
- Generation Owners
 - one representative to be selected by Generation Owners
- Customers who are industrial systems
 - one representative to be selected by industrial systems
- Customers who have made an arrangement under section 101 (2) of the EUA (i.e. direct connect customers), and
 - one representative to be selected by Direct Connect customers

And

- The AEUB (or successor organization)



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Process for selecting a representative for each sector of DFOs, Generation Owners, industrial systems, and Direct Connect customers

- AESO will send a request to DFOs, Generation Owners, industrial systems designees and Direct Connect customers, requesting nominations for their sector
- AESO will collect the names of those nominated and circulate the list asking for sector members to mark their first and second choice (to be used to break any tie votes)
- AESO will compile the votes received and notify each sector of the successful nominee who will become the representative of that sector
- The AESO may also appoint an individual if a representative is not identified as noted above.

Each representative will serve a two-year term which may be extended based on mutual consent between the AESO and the sector so represented.

Committee Scope and Duties

The ARC members will:

1. Provide advice respecting standards applicable to transmission facilities including:
 - AESO-developed standards and criteria,
 - performance standards,
 - reliability standards,
 - emergency and security standards and procedures,
 - reciprocal restoration agreements,
 - equipment sparing policies, and
 - NERC/WECC-developed reliability standards.
2. Provide advice respecting compliance/performance monitoring with standards including:
 - compliance monitoring processes,
 - dispute resolution,
 - violation/penalty enforcement, and
 - appeals processes.
3. Suggest improvements to processes, standards, practices and supporting business processes to ensure system reliability and performance.
4. Assist the AESO in establishing the form and content of annual reports to the EUB related to compliance with standards.
5. Represent their sector, and assist the AESO in fulfilling its public interest mandate.
6. Focus on technical matters as opposed to commercial matters, and consider input from an overall Alberta perspective that will create the most efficient and effective reliability practices and rules.
7. Establish terms of reference for working groups and commit resources to working groups, with additional working group members from companies engaged and added



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as required. Working groups will provide input to the development and review of NERC/WECC reliability standards and AESO-developed standards to be considered for approval in Alberta and to the creation of processes necessary to implement standards in Alberta including methods for identification of AESO and TFO/DFO/Generation Owner obligations/accountabilities for standards, monitoring mechanisms to verify compliance with Alberta-approved standards, and operational plans to ensure requirements of the standards are implemented. Timely and focused input is required. Working groups will generally comprise operational and engineering management who will provide direction and assign work as appropriate to their staff with technical expertise in the subject area (i.e. maintenance, protection and control, operations, etc.).

Terms of Engagement

1. Representatives must dedicate time to participate in committee meetings and review documents prior to meetings, and be able to commit resources from their organization who can participate in working groups as may be required.
2. Representatives must participate within the scope and duties as outlined above.
3. The input and work done by the committee and working groups will be used by the AESO to establish appropriate standards, processes and rules. The AESO will make decisions consistent with its mandate, policy and legislation considering the input and advice provided by the ARC. The rationale for decisions will be communicated.
4. The activities of the Committee and related documents, minutes, etc. will be communicated to the broader stakeholder audience by the AESO.
5. Comments provided to the AESO will be summarized in written form noting the contributor, and shared with all stakeholders (i.e. posted to AESO Website) unless this is not in the public interest due to confidentiality or security reasons.
6. A member or a representative of the ARC or member of any working group will not be precluded from participating in the AESO's Rules process or ultimately participating in any related AEUB proceeding.