

SENT VIA EMAIL

September 21, 2022

Notified Market Participant Corporate Legal Name Address Line 1. Address Line 2. City, Province, Postal Code.

Dear Notified Market Participant Primary Contact:

Re: Lathom Solar Project Connection

The Alberta Electric System Operator (AESO) would like to advise you that Lathom Solar GP Ltd. has applied for transmission system access to connect its Lathom Solar Project (approved Facility) to the Alberta interconnected electric system (AIES) in the AESO South Planning Region.

The purpose of this letter is to advise you that the AESO has identified that, under credible worse case forecast conditions, the **[Effective Generation Facility Name]** (**[Effective Generation Facility Asset ID]**) may be curtailed following the connection of the planned Facility.

Connection Assessment Findings

An engineering connection assessment was carried out by the AESO to assess the transmission system performance following the connection of the approved Facility. ¹ The connection assessment identified the potential for thermal criteria violations on the 138 kV transmission lines 180L and 853L following the connection of the approved Facility, under credible worse case forecast conditions, with all transmission facilities in service (Category A). In addition, thermal criteria violations were also identified when a single transmission facility is out of service (Category B) following the connection of the approved Facility.

Should the AESO determine that mitigation is required to address potential thermal criteria violations under Category A conditions, the AESO may develop operational procedures or other mitigation measures. In addition, to mitigate the potential Category B system performance issues, existing remedial action scheme (RAS) 166 will be modified and a new RAS, referred to as RAS 212, will be required to connect the approved Facility, which curtails the approved Facility upon activation.

The AESO may also make use of real-time operational measures to mitigate these potential system performance issues, in accordance with <u>Section 302.1 of the ISO rules</u>, <u>Real Time Transmission Constraint Management</u> (TCM Rule), which is in effect today. 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 assessment identified source assets, including the **Effective Generation Facility Asset ID**], which are effective in mitigating the potential transmission constraints.

If the AESO determines that congestion will arise under Category A conditions, the AESO will make an application to the AUC to obtain approval for an "exception" under Section 15(2) of the *Transmission*

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¹ The studies were performed assuming the Rate STS, Supply Transmission Service, contract capacity of 120 MW.



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.

For Further Information

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 Facility to the AIES.

To support the AESO's consideration of the Lathom Solar Project Connection under the Abbreviated Needs Approval Process, the engineering connection assessment will be posted on the AESO website at: https://www.aeso.ca/grid/transmission-projects/. Stakeholders will be notified when this occurs via the AESO website and in the AESO stakeholder newsletter.

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

Attachments:

AESO Need Overview: Need for the Lathom Solar Project Connection in the Bassano area



Need for the Lathom Solar Project Connection in the Bassano area

Lathom Solar GP Ltd. (Lathom Solar) has applied to the AESO for transmission system access to connect its approved Lathom Solar Project (Facility) in the Bassano area. Lathom Solar's request can be met by the following solution:

PROPOSED SOLUTION

- Add one 138 kilovolt (kV) transmission line to connect the Facility to the existing 138 kV transmission line 853AL in a T-tap configuration.
- 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 mid-2022.
- 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.

LATHOM SOLAR

- Has requested transmission system access to connect the Facility.
- Is responsible for detailed siting and routing, and constructing the new 138 kV transmission line to connect the Facility.
- Must apply to the AUC for approval of its transmission facilities applications.

ALTALINK

- Is the transmission facility owner in the Bassano area.
- Is responsible for operating and maintaining the new 138 kV transmission line.
- 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@aeso.ca 1-888-866-2959

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