

August 22, 2017

To: Market Participants and Other Interested Parties

Re: **Letter of Notice – Expedited New and Amended ISO Rules:**

- a) **Amended Section 202.6, *Adequacy of Supply* (“amended Section 202.6”);**
- b) **Amended Section 304.3, *Wind and Solar Power Ramp Up Management* (“amended Section 304.3”);**
- c) **New Section 304.9, *Wind and Solar Aggregated Generating Facility Forecasting* (“new Section 304.9”);**
- d) **Amended Section 502.1, *Aggregated Generating Facilities Technical Requirements* (“amended Section 502.1”);**
- e) **Amended Section 502.3, *Interconnected Electric System Protection Requirements* (“amended Section 502.3”);**
- f) **Amended Section 502.8, *SCADA Technical and Operating Requirements* (“amended Section 502.8”); and**
- g) **New Section 502.16, *Aggregated Generating Facilities Operating Requirements* (“new Section 502.16”)**

(collectively, the “Wind, Solar, AGF and DER Rule Amendments”)

Pursuant to Section 14 of Alberta Utilities Commission (“AUC” or “Commission”) Rule 017, the Alberta Electric System Operator (“AESO”) is providing notice regarding the Wind, Solar, AGF and DER Rule Amendments.

Background

As a result of the AESO’s Renewable Electricity Program (“REP”), approved by the Government of Alberta on November 3, 2016, the AESO anticipates increased interest in the development of renewable energy projects in Alberta. In order to enable the integration of renewable energy projects into the Alberta interconnected electric system, the AESO has developed and finalized the Wind, Solar, AGF and DER Rule Amendments.

There are no existing ISO rules that set out technical or operating requirements for solar aggregated generating facilities. Further, it was determined that the existing requirements for wind aggregated generating facilities should also be revised to align with the requirements of Section 502.5 of the ISO rules, *Generating Unit Technical Requirements* and Section 502.6 of the ISO rules, *Generating Unit Operating Requirements*, which come into effect on November 21, 2017.

The Request for Proposal (“RFP”) stage of Round 1 of the REP is expected to open on September 15, 2017. As participants in the RFP stage require certainty of the technical and operating requirements applicable to solar and wind aggregated generating facilities, the AESO is expediting the filing of the Wind, Solar, AGF and DER Rule Amendments.

Since posting replies to market participant comments on August 22, 2017, the AESO has removed proposed amended Section 202.5 of the ISO rules, *Supply Surplus* (“amended Section 202.5”) from the Wind, Solar, AGF and DER Rule Amendments package and will not be filing amended Section 202.5 with the Commission at this time. The AESO has revised proposed amended Section 202.5 in response to

market participant comments received during consultation and has determined that re-consultation on proposed amended Section 202.5 is required. On August 22, 2017 the AESO posted a [Letter of Notice](#) on its website providing notice to market participants on the re-consultation of proposed amendments to Section 202.5 and is seeking feedback from market participants and other interested parties.

AESO Consultation

On April 7, 2017 the AESO posted a [Letter of Notice](#) on its website requesting written comments from market participants and other interested parties with respect to the proposed Wind, Solar, AGF and DER Rule Amendments, and notified market participants in the AESO Stakeholder Newsletter.

On May 11, 2017 and May 25, 2017 the AESO posted [written comments](#) and [late written comments](#) received, respectively, from market participants and other interested parties, in response to the Letter of Notice, on its website and notified market participants in the AESO Stakeholder Newsletter.

On August 22, 2017 the AESO posted its replies to market participant comments, including the final Wind, Solar, AGF and DER Rule Amendments, on its website and notified market participants in the AESO Stakeholder Newsletter. Please see the [AESO Reply to Market Participant Comments Letter](#) for a summary of replies to written comments received, including the rationale or basis for the position of the AESO that explains why certain positions were rejected or accepted.

Defined Terms

On August 22, 2017 the AESO posted an [Expedited Letter of Notice](#) on its website providing notice to market participants and other interested parties on the Expedited Wind, Solar, AGF and DER Definition Amendments. The Wind, Solar, AGF and DER Definition Amendments were developed in conjunction with the drafting of the Wind, Solar, AGF and DER Rule Amendments, and will be included in the AESO's [Consolidated Authoritative Document Glossary](#).

Effective Date

The AESO intends to file the Wind, Solar, AGF and DER Rule Amendments with the Commission on September 7, 2017.

In accordance with Section 20.6 of the *Electric Utilities Act*, the Wind, Solar, AGF and DER Rule Amendments are proposed to become effective on a future date to be provided by the AESO after confirming that all necessary IT system changes have been completed. The AESO IT system changes required to implement the final Wind, Solar, AGF and DER Rule Amendments are scheduled to be completed in the second quarter of 2018.

Attachments to Letter of Notice

In accordance with Section 14 of AUC Rule 017, the following documents are attached:

1. [Blackline](#) and [clean](#) copies of the final amended Section 202.6;
2. [Blackline](#) and [clean](#) copies of the final amended Section 304.3;
3. [Clean copy of the final new Section 304.9](#);
4. [Blackline](#) and [clean](#) copies of the final amended Section 502.1;
5. [Blackline](#) and [clean](#) copies of the final amended Section 502.3;
6. [Blackline](#) and [clean](#) copies of the final amended Section 502.8;

7. [Clean copy of the final new Section 502.16](#);
8. April 7, 2017 Letter of Notice;
9. May 11, 2017 Market Participant Comments on Letter of Notice;
10. May 25, 2017 Late Market Participant Comments on Letter of Notice;
11. August 22, 2017 AESO Reply to Market Participant Comments Letter;
12. August 22, 2017 Re-consultation Letter of Notice regarding Section 202.5; and
13. August 22, 2017 Expedited Letter of Notice regarding Wind, Solar, AGF and DER Definition Amendments.

Sincerely,

"Original Signed By"

Maria Gray
Regulatory Services Team Lead
Phone: 403-776-7517
Email: maria.gray@aeso.ca

Attachments