

May 8, 2017

To: Market Participants and Other Interested Parties

Re: **Consultation Letter – Proposed New and Amended Alberta Reliability Standard Definitions:**

- a) New “emergency rating” Definition;
 - b) New “equipment rating” Definition;
 - c) New “normal rating” Definition;
 - d) Amended “facility rating” Definition; and
 - e) Amended “system operating limit” Definition
- (collectively referred to as the “new and amended FAC-008-AB-3 definitions”)

Section 19 of the *Transmission Regulation* requires the Alberta Electric System Operator (“AESO”) to consult with market participants likely to be directly affected by the AESO’s adoption or making of Alberta reliability standards, and also requires the AESO to forward the proposed Alberta reliability standards to the Alberta Utilities Commission (“AUC” or “Commission”) for review along with the AESO’s recommendation that the Commission approve or reject them.

Consistent with the AESO’s drafting principles for authoritative documents, the AESO has determined that it is appropriate for defined terms used in the Alberta reliability standards to go through the same consultation process as the Alberta reliability standards themselves. Accordingly, the AESO is providing notice and seeking comments from market participants on the attached proposed new and amended FAC-008-AB-3 definitions.

Background

Proposed new Alberta Reliability Standard FAC-008-AB-3, *Facility Ratings* (“new FAC-008-AB-3”) was developed based on the North American Electric Reliability Corporation reliability standard FAC-008-3, *Facility Ratings*. The purpose of proposed new FAC-008-AB-3 is to ensure that facility ratings used in the reliable planning and operation of the Alberta transmission system are determined based on technically sound principles. A facility rating is essential for the determination of system operating limits. Proposed new FAC-008-AB-3 also establishes defined dates for seasonal ratings and establishes consistent durations for emergency ratings. All reporting of data developed in accordance with proposed new FAC-008-AB-3 is submitted to the AESO under the ISO rules, such as Section 502.15 of the ISO rules, *Reporting Facility Modelling Data*.

The AESO has developed the proposed new and amended FAC-008-AB-3 definitions in conjunction with proposed new FAC-008-AB-3, and in alignment with existing ISO rules definitions contained in the AESO’s [Consolidated Authoritative Document Glossary](#) (“CADG”).

On March 23, 2017, the AESO issued a [Consultation Letter](#) providing notice to and seeking feedback from market participants and other interested parties on proposed new FAC-008-AB-3. Due to an inadvertent error, the proposed new and amended FAC-008-AB-3 definitions were not posted in conjunction with proposed new FAC-008-AB-3. As such, the AESO is now seeking feedback from market participants and other interested parties on proposed new and amended FAC-008-AB-3 definitions.

Summary of the Proposed Definition(s)

The AESO proposes to incorporate the following new defined terms along with their related definitions into the AESO's CADG for use in the Alberta reliability standards:

- a) emergency rating;
- b) equipment rating; and
- c) normal rating.

Amendments to the following existing Alberta reliability standard definitions are proposed for incorporation into the AESO's CADG:

- a) facility rating; and
- b) system operating limit.

When reviewing the attached proposed new and amended FAC-008-AB-3 definitions, market participants should note that all defined terms appear **bolded**. Market participants and other interested parties are encouraged to refer to the AESO's CADG when reviewing definitions to ensure they have an accurate understanding of those defined terms.

Request for Comment

Please use the attached Market Participant Comment Matrix when submitting comments to the AESO. Only written comments will be considered in finalizing the proposed new and amended FAC-008-AB-3 definitions. Market participants should ensure that comments provided represent all interests within their organization.

Market participants are asked to provide comments no later than **May 23, 2017** to ars_comments@aeso.ca. Adherence to deadlines is essential to the integrity of the Alberta reliability standard comment process. As such, any market participant comments received after May 23, 2017 may not be published, replied to, or otherwise considered by the AESO. The scope of comments is limited to the proposed new and amended FAC-008-AB-3 definitions. Any comments received that are outside of this scope will not be considered by the AESO.

The AESO will be publishing all comments received for industry review in May 2017. The AESO expects to publish replies to the comments with the final proposed new and amended FAC-008-AB-3 definitions in July 2017.

If the AESO does not receive comments regarding the proposed new and amended FAC-008-AB-3 definitions, the AESO expects to forward the final proposed new and amended FAC-008-AB-3 definitions to the Commission in conjunction with the final proposed new FAC-008-AB-3.

Attachments to Consultation Letter

The following documents are attached:

1. [Market Participant Comment Matrix](#), which includes a blackline and clean version of the proposed new and amended FAC-008-AB-3 definitions.

Sincerely,

"Original Signed By"

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Attachments