



September 9, 2009

Dear Market Participants and Interested Parties:

**Re: Proposal to Reject NERC Reliability Standards (“NERC Standards”):**

- a) **MOD-002-0 Review of TTC and ATC Calculations and Results**
- b) **MOD-003-0 Procedure for Input on TTC and ATC Methodologies and Values**
- c) **MOD-004-1 Capacity Benefit Margin**
- d) **MOD-005-0 Procedure for Verifying CBM Values**
- e) **MOD-009-0 Procedure for Verifying TRM Values**

This is to advise you that the Alberta Electric System Operator (“AESO”) is seeking feedback on its proposal to reject the above-captioned NERC Standards as Alberta Reliability Standards (“Reliability Standards”). After internal AESO approval, the AESO intends to submit a recommendation to reject these NERC Standards as Reliability Standards to the Alberta Utilities Commission (“Commission”) pursuant to Section 19 of the *Transmission Regulation*.

Please note that these NERC Standards are not applicable to any entity in Alberta.

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

<b>Reliability Standard Number</b>	<b>Description</b>
MOD-002-0	<a href="#">Review of TTC and ATC Calculations and Results</a>
MOD-003-0	<a href="#">Procedure for Input on TTC and ATC Methodologies and Values</a>
MOD-004-1	<a href="#">Capacity Benefit Margin</a>
MOD-005-0	<a href="#">Procedure for Verifying CBM Values</a>
MOD-009-0	<a href="#">Procedure for Verifying TRM Values</a>

Please refer to the attached summaries for more information on the NERC Standards.



The AESO would appreciate your comments and suggestions on the NERC Standards. Please use the comment matrix provided when submitting comments to the AESO. Click [here](#) to access the comment matrix for the NERC Standards. Only written comments will be considered in the recommendation to reject the NERC Standards as Reliability Standards.

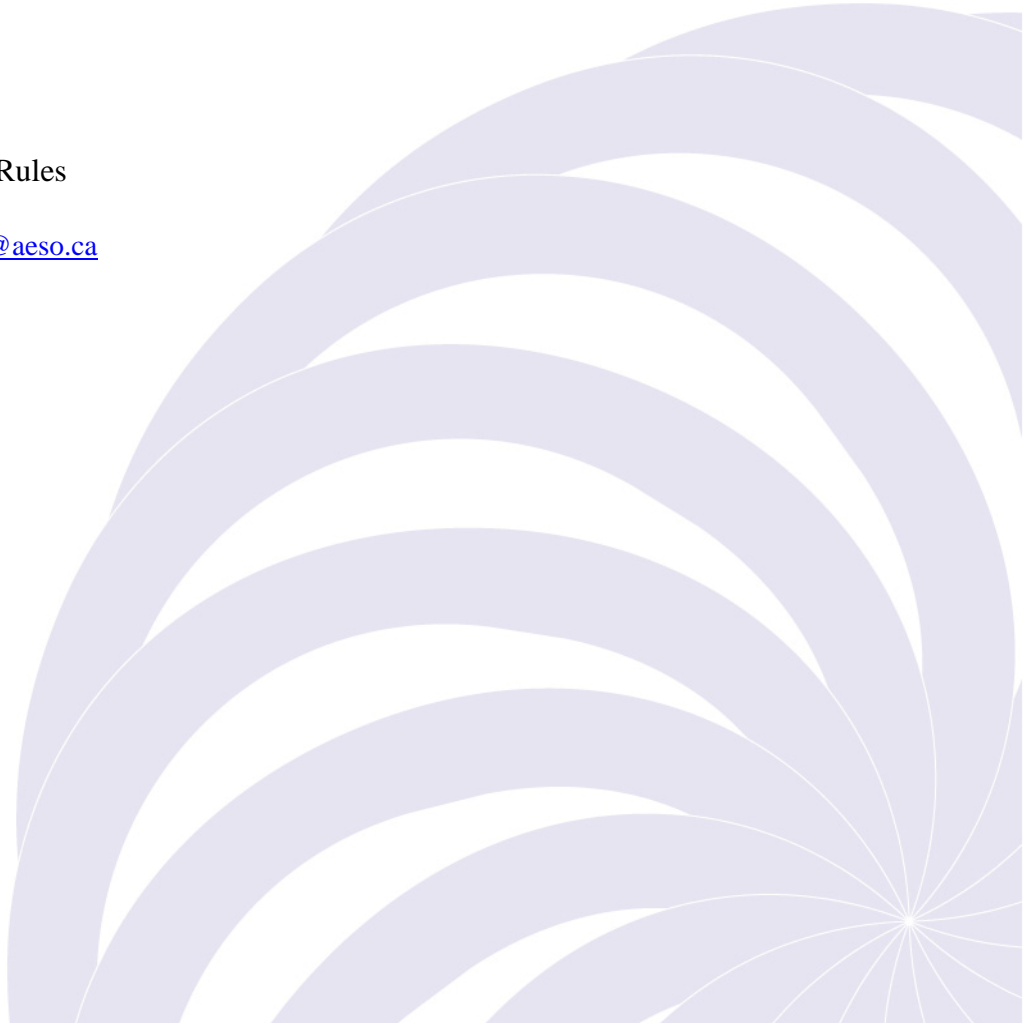
Please provide feedback or questions by **Friday October 9, 2009** to the *individual* identified as the “AESO Contact” in the attached Proposed Level I Changes.

