



ENMAX Power Corporation
141 – 50 Avenue SE
Calgary, AB T2G 4S7
Tel (403) 514-3000
enmax.com

November 8, 2006

Bill Strongman
Director, Regional System Planning
Alberta Electric System Operator
Suite 2500, 330 – 5th Ave SW
Calgary, AB
T2P 0L4

RE: ENMAX Power response to 10 Year Transmission System Plan

Dear Bill,

ENMAX Power representatives attended the November 2, 2006 Stakeholder consultation. We appreciate the opportunity to provide the following comments on the Preliminary Draft – 10 Year Transmission System Plan and the presentation provided for stakeholders.

ENMAX Power supports the AESO's general direction that is charted in the Draft 10 Year Plan; however, as the wires provider to the City of Calgary ENMAX Power has the following concerns:

1. Load forecast and predicted growth rates for the City of Calgary
2. Identification of projects underway or expected in Section 5.2.3
3. Identification of system overloads and voltage violations in Section 5.2.4
4. Timing of system upgrades to address "Immediate Issues" that were highlighted in the stakeholder presentation
5. Lack of a plan to provide a South Calgary source substation

1. Load forecast and predicted growth rates for the City of Calgary

ENMAX has concerns that AESO has consistently and systematically under-forecast loading and load growth for the City of Calgary. As we have not been provided with the AESO's detailed load forecast, we are unable to comment on specific areas that are deficient. ENMAX believes that it would be beneficial for stakeholders to have visibility of forecasted loading and load growth rates for both the City of Calgary and the region as a whole.

Without knowing the exact growth rate that is used for the City of Calgary vs. the outlying areas, ENMAX can only comment that the 2.3% growth rate published in the Draft – 10 Year Plan is not sufficient for the City of Calgary when compared with historical and current growth. Over the last decade growth in the City of Calgary summer load peaks has averaged 3.19%. ENMAX contends that assuming that growth will decline in the future is a premature conclusion as growth in the City of Calgary continues to accelerate.

Another area of concern is the use of exclusively summer loading conditions for planning purposes. While ENMAX acknowledges that thermal overloads are more likely to occur during the summer months, we feel that the incremental amount of work to perform a load flow study using winter loading conditions is relatively minor. Given that the Calgary area is still a winter peaking area, ENMAX believes it would be prudent to test the transmission system against at least one winter load and generation scenario.

2. Identification of projects underway or expected in Section 5.2.3

AESO has identified “immediate issues” in the stakeholder presentation that do not have a corresponding project listed in Table 14, Section 5.2.3. Given that there is agreement between AESO and interested stakeholders that these are existing concerns, ENMAX requests that projects be initiated and timelines constructed to address the concerns. Specific areas of concern for ENMAX are:

- 936L / 937L overloading and separation of Calgary loads from the Langdon SVC under a Category C contingency involving the common structures for these circuits
- Inadequate 240/138 kV transformation at East Calgary Substation and large (0.05 pu) voltage swing at East Calgary Substation with a trip of 917L
- Existing and emerging Category B contingency violations involving the 138 kV transmission circuits supplying the Calgary Downtown Core

ENMAX recognizes that AESO has initiatives underway to mitigate the above violations (Bulk System Plan and Calgary Business District Study), however, ENMAX believes that it would be beneficial to list these projects as specific areas of study in the 10 Year Plan.

3. Identification of system overloads and voltage violations in Section 5.2.4

Based on the AESO published 2015 base cases, there are several Category B thermal overloads that have not been listed in Table 15 of Section 5.2.4.

Overloads not identified include:

- 11.83L with a trip of 39.82L
- 2.81L with a trip of 24.83L
- 23.80L with a trip of 24.83L
- 39.82L with a trip of 11.83L
- 11.83L with a trip of 22.81L
- 11.83L with a trip of Sarcee T1
- 11.83L with a trip of Sarcee T2

Overloads that may have been included in error:

- 11.81L with a trip of 39.82L

Voltage violations not identified:

- ENMAX 13S
- ENMAX 3S
- ENMAX 8S
- ENMAX 33S
- Additional violations occur at several substations with the loss of East Calgary T1, 24.83L, 2.81L, or 30.81L.

