

February 7, 2019

To: Market Surveillance Administrator, Market Participants and Other Interested Parties

Re: Letter of Notice – Re-consultation on Proposed New Section 304.2, *Electric Motor Start Requirements* (“Section 304.2”) and Section 505.2, *Performance Criteria for Refund of Generating Unit Owner’s Contribution* (“Section 505.2”)

Pursuant to Section 4 and 6.3 of Alberta Utilities Commission (“AUC” or “Commission”) Rule 017, the Alberta Electric System Operator (“AESO”) is providing notice and seeking feedback from the Market Surveillance Administrator, market participants, and other interested parties (“stakeholders”) on proposed revised Section 304.2 and revised Section 505.2.

Background

On November 20, 2018, the AESO posted a [Letter of Notice](#) regarding the proposed amended Category 2 Rules. The Category 2 Rules included proposed amended Section 304.2 and proposed amended Section 505.2.

The AESO received stakeholder comments and on December 20, 2018, the AESO posted [replies](#) to those stakeholder comments.

As a result of stakeholder comments, the AESO determined there was data, analyses, or other material to support the amendments to Section 304.2 and Section 505.2 which was not provided in the initial consultation. Namely:

- Section 304.2 – an *Operations Planning Study Report* from the AESO recommending the removal of the Empress area motor start restrictions
- Section 505.2 – there was data from a consultant, internal calculations and assessments (based on additional data from the National Renewable Energy Laboratory), and a resulting recommendation

Proposed Consultation and Timeline

In addition to providing the relevant material for review, the AESO is proposing an additional amendment to Section 505.2 related to the availability assessment for solar aggregated generating facilities.

To the extent that the proposed amendments to the Category 2 Rules were included in the consultation described in the November 20, 2018 Letter of Notice, the AESO is of the view that it has met the intention of sections 6.1 and 6.2 of AUC Rule 017 as a result of the consultation completed to date. Further, the AESO identified the need for amendments to the Category 2 Rules while the capacity market rules were being developed and before the amendments to AUC Rule 017 became effective. Therefore, the AESO has already developed the amendments and only intends to seek written feedback from stakeholders on these amendments pursuant to section 6.3 of AUC Rule 017.

Request for Comments

Please use the relevant *Stakeholder Comment Matrix – Development of Proposed ISO Rule* when submitting comments to the AESO. Only written comments will be considered in finalizing the proposed amended Section 304.2 and Section 505.2. Stakeholders should ensure that comments provided represent all interests within their organization. The scope of comments is limited to comments on the subject proposed amendments. Any comments received that are outside of this scope will not be considered by the AESO. Please also note that any comments that were previously submitted to the AESO will be considered and should not be resubmitted.

Stakeholders are asked to provide comments no later than February 22, 2019 to rules_comments@aeso.ca. Adherence to deadlines is essential to the integrity of the ISO rules comment process. As such, any stakeholder comments received after February 22, 2019 may not be published, replied to, or otherwise considered by the AESO.

The AESO expects to publish all comments received and AESO replies by March 11, 2019.

Attachments to Letter of Notice

In accordance with Sections 4.4 and 6.3 of AUC Rule 017, the following documents are attached:

1. [Clean copy](#) and [blackline](#) of proposed amended Section 304.2.
2. [Clean copy](#) and [blackline](#) of proposed amended Section 505.2.
3. [Stakeholder Comment Matrix for proposed new Section 304.2](#)
4. [Stakeholder Comment Matrix for proposed new Section 505.2](#)
5. [Operations Planning Study Report](#)
6. A document titled "[Section 505.2 - Performance Criteria for Refund of Generating Unit Owner's Contribution Solar Performance Analysis](#)" summarizing the data from a consultant, internal calculations and assessments (based on additional data from NREL), and a resulting recommendation from the AESO

Sincerely,

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Attachments