

July 12, 2018

**To: Alberta Utilities Commission (“AUC” or “Commission”)**

**Re: Forwarding Notice – New and Amended Alberta Reliability Standard Definitions:**

**Proposed Amended Alberta Reliability Standard Definitions:**

- a) “area control error”; and
  - b) “operating reserves”
- (collectively referred to as the “amended BAL definitions”)

**Proposed New Alberta Reliability Standard Definitions:**

- a) “actual net interchange”;
  - b) “regulating reserve”;
  - c) “reporting area control error”; and
  - d) “scheduled net interchange”
- (collectively referred to as the “new BAL definitions”)

The Alberta Electric System Operator (“AESO”) recommends that the Commission approve the proposed new BAL definitions and amended BAL definitions, pursuant to Section 19 of the *Transmission Regulation*.

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 and forwarding process as the Alberta reliability standards themselves.

**Background**

The following existing Alberta reliability standards defined terms along with their related definitions are proposed to be amended in the AESO’s [Consolidated Authoritative Document Glossary](#) (“CADG”) for use in the Alberta reliability standards:

- a) “area control error”; and
- b) “operating reserves”.

(collectively referred to to as “amended BAL definitions”)

The following new defined terms, along with their related definitions are proposed for incorporation into the AESO’s CADG for use in the Alberta reliability standards:

- a) “actual net interchange”;
- b) “regulating reserve”;
- c) “reporting area control error”; and
- d) “scheduled net interchange”.

(collectively referred to as “the proposed new BAL definitions)

During the development of the following proposed new Alberta reliability standards:

- a) BAL-001-AB-2, *Real Power Balancing Control Performance* (“BAL-001-AB-2”);
- b) BAL-003-AB-1.1, *Frequency Response and Frequency Bias Setting* (“BAL-003-AB-1.1”); and
- c) BAL-005-AB-1, *Balancing Authority Control* (“BAL-005-AB-1”)

(collectively referred to as, the “new BAL Standards”).

the AESO determined that amendments to the proposed amended BAL definitions were required. The AESO is amending the definition of “area control error” in order to correct a clerical error. The word “scheduled” in “**scheduled interchange**” was not intended to be bolded. In addition, the AESO is amending the definition of “operating reserve” in order to avoid conflicts with the various outage definitions in the AESO’s CADG.

The proposed new definitions of “actual net interchange”, “reporting area control error” and “scheduled net interchange” were developed based on the North American Electric Reliability Corporation (“NERC”) definitions of the same terms and modified pursuant to the AESO’s drafting principles. The proposed new definition of “regulating reserve” was developed based on the definition of the same term currently in the AESO’s CADG for use in the ISO rules.

### **AESO Consultation**

On May 15, 2018, the AESO posted a [Consultation Letter](#) on its website requesting written comments from market participants and other interested parties with respect to the proposed new BAL definitions and proposed amended BAL definitions, and notified market participants in the AESO Stakeholder Newsletter.

On May 31, 2018, the AESO posted written comments received from market participants and other interested parties, in response to the Consultation Letter, on its website and notified market participants in the AESO Stakeholder Newsletter. Please see the [Market Participant Comments on Consultation Letter](#) for a summary of written comments received.

On June 28, 2018, the AESO posted its replies to market participant comments, including the final proposed new BAL definitions and proposed amended BAL definitions, 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, as well as the rationale or basis for the position of the AESO that explains why certain positions were rejected or accepted.

### **Related Forwarding Notice to the Commission**

On July 12, 2018 the AESO issued a Forwarding Notice to the Commission recommending the approval of the proposed new BAL Standards and the retirement of the following existing Alberta reliability standards:

- a) BAL-001-AB-0a, *Real Power Balancing Control Performance* (“BAL-001-AB-0a”);
- b) BAL-003-AB-0a, *Frequency Response and Frequency Bias Setting* (“BAL 003 AB 0a”);
- c) BAL-005-AB3-0.2b, *Automatic Generation Control* (“BAL-005-AB3-0.2b”); and
- d) BAL-006-AB-1, *Inadvertent Interchange* (“BAL-006-AB-1”)

(collectively referred to as the “existing BAL Standards”).

The proposed new BAL definitions and amended BAL definitions were developed in conjunction with the drafting of the proposed new BAL Standards and the proposed retirement of the existing BAL Standards.

### **Proposed Effective Date**

The AESO recommends that the Commission approve the proposed new BAL definitions and the proposed amended BAL definitions to become effective in conjunction with the proposed new BAL Standards and the proposed retirement of the existing BAL Standards.

The AESO submits that the proposed new BAL definitions and the proposed amended BAL definitions comply with the requirements of the *Transmission Regulation*, are not technically deficient, and are in the public interest.

### **Attachments to Forwarding Notice**

The following documents are attached to this Forwarding Notice:

1. [Blackline](#) and [clean](#) copies of the proposed new BAL definitions and proposed amended BAL definitions;
2. [May 15, 2018 Consultation Letter](#);
3. [May 31, 2018 Market Participant Comments on Consultation Letter](#); and
4. [June 28, 2018 AESO Reply to Market Participant Comments Letter](#).

If you have any questions, please contact the undersigned.

Sincerely,

*"Melissa Mitchell-Moisson"*

Melissa Mitchell-Moisson  
Regulatory Coordinator  
Phone: 403-539-2948  
Email: [melissa.mitchell-moisson@aeso.ca](mailto:melissa.mitchell-moisson@aeso.ca)

Attachments