



April 10, 2008

To Alberta Utilities Commission (“Commission”)

**Re: Notice of Filing – Transmission Regulation AR 86/2007 Section 18
Rules - Long Lead Time Energy Dispatches and Directives**

The Alberta Electric System Operator (“AESO”) is filing ISO Rules pursuant to Section 20.2(1) of the *Electric Utilities Act* (“EUA”). The AESO is authorized to make ISO Rules in accordance with Sections 19 and 20 of the *EUA*.

Section 18 of the *Transmission Regulation* directs the AESO to make rules respecting directions given to owners of generating units requiring that the generating unit operate, exchange electric energy or provide ancillary services, or be made available to operate, exchange electric energy or provide ancillary.

The following grid is hyperlinked to provide assistance in directing you to the filed ISO Rules.

Rule Number	Description	Level	Most relevant stakeholder interest
G1 Definitions, ISO Rule 6, 8, Appendix 7	T-Reg Section 18 - Long Lead Time Energy Dispatches and Directives	I	All market participants

The AESO has complied with the filing requirements pursuant to Sections 13 and 14 of Commission Rule 017, which includes the following:

- a) Posting the [Letter of Notice](#) on the AESO web site on February 27, 2008, and distributing copies of the Letter of Notice to market participants who are on the AESO weekly stakeholder newsletter distribution list;
- b) Posting [comments](#) received in response to the Letter of Notice on the AESO web site on March 20, 2008, and distributing copies of the letter of notice to market participants who are on the AESO weekly stakeholder newsletter distribution list; and
- c) Posting [replies](#) to comments received on the AESO web site on March 27, 2008, and distributing copies of the letter of notice directly to market participants who provided comments and market participants who are on the AESO weekly stakeholder newsletter distribution list;



The AESO is proposing the ISO Rule be made effective upon completion of the pre-conditions to implementation outlined below:

- a) Update OPP 705 Short Term Adequacy Assessments,
- b) Upgrade or adjust supply adequacy report (as a result of updates to OP 705),
- c) Revise IT systems to remove the reference price limitation on Dispatch Down Service when DDS is used to offset long lead time volumes,
- d) Adjustment AESO settlement systems to enable payment and charges related to long lead time energy directives.

The AESO will provide notice to the Commission and market participants 20 business days before the desired effective date.

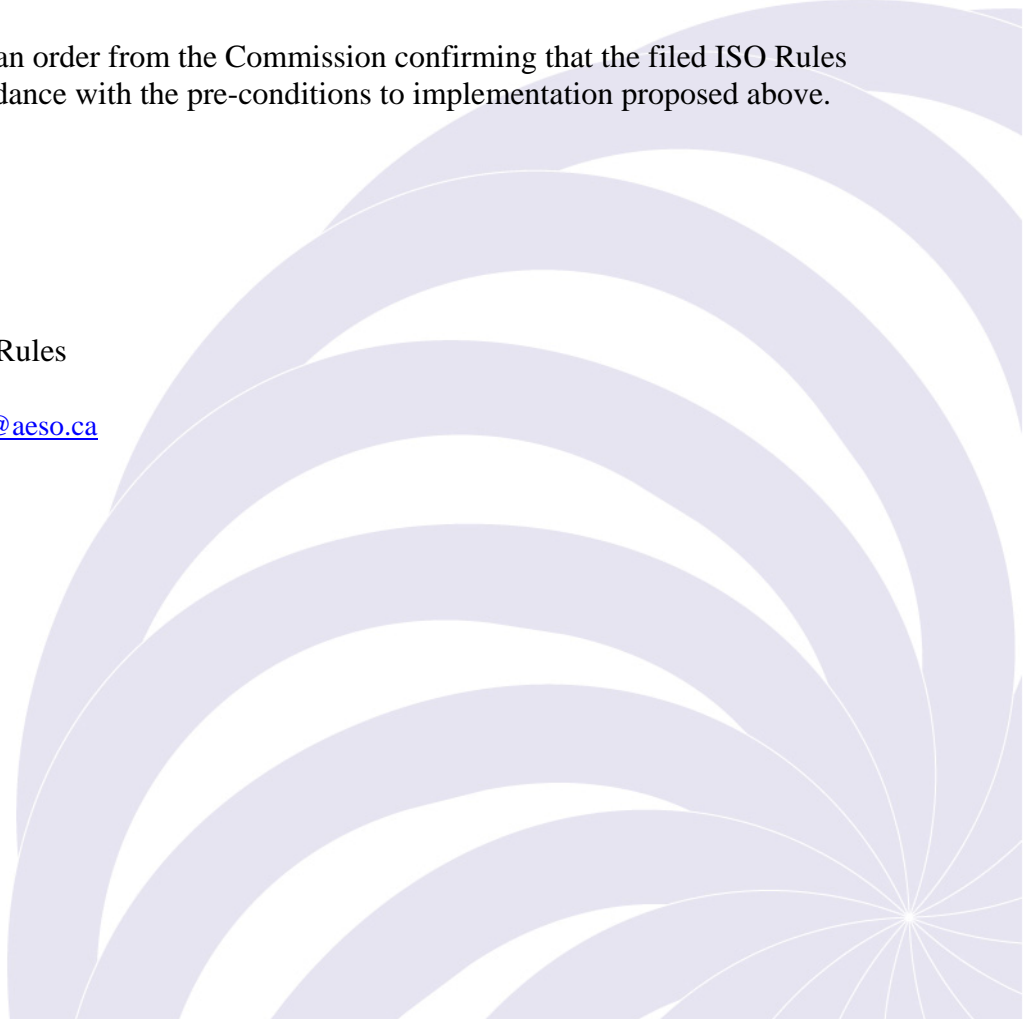
The AESO submits that the ISO Rules, as noted, have complied with Commission rules made under Section 20.9 of the *EUA*, are not technically deficient, supports the fair, efficient and openly competitive operation of the market and are in the public interest.

