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VIA EMAIL

January 9, 2007
Mr. Kent McDuffie, V.P. Markets
AESO
2500, 330 5th Ave SW
Calgary, Alberta T2P 0L4

Dear Sir:

RE: AESO Alternatives To Quick Hits

Thank you for forwarding the AESO quick hits discussion paper. Unfortunately, I was out of the country when the stakeholder session was held on December 14, 2006, and consequently could not attend.

We will herein provide some general IPCAA comments on the discussion paper.

As we have done in the past, IPCAA reiterates its opposition to any kind of initiative designed to reconstitute pool price due to TMR initiatives by the AESO. We have explained the reasons for this position in previous correspondence, so will not repeat them here. IPCAA is opposed to any initiatives in this area as being unwarranted and not appropriate.

Obviously, more work needs to be done regarding imports setting the pool price. IPCAA recommends that the AESO initiate an open stakeholder process, possibly with specific terms of reference, objectives, etc, to discuss this matter further. IPCAA would be pleased to participate. The review and recommendations for a solution to this issue should be completed by the end of the first half of 2007.

Finally, it would also be useful to put any further market initiatives into the context of whether they are Alberta Energy market policy, or an AESO initiative, made pursuant to its legislative mandate.

Yours truly,

Dan Macnamara
DBM/adh
cc Colleen Fairhead, AESO

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