4. Timing of system upgrades to address “Immediate Issues” that were highlighted in the stakeholder presentation

ENMAX Power agrees with the AESO’s analysis of the “immediate issues” in the Calgary region. Specifically, the path from Langdon – Janet – East Calgary is a growing concern, as is the loading of the 240/138 kV autotransformer at East Calgary.

The 936L / 937L path a critical path for loads in the City of Calgary and the bulk transmission system in general. Currently the 936L / 937L path provides the connection between Calgary loads and the Langdon SVC, as well as the connection between the N-S 240 kV system and the Alberta – BC tie. In a post 500 kV transmission system this path will become even more critical as power that is forced on to the 500 kV system will have to travel along this path to reach the major load centers in Calgary via Janet Substation. From Janet Substation power will then need to flow along 917L to reach the other 240/138 kV source substations of East Calgary and Sarcee.

Given the criticality of this path in controlling Calgary area voltages and the AESO’s intention to use phase shifting transformers to push power on to the 500 kV system, ENMAX would like to see timelines developed for reinforcement these critical transmission paths.

Similarly, the single 240/138 kV autotransformer at East Calgary is currently supplying a large proportion of load located in the Calgary Downtown Core. Given the rapid load growth that is occurring in Downtown Calgary, ENMAX encourages the AESO to act proactively to ensure that adequate transformation is in place to supply the City of Calgary’s needs.

5. Lack of a plan to provide a South Calgary source substation

ENMAX Power Distribution Facilities Owner (DFO) has submitted the Need for two new PODs in south Calgary (No. 6 and No. 26 Substations). These substations are in the process of obtaining approvals and being constructed in the farthest southern reaches of the Calgary 138 kV transmission system. ENMAX DFO projections predict that an additional south Calgary POD will be required in 2015. This substation will be located beyond the area currently served by the Calgary 138 kV system.

A north to south voltage gradient exists in the Calgary 138 kV transmission system as voltages get progressively lower as the distance from the 240/138 kV source substations increases. ENMAX has concerns that this voltage gradient will soon exceed the voltage limits set out by AESO OPPs. This concern along with the voltage violations in the High River area point to the need for an additional 240/138 kV source substation and the associated transmission facilities to the south of Calgary.

ENMAX encourages the AESO to develop a plan to build a future south Calgary 240/138 kV Substation. Once a plan has been developed ENMAX believes that it would be prudent to acquire transmission right of ways as land in this area is under development.

ENMAX looks forward to working with the AESO to resolve these concerns. Should you have any questions feel free to contact me at (430) 514 2659.

Sincerely,



Brent Thesen, P.Eng.
System Engineer, ENMAX Power



November 10, 2006

Mr. Bill Strongman
Director, Regional System Planning
Alberta Electric System Operator
2500, 330 5th Ave S.W.
Calgary, Alberta T2P 0L4

Dear Mr. Strongman,

**RE: EPCOR response to AESO Proposed 10 Year Transmission System Plan 2007-2016
Presentation on November 2, 2006**

EPCOR Utilities Inc. ("EPCOR") would like to commend the AESO on the time and effort, to date, put into the development of the AESO's 10-Year Transmission System Plan ("Plan"). EPCOR attended the AESO's November 2, 2006, presentation on the Plan. After review of the November 2 presentation, the revised AMEC Americas Limited report entitled "Alberta 10 Year Generation Outlook" (AMEC Final Report), and the AESO's Future Demand and Energy Requirements report, EPCOR is pleased to provide the following comments.

EPCOR generally supports the work done to date but previously communicated several concerns in our September 15, 2006, letter on this issue. While some of these concerns were addressed satisfactorily in the recently released revisions and the AESO's responses to stakeholder questions and comments, some of our concerns remain outstanding.

Reserve Margin

First, EPCOR is pleased that the AESO has clarified that the use of a reserve margin is restricted to estimating the "likely total installed capacities in 2011 and 2016 for use in the Generation Outlook." EPCOR is still, however, concerned that the reserve margin threshold excludes tie-line capacity.

