

May 15, 2019

[Notified Market Participant]**[Notified Market Participant Address]**Dear **Notified Market Participant**:Re: **Need for the Claresholm Solar Project A and the Claresholm Solar Project B Connection in the Claresholm area**

The Alberta Electric System Operator (AESO) would like to advise you that Claresholm Solar Inc. has applied for transmission system access to connect its Claresholm Solar Project A and Claresholm Solar Project B (planned Facilities) to the Alberta interconnected electric system (AIES) in the AESO South Planning Region.

A copy of the AESO Need Overview document is attached for your information. The AESO Need Overview describes the AESO's proposed transmission development to connect the planned Facilities to the AIES,¹ and the AESO's next steps, which includes submitting a needs identification document (NID) application to the Alberta Utilities Commission (AUC) for approval.

The purpose of this letter is to advise you that the AESO has identified that, under some potential system conditions, the operation of the **[Notified Market Participant Facility]** may be affected following the connection of the planned Facilities.²

Connection Assessment Findings

An engineering connection assessment was carried out by the AESO to assess the transmission system performance following the connection of the planned Facilities. The connection assessment identified the potential for system performance issues, under some future system conditions, following the connection of the planned Facilities.

Transmission Constraint Management

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

The AESO may also make use of real-time operational measures to mitigate these potential system performance issues, in accordance with 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.

¹ After the AESO issued its Need Overview document, the Claresholm Solar Project was divided into two separate solar generation facilities, the Claresholm Solar Project A and the Claresholm Solar Project B.

² The studies were performed assuming a combined Rate STS, *Supply Transmission Service*, contract capacity of 130 MW for the planned Facilities.

The connection assessment identified source assets, including the **[Notified Market Participant Facility]**, which are effective in mitigating the potential transmission constraints.

Renewable Generation Integration

The actual impacts of the connection of the planned Facilities will depend on the actual energization timing, as well as the energization timing of other planned renewable generation connection projects in the area. The AESO will ensure plans are in place when impacts of the planned Facilities, and the other planned renewable generation connection projects in the area become certain. As mentioned in the AESO's *2019 Transmission Capability Assessment for Renewables Integration* report,³ renewable integration capability could be achieved through use of RASs, which is consistent with the findings of the engineering connection assessment.

Transmission Regulation Section 15(2) Application

If the AESO anticipates that congestion under system normal (Category A) conditions will arise on the transmission system, then the AESO is required to file and obtain approval from the AUC for an "exception" under Section 15(2) of the *Transmission Regulation*. The AESO will notify market participants if and when the AESO determines it is necessary to apply to the AUC for approval of such an exception, and will address the frequency, magnitude and duration of any anticipated congestion at that time.

For Further Information

The engineering connection assessment will be included in the AESO's Claresholm Solar Project A and Claresholm Solar Project B Connection NID application. Following submission of the NID application to the AUC, 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,

"Electronically signed by"

Maz Mazadi, PhD, P.Eng., SMIEEE
Manager, Project and System Access Studies

Attachments:

AESO Need Overview: *Need for the Claresholm Solar Connection Project in the Claresholm area*

³ Available on the AESO website at: <https://www.aeso.ca/grid/long-term-transmission-plan/>

Need for the Claresholm Solar Connection Project in the Claresholm area

Claresholm Solar Inc. (Claresholm Solar) has applied to the Alberta Electric System Operator (AESO) for transmission system access to connect its proposed Claresholm Solar Project (Facility) in the Claresholm area. Claresholm Solar's request can be met by the following solution:

PROPOSED SOLUTION

- Add a 138 kV transmission line to connect the Facility to the existing 138 kV transmission line 180L.
- Add or modify associated equipment as required for the above transmission developments.

NEXT STEPS

- The AESO intends to apply to the Alberta Utilities Commission (AUC) for approval of the need in late 2018.
- The AESO's needs identification document (NID) application will be available on the AESO's website at www.aeso.ca/grid/projects 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.

ALTALINK

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

WHO IS THE AESO?

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

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.

CONTACT US

Alberta Electric System Operator

AESO Stakeholder Relations
stakeholder.relations@aes0.ca
1-888-866-2959

2500, 330-5th Avenue SW
Calgary, AB T2P 0L4
Phone: 403-539-2450

www.aeso.ca | [@theaes0](https://twitter.com/theaes0)