



December 11, 2008

Dear Market Participants and Interested Parties:

Re: Final Alberta Reliability Standards (“Reliability Standards”):

- a) **BAL-001-AB-0a Real Power Balancing Control**
- b) **BAL-003-AB-0a Frequency Response and Bias**
- c) **BAL-006-AB-1 Inadvertent Interchange**

This is to advise you that the AESO Executive Rules Committee (“ERC”) has approved the above-captioned Reliability Standards. The AESO intends to forward and recommend that the Alberta Utilities Commission (“Commission”) approve these Reliability Standards as “reliability standards” pursuant to Section 19 of the *Transmission Regulation*.

The following grid is hyperlinked to provide assistance in directing you to the summary of the Reliability Standards and related attachments.

Rule Number	Description	Most relevant stakeholder interest
BAL-001-AB-0a	Real Power Balancing Control	TFOs and GFOs that own transmission facilities
BAL-003-AB-0a	Frequency Response and Bias	TFOs and Pool Participants
BAL-006-AB-1	Inadvertent Interchange	Balancing Authorities

The Reliability Standards were initially distributed for consultation on November 6, 2008. Please note that comments were not received from market participants on these Reliability Standards.

The AESO is expecting to submit the Reliability Standards to the Commission on December 18, 2008.

Yours sincerely,

Original Signed By

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Final LEVEL I Alberta Reliability Standards

Level I changes are changes that have a significant operational or financial impact on the industry or the AESO. These changes typically require working group input and/or extensive stakeholder consultation to implement an effective solution.

Alberta Reliability Standard - BAL-001-AB-0a Real Power Balancing Control	
Number/Name	Definitions BAL-001-AB-0a Real Power Balancing Control
Summary of Alberta Reliability Standard	The purpose of this reliability standard is to maintain Western Electricity Coordinating Council (“WECC”) steady-state frequency within defined limits by balancing real power demand and supply in real time.
Summary of Amendment	This new reliability standard is based on the United States Federal Energy Regulatory Commission (“FERC”) approved North American Electric Reliability Corporation (“NERC”) reliability standard titled BAL-001-0a Real Power Balancing Control.
Level	I
Explanation of Confidentiality	None
Proposed Effective Date	This new reliability standard is proposed to become effective on the date approved by the Commission.
AESO Contact	Operating Policy and Procedures, Anita Lee, anita.lee@aeso.ca , (403) 539-2497
Attachments	See attached. BAL-001-AB-0a – clean BAL-001-AB-0a Definitions http://www.nerc.com/files/BAL-001-0a.pdf



Alberta Reliability Standard - BAL-003-AB-0a Frequency Response and Bias

Number/Name	Definitions BAL-003-AB-0a Frequency Response and Bias
Summary of Alberta Reliability Standard	The purpose of this reliability standard is to provide a consistent method for calculating and Frequency Bias component of area control area (“ACE”).
Summary of Amendment	This new reliability standard is based on the United States Federal Energy Regulatory Commission (“FERC”) approved North American Electric Reliability Corporation (“NERC”) reliability standard titled BAL-003-0a Frequency Response and Bias.
Level	I
Explanation of Confidentiality	None
Proposed Effective Date	This new reliability standard is proposed to become effective on the date approved by the Commission.
AESO Contact	Operating Policy and Procedures, Anita Lee, anita.lee@aeso.ca , (403) 539-2497
Attachments	See attached. BAL-003-AB-0a – clean BAL-003-AB-0a Definitions http://www.nerc.com/files/BAL-003-0a.pdf



Alberta Reliability Standard - BAL-006-AB-1 Inadvertent Interchange

Number/Name	Definitions BAL-006-AB-1 Inadvertent Interchange
Summary of Alberta Reliability Standard	The purpose of this reliability standard is to define a process for monitoring the AESO to ensure that, over the long term, the Alberta Interconnected Electric System (“AIES”) does not excessively depend on other Balancing Authority Areas in the WECC for meeting its demand or Interchange obligations.
Summary of Amendment	This new reliability standard is based on the United States Federal Energy Regulatory Commission (“FERC”) approved North American Electric Reliability Corporation (“NERC”) reliability standard titled BAL-006-1 Real Inadvertent Interchange.
Level	I
Explanation of Confidentiality	None
Proposed Effective Date	This new reliability standard is proposed to become effective on the date approved by the Commission.
AESO Contact	Operating Policy and Procedures, Anita Lee, anita.lee@aeso.ca , (403) 539-2497
Attachments	See attached. BAL-006-AB-1 – clean BAL-006-AB-1 Definitions http://www.nerc.com/files/BAL-006-1.pdf