EPCOR would also like to reiterate our concern that the AESO's use of the reserve margin as a simplified proxy for market price signals may be of limited value. As mentioned previously, incremental generation investment decisions are based on investor forecasts of energy prices (including electricity, natural gas and coal) and general market conditions and growth expectations, not on a reserve margin metric published by the AESO. Investment response to price signals is a key feature of Alberta's energy only market.

Load Forecasting

The AESO's report Future Demand and Energy Requirements provides answers to some questions EPCOR asked in our September 15 letter, with respect to Conference Board of Canada assumptions for GDP growth, population growth and crude oil prices. However, it is not clear from this document what assumption has been used for natural gas prices, nor is it evident whether or not forecast electricity prices have been used to forecast future load. EPCOR suggests that any forecast of load is not complete without incorporating a forecast of electricity prices.

Further, EPCOR continues to remain concerned that the sensitivity analyses performed are based on subjective increases or decreases in forecast load, and are not based on more explicit assumptions of sensitivities of the inputs into the forecast.

Generation Scenarios

EPCOR is pleased that the AESO has adjusted the forecast of gas generation to accommodate EPCOR's Cloverbar project, assuming the current projected timelines.

EPCOR, however, has concerns, similar to those discussed in the Load Forecasting section, with respect to the lack of explicit assumptions in the generation scenario forecasting. As expressed in our September 15 letter, EPCOR believes that incorporating price assumptions in generation scenario development is crucial because investment in generation responds to forecast price signals (electricity, natural gas and coal), as well as forecasts of economic growth and market conditions. As with load forecasting, sensitivity analyses to changes in these assumptions should be undertaken. The AMEC Final Report references a forecast rate of GDP growth, however, it is not clear whether this is the same forecast GDP growth, from the Conference Board of Canada, used in the load forecast.

Further, it is absolutely crucial that the load forecast and generation scenario being compared share common and consistent assumptions. Unless the assumptions in both are consistent, it is inappropriate and inconsistent to compare the two. There has been no indication that the AESO has considered this concern, previously articulated in EPCOR's September 15 letter.

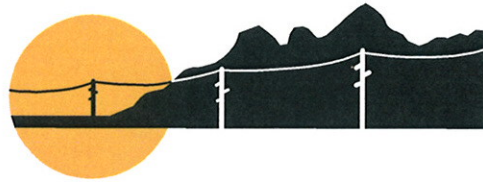
EPCOR appreciates the opportunity to provide comments on the November 2 presentation, the AMEC Final Report and the report Future Demand and Energy Requirements. Should you have any questions, please contact me at (780) 412 -3940

Sincerely,

<original signed by>

Sian Barraclough
Manager, Regulatory Affairs
EPCOR Utilities Inc.

MONTANA ALBERTA TIE LTD



November 10, 2006

Bill Strongman, P.Eng.
Director, Regional System Planning
Alberta Electric System Operator

Dear Mr. Strongman

Re: 10-Year Transmission System Plan

At the 10-Year Transmission Plan stakeholder meeting of November 2, 2006, you invited the stakeholders to submit comments and questions about the AESO's presentations.

Montana Alberta Tie (MATL) has the following comments.

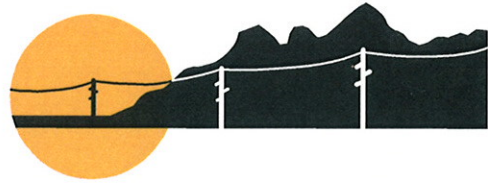
MATL believes that under the Transmission Regulations, the AESO has the mandate and the obligation to plan and design the electric system for safe, reliable and economic operation and to facilitate and enable a competitive and open energy market. MATL also understands that the AESO is required through legislation to restore the existing interconnections back to their design capabilities.

MATL believes that additional interconnections to Alberta will help the AESO in achieving their mandate to the benefit of the rate payers and consumers of Alberta.

