

September 7, 2017

[Notified Market Participant]
[Notified Market Participant Address]

Attention: [Notified Market Participant Primary Contact]

Dear [Notified Market Participant Primary Contact]:

Re: Planned Generating Facility Connections in the AESO's Central Planning Region

The Alberta Electric System Operator (AESO) would like to advise you that the proponents of three planned generating facilities (planned Facilities), have each applied for transmission system access to connect their respective planned generating facility to the Alberta interconnected electric system (AIES) in the AESO's Central Planning Region.

Planning for the connection of these planned Facilities is being undertaken by the AESO as part of the AESO Connection Process. The planned Facilities are as follows:

- Sharp Hills Wind Farm
- Paintearth Wind Farm
- Halkirk 2 Wind Power Project

The AESO has produced Need Overview documents that describe the AESO's proposed transmission development to connect each of the planned Facilities to the AIES and the AESO's next steps, which includes submitting needs identification document (NID) applications to the Alberta Utilities Commission (AUC) for approval. Copies of the three AESO Need Overview documents are attached for your information.

The purpose of this letter is to advise you that the AESO has identified that, under certain abnormal (Category B) system conditions, the operations of the **[Notified Market Participant Facility]** may be affected following the connection of the planned Facilities.

Connection Assessment Findings

Connection assessments were carried out by the AESO to assess the transmission system performance following the connection of the planned Facilities. These assessments did not identify any system performance issues under normal (Category A) system conditions. However, the connection assessments identified the potential for system performance issues under certain Category B system conditions that may be exacerbated following the connection of the planned Facilities.

To mitigate these identified system performance issues, namely potential transmission constraints, existing and planned remedial action schemes (RASs) may be modified. In addition, new RASs may be required.

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Transmission Constraint Management

The AESO manages transmission constraints in accordance with the procedures set out in Section 302.1 of the ISO rules, *Real Time Transmission Constraint Management* (TCM Rule). When applied, the TCM Rule could result in the AESO issuing directives for curtailment to source assets that are effective in managing a constraint.

The connection assessments have identified source assets, including the **[Notified Market Participant Facility]**, that are effective in mitigating the potential transmission constraints. These effective source assets could be curtailed to manage the potential transmission constraints under certain Category B system conditions.

For Further Information

A completed connection assessment will be included in each of the AESO's NID applications for the above listed projects. Following submission to the AUC of each of AESO's NID applications, the NID application will be posted on the AESO website at: https://www.aeso.ca/grid/projects/

If you have any questions or concerns, please contact the AESO at 1-888-866-2959 or stakeholder.relations@aeso.ca

Yours truly,

Mohamed Kamh, P.Eng., Ph.D., Manager, Project and System Access Studies

Attachments:

AESO Need Overview: Need for the Sharp Hills Energy Connection in the Sedalia Area North of Oyen AESO Need Overview: Need for the Halkirk 2 Wind Power Project Connection in the Tinchebray area in

the County of Paintearth

AESO Need Overview: Need for the Paintearth Wind Project Connection in the Halkirk area

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Need for the Sharp Hills Energy Connection in the Sedalia Area North of Oyen

EDP Renewables SH Project Limited Partnership (EDPR) has applied to the Alberta Electric System Operator (AESO) for transmission system access to connect its proposed Sharp Hills wind generating facility in the Sedalia area north of Oyen. EDPR's request can be met by the following solution:

PROPOSED SOLUTION

- Add the New Brigden 2088S 240 kilovolt (kV) switching substation that includes four 240 kV circuit breakers and associated equipment.
- Connect the New Brigden 2088S switching substation to the existing 240 kV transmission line 9L46 using and in-and-out connection configuration.

NEXT STEPS

- The AESO intends to apply to the Alberta Utilities Commission (AUC) for approval of the need in late-2017.
- The AESO's needs identification document (NID) application will be available on the AESO's website at **www.aeso.ca/nid** at the time of its application to the AUC.

The following organizations have key roles and responsibilities in providing access to the transmission system:

THE AESO:

- Must plan the transmission system and enable access to it for generators and other qualified customers
- Is regulated by the AUC and must apply to the AUC for approval of its NID

ATCO ELECTRIC LTD.:

- Is the transmission facility owner in the Sedalia area north of Oyen
- Is responsible for detailed siting and routing, constructing, operating and maintaining the associated transmission facilities
- Is regulated by the AUC and must apply to the AUC for approval of its transmission facilities applications

FAST FACT

Alberta's electric transmission system comprises the towers, wires and

related equipment that are a part of moving electricity from where it is generated to where it is used.

