

May 11, 2017

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

Re: Forwarding Notice – Final Proposed Amended Alberta Reliability Standard BAL-005-AB3-0.2b, Automatic Generation Control (“amended BAL-005-AB3-0.2b”)

The Alberta Electric System Operator (“AESO”) recommends that the Commission approve the final proposed amended BAL-005-AB3-0.2b, pursuant to Section 19 of the *Transmission Regulation*.

Background

The purpose of existing Alberta Reliability Standard BAL-005-AB2-0.2b, *Automatic Generation Control* (“existing BAL-005-AB2-0.2b”), is to set out the requirements for the AESO’s automatic generation control. Existing BAL-005-AB2-0.2b is applicable to the AESO as well as to the legal owner a transmission facility and to the legal owner of a generating unit. However, the proposed amendments described herein only affect the AESO and do not directly affect any market participant.

Requirement R8 of existing BAL-005-AB2-0.2b requires the AESO to calculate area control error (“ACE”) every nine seconds, except during planned changes to the AESO energy management system (“EMS”). The equivalent provision in North American Electric Reliability Corporation (“NERC”) BAL-005-0.2b, *Automatic Generation Control* requires entities to calculate ACE every six seconds. The AESO calculates ACE every nine seconds, instead of six, to accommodate physical communication latency with acquiring tie-line megawatt data from the field equipment to the AESO EMS for calculating ACE.

The NERC has amended requirement R8 in proposed new NERC BAL-005-1, *Balancing Authority Controls* to read as a design requirement which states, “The Balancing Authority shall use a design scan rate of no more than six seconds in acquiring data necessary to calculate Reporting ACE”. Going forward, NERC entities will be required to design their equipment to calculate ACE every six seconds, but will not be required to report instances where ACE is not calculated every six seconds. Proposed new NERC BAL-005-1 has been approved by the NERC Board of Directors and filed with the Federal Energy Regulatory Commission.

Accordingly, it is proposed that requirement R8 in existing BAL-005-AB2-0.2b be revised to require the AESO to design its equipment to allow for the calculation of ACE every nine seconds, and to remove the requirement to calculate ACE every nine seconds.

Summary of Proposed Changes

In addition to the proposed revisions to requirement R8 the following revisions have been made in the final proposed amended BAL-005-AB3-0.2b:

- Existing BAL-005-AB2-0.2b was renamed BAL-005-AB3-0.2b;
- Requirement R4 was modified to replace the word “controlling” with “providing regulating service” in order to provide clarity. The function of controlling is accomplished through the provision of regulation service. This modification does not change the intent of the requirement; and
- Requirement R6 was modified to clarify that the AESO is required to design its automatic generation control to include ACE, except during periods in which it operates its automatic generation control asynchronously.

AESO Consultation

It is the AESO's view that market participants are not likely to be directly affected by the final proposed amended BAL-005-AB3-0.2b. Accordingly, no formal consultation with market participants was undertaken.¹

On April 27, 2017, 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 final proposed amended BAL-005-AB3-0.2b and would forward the final proposed amended BAL-005-AB3-0.2b to the Commission on May 11, 2017.

Attachments to Forwarding Notice

The following documents are attached to this Forwarding Notice:

1. [Blackline](#) and [clean](#) copies of amended BAL-005-AB3-0.2b; and
2. [Copy of April 27, 2017 AESO Stakeholder Newsletter](#).

Proposed Effective Date

The AESO recommends that the Commission approve the final proposed amended BAL-005-AB3-0.2b to become effective on the first business day of the week following approval by the Commission.

The AESO submits that the final proposed amended BAL-005-AB3-0.2b complies with the requirements of the *Transmission Regulation*, is not technically deficient and is in the public interest.

If you have any questions, please contact the undersigned.

Sincerely,

"Original Signed By"

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Attachments

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".