Given this fundamental understanding, MATL is extremely concerned and formally requests an explanation as to why the AESO is not considering the positive impact of the MATL tie in both its long range plans and in its Southwest and Southeast regional re-enforcement studies. MATL is making significant system improvements for the AIES and these contributions are not being recognized by the AESO for the potential benefits that Alberta can extract from having merchant investment system improvements. Having made significant contribution to the AEIS, MATL finds it alarming that the AESO would arbitrarily choose to ignore the new MATL tie interconnection and its potential benefits when it comes to:

- Enhancing overall system reliability;
- Providing long term adequacy;
- Providing regional re-enforcement
- Enhancing interchange capability and
- Enhancing energy market competition.

MONTANA ALBERTA TIE LTD



Considering that the AEIS will have an additional path to another electric system, MATL feels it is improper for the AESO to plan southern Alberta transmission lines without the MATL interconnection being considered in the AESO studies.

MATL is also very concerned that the same symptoms that led to the degradation of the existing interconnections transfer capability are becoming evident for the MATL tie. MATL respectfully asks that the AESO recognize interties as an essential part of transmission reliability and market functionality, and take definite steps to ensure all ties are maintained to path rating capability.

As is evident in the 10 year presentation, there is clearly a real or perceived difference in the approach the AESO is taking to interties and what MATL believes is proper and reasonable system planning to meet mandated objectives. MATL welcomes the opportunity to meet with you and discuss in further detail our concerns.

Yours truly,

Mark Abraham, P.Eng.
Technical Manager
Montana Alberta Tie Ltd.
(403) 264-4465

Brandy

The following are comments of TransAlta with respect to the information presented on November 2, 2006 concerning the 10 Year Transmission Plan:

As the presentation by the AESO focused on (1) assumptions to be used in the study and (2) areas of concern by 2016, TransAlta's comments that follow only relate to the presentation and do not reflect the transmission plan that the AESO finally develops in the 10 year plan.

The Transmission Development Policy (TDP) Paper set out in its first foundation principle that: "Adequate transmission must be in place to support new generation. Transmission should not be a barrier to generation development - investors should be provided with certainty and confidence that transmission will be developed in a timely and adequate manner so that their product can be transported to market."

The presentation on November 2, 2006 documented significant areas of concern regarding inadequate transmission resources by 2016 through the NE cut plane, the SOK cut plane and the South cut plane. If the 10 Year Transmission Plan only addresses the areas of concern presented, the result may be a transmission system that continues to constrain options for adding generation. This would be contrary to the stated objective of the TDP. For example, significantly more coal fired generation is possible in the Lake Wabamun area than that identified in the 10 year plan assumptions, significantly more generation is possible in the NE area of the province than that identified in the 10 year plan assumptions and significantly more wind generation is possible in Southern Alberta than that identified in the 10 year plan assumptions.

TransAlta recommends that the AESO develop a 10 year transmission plan that is robust enough to allow for more generation development in each area than only that generation identified in the assumptions. The 10 Year Transmission Plan should facilitate generation development rather than dictate where generation will take place.

Bob Smith, P. Eng.
Manager, Regulatory Affairs
TransAlta Corporation



West WindEau Inc.
231 6th Avenue SE
Medicine Hat, AB
T1A 2S4
Ph. 403-526-0933
Fax 403-526-0221
www.westwindeau.com

November 10, 2006

Bill Strongman,
Director, Regional System Planning
Alberta Electric System Operator
2500 330 5th Ave SW
Calgary, Alberta
T2P 0L4

Dear Bill,

We would like to thank the AESO for holding the November 2, 2006 stakeholder consultation to review the transmission system evaluations that will form the foundation of the 10-Year Transmission Plan. The consultation provided an opportunity for the AESO to disclose its methodology and for stakeholders to provide constructive comments. Our comments here and in the attached Appendix will focus on the information presented on November 2 and the comments from stakeholders on the assumptions presented.

It would have been useful for the AESO to provide a summary and answers to the stakeholder assumptions and additional questions to the AESO prior to submitting these questions.