CONTACT US

We appreciate your views, both on the need for transmission system development and proposed transmission plans. If you have any questions or comments, please contact us directly.

Alberta Electric System Operator Jennifer Vollmer

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WHO IS THE AESO?

The Alberta Electric System Operator (AESO) is a not-for-profit organization with no financial interest or investment of any kind in the power industry. We plan and operate Alberta's electricity grid and wholesale electricity market safely, reliably and in the public interest of all Albertans.

The AESO is committed to protecting your privacy. Your feedback, comments and/or contact information collected by the AESO will be used to respond to your inquiries and/or to provide you with further information about the project. The AESO will not use your personal information for any other purpose and will not disclose your information without consent or a legal obligation. If you choose to communicate by email, please note, email is not a secure form of communication. Security of your communication while in transit cannot be guaranteed.



Need for the Paintearth Wind Project Connection in the Halkirk area

Paintearth Wind Project LP (Paintearth), by its general partner Paintearth Wind Project Ltd., has applied to the Alberta Electric System Operator (AESO) for transmission system access to connect its proposed Paintearth Wind Project (Facility) in the Halkirk area. Paintearth's request can be met by the following solution:

PROPOSED SOLUTION

- Add a substation (Pioneer 805S) with two 240 kilovolt (kV) circuit breakers.
- Add two 240 kV transmission lines to connect the proposed Pioneer 805S substation to the existing 240 kV transmission line 9L93.
- Add a 240 kV transmission line to connect the Facility to the proposed Pioneer 805S substation.
- Add or modify associated equipment as required for the above transmission developments.

NEXT STEPS

- In late 2017, the AESO intends to submit a needs identification document (NID) to the Alberta Utilities Commission (AUC) for approval.
- Once submitted, the NID will be posted on the AESO's website at www.aeso.ca/grid/projects/

The following organizations have key roles and responsibilities in providing access to the transmission system:

THE AESO:

- Must plan the transmission system and enable access to it for generators and other qualified customers.
- Is regulated by the AUC and must apply to the AUC for approval of its NID.

ATCO ELECTRIC LTD.:

- Is the transmission facility owner in the Halkirk area
- Is responsible for detailed siting and routing, constructing, operating and maintaining the associated transmission facilities
- Is regulated by the AUC and must apply to the AUC for approval of its transmission facilities applications

FAST FACT

Alberta's electric transmission system

comprises the towers, wires and related equipment that are a part of moving electricity from where it is generated to where it is used.

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Need for the Halkirk 2 Wind Power Project Connection in the Tinchebray area in the County of Paintearth

Capital Power L.P. (Capital Power) has applied to the Alberta Electric System Operator (AESO) for transmission system access to connect its proposed Halkirk 2 Wind Power Project (Facility) in the Tinchebray area in the County of Paintearth. Capital Power's request can be met by the following solution:

PROPOSED SOLUTION

- Modify the existing Tinchebray 972S substation, including adding a 240 kilovolt (kV) circuit breaker.
- Add a 240 kV transmission line to connect the Facility to the Tinchebray 972S
- Add or modify associated equipment as required for the above transmission developments.

NEXT STEPS

- In late 2017, the AESO intends to submit a needs identification document (NID) to the Alberta Utilities Commission (AUC) for approval.
- Once submitted, the NID will be posted on the AESO's website at www.aeso.ca/grid/projects/

The following organizations have key roles and responsibilities in providing access to the transmission system:

THE AESO:

- Must plan the transmission system and enable access to it for generators and other qualified customers.
- Is regulated by the AUC and must apply to the AUC for approval of its NID.

ATCO ELECTRIC LTD.:

- Is the transmission facility owner in the County of Paintearth area
- Is responsible for detailed siting and routing, constructing, operating and maintaining the associated transmission facilities
- Is regulated by the AUC and must apply to the AUC for approval of its transmission facilities applications

FAST FACT

Alberta's electric transmission system comprises the towers, wires and related equipment that are a part of moving electricity from where it is generated to where it is used.

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