The AESO requests an order from the Commission confirming that the filed ISO Rules be effective in accordance with the pre-conditions to implementation proposed above.

Yours sincerely,

Original Signed By

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AESO Executive Rules Committee Approved Level I ISO Rule Changes

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.

T-Reg Section 18 Rules – Long Lead Time Energy Dispatches and Directives	
Rule Section/Number	<ol style="list-style-type: none"> 1. G1 Definitions – long lead time energy, long lead time generating asset 2. 6.3.5 Long Lead Time Energy Dispatches and Directives 3. 6.3.6.2 Conditions for Dispatch Down Service Dispatch 4. 6.3.6.3 Determining Dispatch Down Service Dispatch Quantity 5. 8.1.1 Settlement at Pool Price 6. 8.4.2 Final Pool Statement 7. Appendix 7 – Compensation For Long Lead Time Energy Directives and Generator Outage Cancellation or Re-Scheduling and Reporting
Reason for Change	<p>The purpose of the filed ISO rule changes is to implement the recommendations contemplated in the <i>AESO Recommendation Paper - Transmission Regulation Section 18</i> dated December 19, 2007. Certain recommendations were subsequently amended as a result of additional AESO and stakeholder consultation.</p> <p>Section 18 of the Transmission Regulation directs the AESO to make rules respecting directions given to owners of generating units requiring that the generating unit operate, exchange electric energy or provide ancillary services, or be made available to operate, exchange electric energy or provide ancillary services.</p>



	<p>The filed ISO rules contemplated herein are specific to such rules relating to long lead time energy dispatches and directives. For the purposes of a complete presentation of such rules and to ensure alignment with other filed ISO rules, certain references to the cancellation or re-scheduling of a generating asset’s outage are contained herein, but are to be considered independent. The numbering and titling of Appendix 7 should also be treated accordingly; specifically Section 2 is missing as it is part of other filed ISO rules.</p> <p>The revisions shown represent the changes to the rules from the draft version circulated by the AESO for stakeholder consultation to the final version approved by the AESO Executives Rules Committee.</p>
Confidential Provisions	None
Target Effective Date	Following completion of the pre-conditions to implementation outlined in the cover letter to this ISO Rule summary
AESO Contact	Market Services, Doug Simpson, doug.simpson@aeso.ca , (403) 539-2494
From (Current Rule)	To (Filed)
	<p>See attached: Long Lead Time Energy Dispatches and Directives Rules (blacklined)</p> <p>See attached: Long Lead Time Energy Dispatches and Directives Rules (clean)</p>