



April 5, 2006

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Re: Market and Operational Framework for Wind Integration in Alberta

Dear Laura,

TransCanada Energy Ltd. (TransCanada) wishes to take this opportunity to provide feedback to the AESO on the March 26, 2007 Wind Stakeholders session and the Market and Operational Framework for Wind Integration in Alberta (MOF) published March 7, 2006. TransCanada supports the AESO in its efforts to resolve wind integration through stakeholder consultation.

The MOF fully and thoroughly details the range of actions and measures (mitigating tools) that the AESO has at their disposal to manage the variability of Wind Power Facilities (WPFs). TransCanada has no issue with the ordering of the mitigation tools or the allocation of the costs of those measures.

ISO rules will soon require that all generators Must Offer and Must Comply. TransCanada understands the linkage that the AESO makes in stating that for WPFs, "Must Forecast" is equivalent to "Must Offer". However, all generators also "Must Comply" and this requirement does not seem to carry forward to WPFs. This leaves WPFs with a level of responsibility that is not equivalent to that of the other generators. Other generators expend considerable energy and resources to schedule generation and maintain real-time dispatch. It is TransCanada's view that it is feasible to schedule wind power. Should the AESO not require WPFs to schedule and comply, it will result in an advantage for WPFs over other generators. Requiring WPFs to schedule would place the onus on WPFs to manage output in a manner consistent with all generators.

TransCanada requests that the AESO ensure all of the operational details of these measures are worked out before the threshold/cap is lifted. There can be significant differences in the system controllers' actions based on the information available, its interpretation and the standards put in place. This in turn can result in dramatic impacts on the energy market and its participants. TransCanada would be willing to participate or assist in any work groups that the AESO formulates to investigate and resolve these operational issues.

Should you wish to discuss any of this further, I can be reached at (403) 920-2081 or via e-mail (chris_best@transcanada.com)

Regards,

Chris Best
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cc: Ken Tate, TransCanada