

June 27, 2017

[Notified Market Participant]

[Notified Market Participant Address]

Attention: **[Notified Market Participant Primary Contact]**

Dear **[Notified Market Participant Primary Contact]**:

Re: **Need for the Irma Wind Power Project Connection in the Irma Area**

The Alberta Electric System Operator (AESO) would like to advise you that Irma Wind LP, by its General Partner Irma Wind GP Inc., has applied for transmission system access to connect its proposed Irma Wind Power Project (Facility) in the Irma area. A copy of the AESO Need Overview document is attached for your information. The AESO Need Overview describes the AESO's proposed transmission development to connect the Facility and the AESO's next steps, which includes submitting a needs identification document (NID) application to the Alberta Utilities Commission (AUC) for approval.

The purpose of this letter is to advise you that during preparation of the AESO's NID, the AESO identified that, under certain abnormal (Category B) system conditions, the operations of the **[Notified Market Participant Facility]** may be affected following the connection of the Facility.

Connection Assessment Findings

A connection assessment was carried out by the AESO to assess the transmission system performance following the connection of the Facility. This assessment did not identify any system performance issues under normal (Category A) system conditions. However, the connection assessment identified the potential for a system performance issue that may arise under certain Category B system conditions.

To mitigate this identified system performance issue, namely a potential transmission constraint, a new remedial action scheme (RAS) is being proposed. It is anticipated that the requirement for the proposed new RAS will be removed by the Provost to Edgerton and Nilrem to Vermilion Transmission System Reinforcement (PENV) project.¹ The target in-service date for the PENV project is Q1 2021 and the planned in-service date for the Irma Wind Power Project Connection is July 1, 2019.

Transmission Constraint Management

The AESO manages transmission constraints in accordance with the procedures set out in Section 302.1 of the ISO rules, *Real Time Transmission Constraint Management* (TCM Rule). When applied, the TCM Rule could result in the AESO issuing directives for curtailment to source assets that are effective in managing a constraint.

¹ The PENV project was filed with the AUC on December 12, 2016 in Proceeding No. 22274 and Application No. 22274-A001.

The connection assessment has identified nine source assets, including the **[Notified Market Participant Facility]**, that are effective in mitigating the potential transmission constraint. These effective source assets could be curtailed to manage the potential transmission constraint under certain Category B system conditions.

Based on the existing transmission system and connections in the area, the Facility is the most effective source asset to mitigate the potential transmission constraint. The other source assets, including the **[Notified Market Participant Facility]**, are much less effective.

For Further Information

The complete connection assessment will be included in the AESO's NID. Once filed with the AUC, the NID will be posted on the AESO website at: <https://www.aeso.ca/grid/projects/irma-energy-connection/>

If you have any questions or concerns, please contact the AESO at 1-888-866-2959 or stakeholder.relations@aeso.ca

Yours truly,

Jennifer Vollmer
Communications

Attachment: AESO Need Overview