



December 3, 2009

Dear Market Participants and Interested Parties:

**Re: Transmission Constraints Management:
Rule 9.4 Discussion Paper and Remedial Action Scheme Comment Response Matrix**

The Alberta Electric System Operator (AESO) is pleased to inform participants that we have posted two new documents to our website dealing with the topic of Transmission Constraints Management (TCM).

TCM: Rule 9.4 AUC Re-Filing Proposal

The TCM discussion paper is intended to advance dialogue and concepts related to TCM rules for real time constraint management. This new discussion paper contains a review of the Alberta Utilities Commission (Commission) Decision 2009-042¹ (“TCM Decision”) on the proposed TCM Rule 9.4 with a focus on the Commission directions to the AESO regarding the amendment and re-filing of the TCM Rule. The AESO would like to receive stakeholder comment on the discussion and proposals put forward in this paper to assist in finalizing a rule amendment consistent with the Commission directions.

The paper along with a [comment matrix](#) may be accessed by going to our website at <http://www.aeso.ca> and then following the path Market > Market Policy Implementation > Congestion Management.

All market participants and interested parties are encouraged to provide comments on the discussion paper to the AESO by January 15, 2010. Please email your completed comment matrix to gordon.nadeau@aeso.ca.

TCM: RAS in the Planning Stage Comment Response Matrix

The Alberta Electric System Operator (AESO) has posted a RAS Comment and Response Matrix to our website. The matrix contains the stakeholder comments received on the AESO Discussion Paper TCM: RAS in the Planning Stage² together with the AESO response to those comments. The matrix may be accessed by going to our website at

¹ Alberta Electric System Operator Objections to ISO Rule 9.4 Transmission Constraints Management April 9, 2009 (TCM Decision)

² AESO Discussion Paper Transmission Constraints Management: RAS in the Planning Stage July 3, 2009

<http://www.aeso.ca> and then following the path Market > Market Policy Implementation > Congestion Management.

The RAS consultation is proceeding in parallel with discussions with respect to the re-filing of TCM Rule 9.4 and ongoing related OPP revisions. The RAS discussion paper addressed TCM that may be identified during the interconnection process or through system and interconnection studies and contained a review of the AESO's use of Remedial Action Schemes (RAS) and the business practices that are applied in determining the assignment and operation of those schemes. The AESO will continue to consult with stakeholders regarding the development of RAS rules and practises.

TCM Implementation

As noted in the [July 21, 2009 AESO letter](#) any OPP 500 series amendments that are required to provide reliable service and accommodate new interconnections will, to the extent possible, be directionally aligned with the intended TCM protocol. The AESO notes that any OPP that is developed or proposed to be modified in the transition period prior to the TCM rule having been finalized, will be the subject of its own consultation process, and inherent in that will be the right of market participants to file an objection with the AUC.

Should you have any questions regarding the AESO's Transmission Constraints Management implementation plan or the two new TCM documents, please contact Gordon Nadeau 403-539-2568.

Sincerely,

"original signed by:"

Gordon Nadeau,
Market Design Specialist - Market Services

cc: Cliff Monar, Senior Vice-President, Market and Regulatory Services
Kelly Gunsch, Vice-President, Market Services
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