

Project Milestone Obligations

This document provides additional detailed information on the business practices associated with the AESO's Interconnection Process. The AESO notes that customers' rights and responsibilities are identified in the AESO's Terms and Conditions.

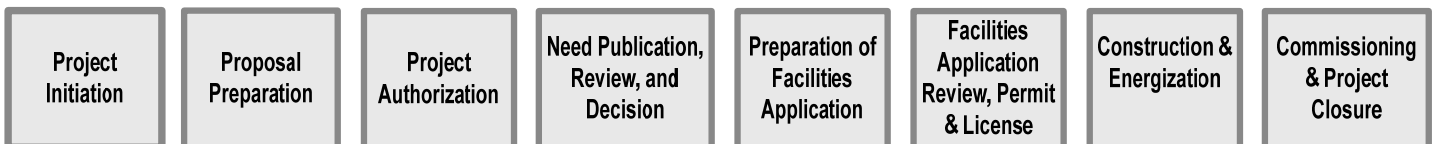
The following table sets out the key project milestones (“Milestones”), and associated obligations, which dictate how and when a customer interconnection project progresses through the AESO’s Interconnection Process. A high-level overview of this process can be found on the AESO website at www.aeso.ca.

Business Practice Objective: To facilitate efficient progression of interconnection requests; ensure reliable and non-discriminatory treatment of Customers; and fair and efficient assignment of work priority and transmission capacity.

The milestone obligations are based upon the following principles:

1. Preliminary Assessment Applications (“PAA”) will be used to establish queue position and to allocate transmission capacity and work priority to projects on a first come, first serve basis.
2. The AESO will work with the Transmission Facility Owner (“TFO”) in order to provide the customer with an Interconnection Proposal in a timely manner.
3. The AESO will work collaboratively with the customer and other industry participants (TFO, Distribution Facility Owners, Alberta Utilities Commission (“AUC”)), in an effort to achieve customer requested in-service dates.
4. Milestones are put in place in order to ensure projects progress at a reasonable rate. Customers are required to meet the Milestones in order to maintain queue position, work priority, and allocated transmission capacity.
5. Milestone obligations may be adjusted in the event that a system transmission reinforcement is required, which could delay the customer interconnection project’s in-service date.

The illustration below depicts the key process blocks within the Industrial Load/Generator customer interconnection process. A project is initiated with a PAA in the first block below.



The following table summarizes the Customer and AESO obligations within each process block. Consequences for missed Customer obligations are outlined. Reference to the cancellation of the interconnection application also includes the forfeit of the Customer’s application fee. In the event a customer decides to resume work following cancellation of the interconnection project, a new PAA must be submitted to the AESO and will be placed in the queue based on the new application date.

Process Block	Project Milestone Obligations	AESO Obligations
Project Initiation	<ul style="list-style-type: none"> Submit a PAA and fee. Associated technical data requirements submitted within 30 days of the PAA submission. 	<ul style="list-style-type: none"> Notify customer of deficiencies within 15 days of receipt of application.
	<ul style="list-style-type: none"> Resolve data deficiencies within 30 days of notification from the AESO. 	<ul style="list-style-type: none"> Application will be cancelled if the data deficiencies have not been resolved within 30 days of notification.
Proposal Preparation	<ul style="list-style-type: none"> There are no customer compliance obligations within this process block. 	<ul style="list-style-type: none"> The AESO will, using reasonable efforts, prepare the Interconnection Proposal within the timelines as outlined in the interconnection process. If the AESO is unable to meet the timelines as provided, the AESO will advise the customer of the reason for the delay and provide a revised timeline.
Project Authorization	<ul style="list-style-type: none"> Submit written authorization to proceed within 60 days of receipt of the Customer Proposal. 	<ul style="list-style-type: none"> Application will be cancelled if written authorization has not been received within 60 days of receipt of the Proposal.
Need Publication, Review and Decision		<ul style="list-style-type: none"> Notify the Customer of the technical data required to support the Need filing.
	<ul style="list-style-type: none"> Submit the technical data required to support the Need filing within 60 days of notification from the AESO. 	<ul style="list-style-type: none"> Application will be cancelled if the data required has not been received within 60 days of notification. Once data is received, AESO submits the Need Identification Document (NID) to the AUC.
Preparation of Facilities Application	<ul style="list-style-type: none"> Sign Construction Commitment Agreement with the TFO within 60 days of NIF approval from the AUC. 	<ul style="list-style-type: none"> Place application to the bottom of the queue if the CCA is not signed in specified time frame. Provide Functional Specifications for use in preparation of Facility Application Provide Direction Letter to TFO to file Facility Application
Facilities Application Review, Decision, Permit & License		<ul style="list-style-type: none"> Bill the Customer for the System Contribution (Generators only) and Customer Contribution prior to receipt of issuance of Permit & License (“P&L”).
	<ul style="list-style-type: none"> Pay the full Customer Contribution and the Generator System Contribution prior to the beginning of construction of the TFO facilities and no more than 90 days from receipt of P&L. 	<ul style="list-style-type: none"> Place application to the bottom of the queue if the outlined payments are not received in specified time frame. Ensure customer contribution is paid prior to construction.
Construction & Energization		<ul style="list-style-type: none"> Prepare the System Access Services agreement.
	<ul style="list-style-type: none"> Sign the System Access Services agreement 6 weeks prior to energization. 	<ul style="list-style-type: none"> Energization certificate is withheld if the System Access Services agreement is not signed 6 weeks prior to energization and can cause delays in in-service dates.

*All timelines are in calendar days.