



October 9, 2009

Garry Spicer,
Director, Security
Alberta Electric System Operator
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**Re: TransCanada Energy Ltd. (“TransCanada”)
Comments on Reliability Standard CIP-001-AB-01 (“CIP-001-AB-01”)
and Operating Policy and Procedure (“OPP”) 808**

Dear Garry,

Further to the Alberta Electric System Operator’s (“AESO”) notices of September 9, 2009 and September 10, 2009, TransCanada is submitting written comments in respect of the AESO’s proposed CIP-001-AB-01 and amendments to OPP 808.

TransCanada is concerned about the overlapping requirements of generation facility owners (“GFOs”) regarding sabotage reporting that are contained in both CIP-001-AB-01 and OPP 808. TransCanada submits this overlap creates uncertainty regarding the nature and extent of the obligations of GFOs in these circumstances. Further, as TransCanada expects that proposed amendments to the *Alberta Utilities Commission Act* will permit the assessment of penalties or offences for contraventions of both reliability standards and ISO Rules (including OPPs), the overlap of requirements between OPP 808 and CIP-001-AB-001 creates the potential for a duplication of penalties or offences for the same event of non-compliance.

TransCanada has participated in and contributed to the AESO’s Transition of Authoritative Documents (“TOAD”) initiative. Significant time and effort on the part of TransCanada, the AESO and other TOAD participants has been invested in an attempt to consolidate the AESO’s existing authoritative documents by subject matter so that there are no inconsistencies or overlap between them. TransCanada supports the principles of the TOAD initiative and believes that such principles should be applied to newly filed ISO Rules (including OPPs) and Reliability Standards.

Trans Canada submits that prior to filing with the Alberta Utilities Commission, CIP-001-AB-01 and OPP 808 should be revised and consolidated so that there is only one authoritative document regarding sabotage reporting. At a minimum, TransCanada recommends that s. 4.2 of OPP 808, which sets out the sabotage reporting requirements of GFOs and other market participants, be removed and incorporated, if required, into CIP-001-AB-01.

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

Original Signed by

Chris Best
Market Services, Western Power

cc: Kelly Gunsch, Vice-President, Market Services
Heidi Kirrmaier, Vice-President, Regulatory
Doyle Sullivan, Director, Regulatory Services
Jerry Mossing, Director, Operations
Jason Murray, Manager, Operations Services