

June 19, 2019

To: Alberta Utilities Commission (“Commission”)

Re: Forwarding Notice – Amendments to existing Alberta reliability standard BAL-003-AB-1.1, *Frequency Response and Frequency Bias Setting* and retitle to create a new “AB1” version BAL-003-AB-1.1, *Frequency Response and Frequency Bias Setting* (“amended BAL-003-AB1-1.1”)

The Alberta Electric System Operator (“AESO”) recommends that the Commission approve the proposed amended BAL-003-AB1-1.1, pursuant to Section 19 of the *Transmission Regulation*.

Background

On July 24, 2018, the AESO forwarded new Alberta reliability standards BAL-001-AB-2, BAL-003-AB-1.1 and BAL-005-AB-1, and removal of Alberta reliability standards BAL-001-AB-0a, BAL-003-AB-0a, BAL-005-AB-0.2b and BAL-006-AB-1, recommending approval of these reliability standards. The Commission registered this filing as Application 23731-A001 and designated it as Proceeding 23731. No objections were received and the reliability standards were approved as recommended by the AESO in the Commission’s Decision 23731-D01-2018, dated August 16, 2018, with an effective date of July 1, 2019.

Subsequent to receiving the Commission’s approval of BAL-003-AB-1.1 on August 16, 2018, the AESO identified that requirement R1 required an errata change to replace “reserve” with “response”. Requirement R1 of the previously approved BAL-003-AB-1.1 requires the ISO to meet the obligation in requirement R1 “through participation in a frequency reserve sharing group”. Requirement R1 of the current NERC BAL-003-1.1 references the “Frequency Response Sharing Group”. Therefore, an amendment to the previously approved BAL-003-AB-1.1 is necessary.

Summary of Proposed Changes to NERC Standard

Upon review of the previously approved BAL-003-AB-1.1 and in preparing for implementation of the standard, the AESO identified that an amendment was required to R1 and made the following amendments to the previously approved standard:

1. Previously approved BAL-003-AB-1.1, *Frequency Response and Frequency Bias Setting* is being renamed as BAL-003-AB1-1.1, *Frequency Response and Frequency Bias Setting*; and
2. Requirement R1 in previously approved BAL-003-AB-1 is revised to replace “reserve” with “response” in the last sentence of requirement R1.

AESO Consultation

It is the AESO’s view that market participants are not likely to be directly affected by the proposed amended BAL-003-AB1-1. Accordingly, no formal consultation with market participants was undertaken.¹

On June 4, 2019 the AESO posted a notification in the AESO Stakeholder Newsletter informing market participants and other interested parties that it would not be consulting on the proposed amended BAL-003-AB1-1, and would forward the proposed amended BAL-003-AB1-1, to the Commission on June 19, 2019.

¹ Section 19(4) of the *Transmission Regulation* states that, before adopting or making a reliability standard, “the ISO must consult with those Market Participants that it considers are likely to be directly affected”

Proposed Effective Date

The AESO recommends that the AUC approve the proposed amended BAL-003-AB1-1 to become effective upon approval by the Commission.

The AESO submits that the proposed amended BAL-003-AB1-1.1 complies with the requirements of the *Transmission Regulation*, is not technically deficient and is in the public interest.

Attachments to Forwarding Notice

The following documents are attached to this Forwarding Notice:

1. Blackline and clean copy of proposed amended BAL-003-AB1-1.1; and
2. June 4, 2019 copy of AESO Stakeholder Newsletter.

If you have any questions, please contact the undersigned.

Sincerely,

"Melissa Mitchell-Moisson"

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Attachments