

10065 Jasper Avenue  
Edmonton AB T5J 3B1  
Canada



April 5, 2007

Ms. Laura Letourneau  
Alberta Electric System Operator  
2500, 330 – 5<sup>th</sup> Avenue S.W.  
Calgary, AB  
T2P 0L4

Dear Ms. Letourneau:

**RE: AESO Market and Operational Framework for Wind Integration in Alberta**

On March 7, 2007, the Alberta Electric System Operator (“AESO”) issued a Market and Operational Framework for Wind Integration in Alberta (“Wind Framework”) for stakeholder comment. EPCOR supports the AESO initiative to develop solutions that allow the 900MW wind generation threshold to be removed. EPCOR also supports the development of renewable energy sources, like wind, in Alberta consistent with the fair, efficient and openly competitive (“FEOC”) operation of the market and the reliable operation of Alberta’s electricity system.

The Wind Framework identifies the challenges associated with integrating incremental wind onto the power system and also proposes mitigating tools that can be used to manage these challenges. EPCOR believes there are several issues which need more detailed discussion and stakeholder consultation before the Wind Framework can be properly assessed. These issues include:

- Ensuring the optimum balance between the use of each of the mitigating tools proposed (forecasting, regulating reserves, load/supply following, power management) recognizing that these tools are substitutes for each other, from both mitigation and cost perspectives;
- The issue of cost allocation, bearing in mind the current Transmission Regulation, Transmission Policy, the balance between the use of the mitigating tools and the FEOC operation of the market, including ensuring a level playing field for access to the transmission system for all forms of generation;
- The forecasting accuracy obligation that will be placed on wind generators, when considered in the context of obligations on other forms of generation in Alberta, including the soon-to-be-implemented “must offer/must comply” obligations; and
- The AESO’s approach to transmission development in the south area of the province given that the AESO has identified concerns with and implications of removing the threshold and is working to resolve these issues.

EPCOR appreciates the opportunity to comment on the Wind Framework. Please call me at (780) 412-3940 if you have any questions or wish to discuss EPCOR’s comments.

Sincerely,

*“Original Document Signed”*

Sian Barraclough  
Manager, Regulatory Affairs