As previously stated to the AESO, in our September 15th Generation comments letter, the context of these comments are meant to focus the AESO on its obligations under section 4 and 8 of the Transmission Regulation. These sections require that the AESO plan the transmission system so that transmission is not a constraint in locating and operating generation or servicing load requirements. Importantly, these requirements apply universally to all types of generation and therefore it is important that any transmission plan is sufficiently flexible to accommodate changing market conditions and the associated range of generation mix this is plausible over the next 10-plus years.

In general West Windeau does not believe the AESO has begun the consultation process soon enough before the obligatory December submission deadline. The

opportunity to engage in constructive dialogue and provide a number of opportunities to engage the market have not been sufficient. By way of example on November 2nd most of the participants were under the impression that transmission solutions mitigating the “issues”, outlined in *previous AESO regional consultations ongoing since January*, were in fact going to be vetted. It is now been left to the proposed early December to accomplish this. Given the time of year when this will occur and the short duration left for the final “draft”, the document will in essence be presented as a “*fait de complé*” in early December. This will then place the venue for any modification of the 10-Year Plan to be done during the Need Application and ultimately at the AEUB, which is undesirable. In future the stakeholder engagement on the development of the 10-Year plan should begin much earlier than it has for this version.

Our additional comments specific to the draft 10-Year plan and the presentation on November 2nd of the transmission “assumptions and issues” are attached to this letter as Appendix A.

We trust that these comments will be useful to the development of the final draft of the 10-Year Plan. If you have any questions about the issues raised herein or wish to discuss these issues further please contact myself.

Regards,



Claude Mindorff

President

cmindorff@westwindeau.com

Attachment: Appendix A: Specific Questions and Comments on Final Draft 10-Year Plan

Appendix A: Specific Questions and Comments on Final Draft 10-Year Plan

Load growth

1. The *Future Demand and Energy Requirements (2006 to 2027)* document which describes the load forecast used in the 10 Year Plan shows AIES energy growing at 2.0% for 2006; on the other hand the historical AIL volumes from the Pool page shows a year-to-date growth (to end of October) of 3.8%. Recent bank forecasts estimate the real GDP in Alberta to be growing at nearly 7% for 2006 and over 4% for 2007. Accordingly, there is a significant concern that the AESO's starting point for the load forecast (both energy and peak) is too low and this will reflect on the load estimate for later years. The AESO is requested to revise its forecast to reflect current economic activity.
2. Table 1 of the Draft 10 Year Plan shows the system and regional load forecast for the 2006 and 2016 as well as the average annual growth rate. The growth rate for the South region is reported as 0.5%. No other region has a growth rate below 1.7%. This discrepancy appears to reflect on the historical balance of economic activity in the province and is not reflective of future regional growth. The AESO is requested to re-examine the regional load growth in the south and directly engage those southern communities in an examination of how its forecast compares to the forecast of the regional economic development agencies in southern Alberta.

Transparency and Clarity of Details

3. Throughout the draft document the AESO uses the Category A, B, C nomenclature. This practice creates confusion and lacks transparency as certain Category A base conditions begin with an element out of service such that the Category B event is really a two element outage instead of an single element outage. Therefore, to ensure clarity and transparency it is requested that the AESO clarify the outage conditions used in each case whenever it refers to a Category A, B, C, etc. event. This can be done by simply including a brief "N-1" or "N-2" or "N-1-G" etc. description as part of the event description.
4. Throughout the draft document the AESO provides a brief description of the generation and load assumptions used when evaluating a cut-plane or regional system stress. The AESO is asked to provide additional details surrounding the assumptions specific to each evaluation. This should include at a minimum response to the following: what generation units are assumed to be operating and how much output is provided by each and collectively? What assumption is made regarding load: is it at system

coincident peak, regional coincident peak and what is the level of consumption in MW terms? An example of where the lack of details creates confusion and a lack of transparency is in section 4.3 (“The Situation Today”). There a number of violations of the criteria are reported yet is it not clear whether these violations are based on “today’s” generation and peak load or the 2016 generation? Additionally, it is not clear when loading conditions are used whether they are consistent with the seasonal generation capability and whether they are coincident with system or regional peaks, non-coincident, nor the level as measured in MWs.