The AESO will be publishing all stakeholder comments received for industry review shortly after the comment deadline. Stakeholder comments received along with AESO responses will be published with NERC Standards that are recommended to be rejected as Reliability Standards in November 2009.

Yours sincerely,

*Original Signed By*

Paul Glatthor  
Senior Coordinator, Rules  
Ph: (403) 539-2464  
E-mail: [paul.glatthor@aeso.ca](mailto:paul.glatthor@aeso.ca)





## Proposed LEVEL I Changes

Level I changes are changes that have a significant operational or financial impact on the industry or the AESO.

<b>NERC Standard</b>	
<b>MOD-002-0 Review of TTC and ATC Calculations and Results</b>	
<b>Number/Name</b>	MOD-002-0 Review of TTC and ATC Calculations and Results
<b>Description of NERC Standard</b>	To promote the consistent and uniform application of transfer capability calculations among Transmission Service Providers, the Regional Reliability Organizations need to review adherence to Regional methodologies for calculating Total Transfer Capability (TTC) and Available Transfer Capability (ATC).
<b>Reason for Rejecting as an Alberta Reliability Standard</b>	Applies to the WECC or the Vancouver Reliability Coordinator and not to Alberta market participants or the ISO.
<b>AESO Contact</b>	Manager, Operations Services, Jason Murray, <a href="mailto:jason.murray@aeso.ca">jason.murray@aeso.ca</a> , (403) 705-5230
<b>Attachments</b>	<a href="http://www.nerc.com/files/MOD-002-0.pdf">http://www.nerc.com/files/MOD-002-0.pdf</a>



<b>NERC Standard</b>	
<b>MOD-003-0 Procedure for Input on TTC and ATC Methodologies and Values</b>	
Number/Name	MOD-003-0 Procedure for Input on TTC and ATC Methodologies and Values
Description of NERC Standard	To promote the consistent and uniform application of transfer capability calculations among Transmission Service Providers, the Regional Reliability Organizations need to review adherence to Regional methodologies for calculating Total Transfer Capability (TTC) and Available Transfer Capability (ATC).
Reason for rejecting as an Alberta Reliability Standard	Applies to the WECC or the Vancouver Reliability Coordinator and not to Alberta market participants or the ISO.
AESO Contact	Manager, Operations Services, Jason Murray, <a href="mailto:jason.murray@aeso.ca">jason.murray@aeso.ca</a> , (403) 705-5230
Attachments	<a href="http://www.nerc.com/files/MOD-003-0.pdf">http://www.nerc.com/files/MOD-003-0.pdf</a>



**NERC Standard  
MOD-004-1 Capacity Benefit Margin**

<b>NERC Standard MOD-004-1 Capacity Benefit Margin</b>	
Number/Name	MOD-004-1 Capacity Benefit Margin
Description of NERC Standard	To promote the consistent and reliable calculation, verification, preservation, and use of Capacity Benefit Margin (CBM) to support analysis and system operations.
Reason for Rejecting as an Alberta Reliability Standard	Alberta entities do not use Capacity Benefit Margin to support analysis and system operations.
AESO Contact	Manager, Operations Services, Jason Murray, <a href="mailto:jason.murray@aeso.ca">jason.murray@aeso.ca</a> , (403) 705-5230
Attachments	<a href="http://www.nerc.com/files/MOD-004-1.pdf">http://www.nerc.com/files/MOD-004-1.pdf</a>



**NERC Standard**  
**MOD-005-0 Procedure for Verifying CBM Values**

Number/Name	MOD-005-0 Procedure for Verifying CBM Values
Description of NERC Standard	To promote the consistent and uniform application of Transfer Capability calculations among transmission system users, the Regional Reliability Organizations need to review adherence to Regional methodologies for calculating Capacity Benefit Margin (CBM).
Reason for Rejecting as an Alberta Reliability Standard	Alberta entities do not use Capacity Benefit Margin to support analysis and system operations.
AESO Contact	Manager, Operations Services, Jason Murray, <a href="mailto:jason.murray@aeso.ca">jason.murray@aeso.ca</a> , (403) 705-5230
Attachments	<a href="http://www.nerc.com/files/MOD-005-0.pdf">http://www.nerc.com/files/MOD-005-0.pdf</a>



**NERC Standard**  
**MOD-009-0 Procedure for Verifying TRM Values**

Number/Name	MOD-009-0 Procedure for Verifying TRM Values
Description of NERC Standard	To promote the consistent application of transmission Transfer Capability margin calculation among Transmission System Providers and Transmission Owners.
Reason for Rejecting as an Alberta Reliability Standard	Applies to the WECC or the Vancouver Reliability Coordinator and not to Alberta market participants or the ISO.
AESO Contact	Manager, Operations Services, Jason Murray, <a href="mailto:jason.murray@aeso.ca">jason.murray@aeso.ca</a> , (403) 705-5230
Attachments	<a href="http://www.nerc.com/files/MOD-009-0.pdf">http://www.nerc.com/files/MOD-009-0.pdf</a>