

December 21, 2022

To: The Market Surveillance Administrator, Market Participants, and other Interested Parties (“Stakeholders”)

Re: **Alberta Electric System Operator (“AESO”) Responses to Stakeholder Comments on the following:**

- 1) **Proposed final amended Section 306.7 of the ISO rules, *Mothball Outage Reporting* (“Section 306.7”);**
- 2) **Proposed final amended Section 2.4 of the ISO Tariff (“Section 2.4”); and**
- 3) ***Consolidated Authoritative Document Glossary Definitions - “mothball outage” and “supply transmission service”.***

**(collectively, the “Proposed Mothball Rule Amendments”).**

On August 25, 2022, the AESO requested Stakeholder written comments on the Proposed Mothball Rule Amendments. On September 22, 2022, the AESO posted the comments received from Stakeholders.

### **AESO Replies to Stakeholder Comments**

In accordance with Alberta Utilities Commission (“Commission”) Rule 017, *Procedures and Process for Development of ISO Rules and Filing of ISO Rules with the Alberta Utilities Commission*, the AESO is providing replies to Stakeholder comments on the Proposed Mothball Rule Amendments. The AESO’s responses to comments, including the AESO’s rationale or basis for its position, and an explanation for why certain positions were rejected or accepted, are set out in the *Stakeholder Comment and AESO Response Matrix*.

The AESO would like to thank Stakeholders for their continued participation in developing the Proposed Mothball Rule Amendments. Through its review of Stakeholder comments, the AESO identified that subsections 2(3), 4, and 6 in the version of Section 306.7 posted on August 25, 2022 did not: (i) match the design recommendation to align notification timelines for returning a mothball asset to service with the minimum time needed to return the asset to service and (ii) fall within the scope of the waiver allowance in subsection 2(3). The AESO’s intention was to provide pool participants with flexibility to request an exception to notification periods through the existing waiver provision in subsection 3(3) of the current version of Section 306.7, if reasonable under the circumstances. A detailed description of the inconsistencies and gaps in the August 25, 2022 version including the corrections is in AESO Reply #21 in the *Stakeholder Comment and AESO Response Matrix*.

In addition, since receiving Stakeholder comments in August, the AESO took the time to explore alternative options to address implementation concerns raised by Stakeholders on the transmission access issue. A description of the alternatives considered, and why they were untenable, is described in AESO Reply #15 in the *Stakeholder Comment and AESO Response Matrix*.

In balancing the interests involved, the AESO concluded that mothball outage design proposed in the Design Document remains the most reasonable path forward. The AESO notes the following additional administrative revisions to the Proposed Mothball Rule Amendments:

- (a) Subsection 2(1)(b) is removed as the Energy Trading System is being upgraded to facilitate specific mothball outage reporting, as consulted on with Stakeholders and recommended in the *Options and Recommendations Paper*.
- (b) Subsections 3(1) and 4(2)(a) are revised to address grammatical errors identified by Stakeholders.
- (c) In response to Stakeholder comments, subsection 3(3) is reverted to the original rule language to maintain the description of what a legal owner is expected to attest to.
- (d) Subsections 5(4) and 6(2)(a) contain minor editorial changes to improve drafting.
- (e) Subsection 10(a) was revised to correct subsection references.
- (f) The definition of “mothball outage” is revised to incorporate Stakeholder suggestions.

### **Application for Approval of the Final Proposed Mothball Rule Amendments**

The AESO expects to submit its application for approval of Section 306.7 with the Commission between late January and early February, 2023.

### **Related Materials**

The following documents can be accessed on the Stakeholder Engagement page on the AESO website:

1. *Stakeholder Comments and AESO Response Matrix* on the Proposed Mothball Rule Amendments;
2. Blackline copy of Section 306.7 – Effective to Final;
3. Blackline copy of Section 306.7 – Consultation to Final;
4. Clean copy of Section 306.7;
5. Blackline and clean copies of the proposed draft amended Section 2.4 of the ISO tariff; and
6. Blackline and clean copies of the proposed draft changes to the “mothball outage” and “supply transmission service” definitions.

If you have any questions, please submit them to [rules\\_comments@aeso.ca](mailto:rules_comments@aeso.ca).

Sincerely,

*Jackie Gow*

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