

March 6, 2018

To: Market Participants and Other Interested Parties

Re: **Alberta Electric System Operator (“AESO”) Reply to Market Participant Comments – Proposed New ISO Rule and Removal of Existing Operating Policy and Procedure:**

- a) **Proposed New Section 304.8 of the ISO rules, *Event Analysis* (“Section 304.8”); and**
- b) **Proposed Removal of Existing Operating Policies and Procedure 1304, *System Event Monitoring and Disturbance Reporting* (“OPP 1304”)**

On August 29, 2017 the AESO issued a [Letter of Notice](#) regarding the proposed Section 304.8 and removal of existing OPP 1304, and requesting market participant comments on the same.

The AESO made amendments to the proposed Section 304.8 in response to market participant comments received, which are reflected in the attached blackline.

In addition, the AESO made clarifying amendments to the proposed Section 304.8 as follows:

- subsection 7 was amended to remove subsection 7(4)(b) and clarify subsection 7(5)(b) in order to consolidate all notification requirements into subsection 7(5); and
- category 1(e)(ii) in Appendix 1 was amended to clarify that the loss of communications from supervisory and data acquisition remote terminal units is category 1 event for a substation rated 69 kV and above.

AESO Replies to Market Participant Comments

On September 27, 2017 the AESO posted [written comments](#) received regarding the proposed Section 304.8 and removal of existing OPP 1304. In accordance with Section 8 of Alberta Utilities Commission (“AUC” or “Commission”) Rule 017, the AESO is providing replies to market participant comments. The AESO’s replies to comments, including the rationale or basis for the position of the AESO that explains why certain positions were rejected or accepted, are set out in the attached Market Participant Comment and AESO Replies Matrix.

Filing of the Final Proposed New Section 304.8 and Removal of Existing OPP 1304

The AESO expects to file the final proposed Section 304.8 and removal of existing OPP 1304 with the Commission on March 27, 2018. If market participants or interested parties have comments regarding any of the amendments to proposed Section 304.8, reflected in the attached blackline, please provide written comments no later than March 20, 2017 to rules_comments@aesoc.ca.

In accordance with Section 20.4 of the *Electric Utilities Act* (“EUA”), market participants may object to an ISO rule filed with the Commission within ten (10) days of the publication of the Notice of Filing.

In accordance with Section 20.3 of the EUA, if no notice of objection is filed under Section 20.4, the final Section 304.8 and removal of existing OPP 1304 are proposed to become effective on April 30, 2018.

Attachments to AESO Reply Letter

The following documents are attached:

1. [Market Participant Comments and AESO Replies Matrix](#) on the proposed Section 304.8;
2. [Blackline](#) and [clean](#) copies of the final proposed Section 304.8;
3. [Market Participant Comments and AESO Replies Matrix](#) on the proposed removal of existing OPP 1304; and
4. [Clean](#) copy of existing OPP 1304.

If you have any questions, please contact the undersigned.

Sincerely,

"Maria Gray"

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Attachments