5. Please include in the form of a table summary the criteria violations by element for each load and generation scenario cases used to study each cut-plane. (Section 4.5)

Section 4.3 The Situation Today

6. Please provide details regarding the thermal limit violations on the South cut-plane under section 4.3.4. Which lines are thermally overloaded? How much wind generation is required to create the thermal violations? Does the location of wind generation change the impact on thermal violations?
7. Section 4.3.5 discusses the A/BC inter-tie and path limit. The text states the limit at 800 MW (735 after TRM deduction), Figure 8 states the path limit at 700 MW; which is it? The A/BC inter-tie is further limited for operational reasons. To avoid confusion it is requested that the AESO provide further details to explain the operational limits of the tie and how this compares to the planning limits.
8. Section 4.3.6: Please provide the A/Sk inter-tie path limit for exports. Figure 8 suggests it is 150 MW but the tie has not been operated at this level for several years. The regional section identifies a limit of 60 MW. Please clarify.

Section 4.5 Areas of Concern by 2016

9. Section 4.5.1 identifies four different loading conditions, all of which are variations of Summer conditions. Please clarify whether the AESO has used Winter load conditions in any of the case studies. If this is the case, please explain why the AESO is no longer planning for winter peak load conditions.
10. Does the work behind the 10 Year Plan examine the system conditions for each year from 2006 to 2016, or does the work only look at the system conditions in the year 2016? If the work examines the system conditions for each year, please include in the summary discussion of section 4.5 a table or chart that shows when the first year in which cut-plane transfer limits are violated (for each cut-plane).

11. Section 4.5.1.3 and 4.5.1.5. Please provide a discussion of the incremental impact on the SOK cut-plane limit and the Path 1 (A/BC Inter-tie) limit due to southern generation. For example, does the limit increase by 1 MW for each 1 MW of Southern generation. Describe whether the incremental impact is different at different set points and different generation sources, i.e. what factors affect the impact? Please provide this information in graphical or tabular form showing the impact at various ranges of southern generation and path loading.
12. Why is Figure 13 based on “spring night time high export” when the loading scenarios reported in section 4.5.1 indicate only “summer conditions”.
13. Section 4.5.1.5 estimates the level of export constrained off if the path limit of 700 MW is not increased. Please explain whether the AESO has undertaken a detailed analysis of export markets and is forecasting the economically viable level of exports relative to the price of energy in Alberta? If the AESO has not conducted an economic study of export market please explain how the AESO has derived an estimate of curtailed exports; please show all assumptions.
14. Section 4.5.1.5. Please provide further clarification on the increase in the A/BC path rating from 700 to 1000 based on “work underway”. What is the “work underway”? Is it different than the N-S 500 kV upgrade? Even with the 500 kV upgrade, is it not the case that A/BC transfers will be limited by post-contingency frequency violations? Please explain why the reasons that limit the A/BC tie to 700 MW will be removed when the 500kV is installed and operational (or the “work underway” is complete)?
15. Will the AESO establish a priority to resolving cut-plane limits based on the cut-planes that see the most violations across all the generation scenarios? How will the AESO establish a priority for resolving the cut-plane limits?

Section 5 Regional Transmission plans

16. Section 5.1.2. The AESO states that the South region load is forecast to grow at 0.5%. Please corroborate this forecast with information from the economic development agencies of southern Alberta.
17. Since the load forecast is unusually low relative to the rest of the province, please conduct a scenario using a load forecast of 2% or more per annum (as requested above). What affect does this have on the “issues” and “alternative developments”?
18. The AESO is aware through discussions and submissions to the AESO from energy developers in the South of more than 2000 MW of wind projects seeking to interconnect in the Southeast region. Please explain why the generation

scenarios for the South region (Table 9) does not include at least one scenario in which there is at least 2000 MW of wind generation interconnection in the Southeast.? The AESO is requested to add a scenario in which there is at least 2000 MW of wind generation in the southeast, report on the areas of concern and the conceptual plans under this scenario. If the AESO is unwilling or unable to conduct such a scenario than it is requested to demonstrate how the proposed conceptual plan will be sufficiently robust to accommodate at least 2000 MW of wind generation in the southeast.

19. Section 5.2.4, Table 15. Under scenario 1a + wind and scenario 2a + wind, the table reads, "*The existing transmission system is not capable of accommodating this generation without additional reinforcement from*" No such comment is made in relation to Scenario 1a or 2a. Does this mean that the AESO is prepared to operate the transmission system without addressing the thermal limits observed under scenario 1a and 2a? Why is there a specific comment related to the 1a+wind scenario that expresses an inability to operate the transmission system yet no such comment is made for the 1a scenario, even though thermal and voltage limits are present? Is the AESO prepared to leave known thermal and voltage limits unaddressed? Please provide a table of the overloaded elements for each of scenario 1a+wind and 2a +wind.

20. One possible solution to the issue of integrating wind generation into Alberta is to couple wind facilities with storage facilities such as large hydro, pumped-hydro or compressed air energy storage (CAES). The AESO is requested to include a generation scenario where 3000 MW of wind is added along with one or more storage facilities in southern Alberta. The scenario should discuss the ability of the South cut-plane to manage transfer to Calgary, Central Alberta and the A/BC and A/S inter-ties. Additionally, please discuss how the south cut-plane and south region plans would change if wind facilities are coupled with storage.

21. Section 5.5.4.2. The AESO says in this section:

"Planning for a transmission system that is capable of handling the full range of all contracted DTS and STS will result in large capital investments. On the other hand planning for only the high load factor DTS and STS contracts can result in congestion and possible violation of the AESO's Reliability Criteria. **The solution is to find the most likely maximum load and supply scenarios that the Fort McMurray region will experience during the next 10-Years.**" (emphasis added)

- a) Please provide some clarification as to what the AESO means by "*finding the most likely maximum load and supply scenarios*"? How is this different than using the 11 generation and 4 load scenarios? Will the AESO select only one scenario of them all and commit to a plan based on only one scenario?
- b) Please explain if the AESO proposes to use a probabilistic approach to planning for the NE region. How will the AESO calculate the probabilities

of load and generation? What percentage of events will go un-served or fall outside acceptable reliability criteria; e.g. the AESO will plan so that the reliability criteria will be expected to be met 99% of the time and that in the remaining 1% of the time the AESO will require RAS schemes to maintain reliability?

- c) Once the AESO has provided greater clarity on how it proposes to use the load and generation scenarios or probabilities to plan for the NE region, please describe how this approach is permitted under the Transmission Policy and Transmission Regulation.

Major Interties

- 22. Section 5.6.4.2 mentions the possibility of a 500 kV line from Fort McMurray to the NE region (Wesley Creek 834S) and on to the Peace River dams in BC. The possibility of a second inter-tie with BC has implications that are far broader than the NW and NE region. The AESO is therefore requested to provide full disclosure on its plans for a second BC inter-tie and a full discussion of the impact such will have on the transmission system.
- 23. Additionally, it is requested the 10 Year Plan include a separate section that is focused directly on the potential inter-tie upgrades or additions including the options for a second A/BC tie, the options for a second A/Sk tie and the impact of MATL as well as any further inter-ties with the US grid, such as Northern-Lights. Given the importance of the 10 Year Plan in orientating all stakeholders to the potential transmission developments in the next 10 years it is imperative that stakeholders be provided full transparency to such plans. Finally, the scenarios lack any consideration of the impact and influence of external markets. Clearly, different levels of imports and exports will affect the willingness (or not) to build generation facilities in Alberta and to this extent the transmission reinforcement scenarios underpinning the 10-Year Plan should examine the impact of varying levels of inter-jurisdictional transfers.

Unrelated Generation Question:

- 24. In reviewing the 10-Year generation plan why were additional storage options not considered in the scenarios that may be developed inside Alberta such as Compressed Air Energy Storage, Pumped Hydro etc that may be incorporated in the large scale solution to wind variability and actually enhance the capacity value for renewables?