

October 9, 2009

To: Market Participants and other interested parties

Re: <u>Transmission Need Identification: Milestones for Southern Area</u> <u>Transmission Reinforcement (SATR) Recommendation Paper</u>

As part of the Alberta Utilities Commission's approval of the AESO's Southern Alberta Transmission Reinforcement (SATR) Need Identification Document (NID), the AESO committed to developing a milestone process for that transmission reinforcement project. Incorporating feedback received at a stakeholder session held on September 24, 2009, and input from other industry meetings, the AESO has drafted a <u>recommendation paper</u> on milestones for the SATR.

The milestones described in the paper are designed to monitor and verify system need for the three stages of the SATR development as outlined in the original NID and are premised on the AESO's legislated obligation to ensure there are adequate transmission facilities available to operate the system in a safe and reliable manner and to promote a fair, efficient and openly competitive market for electricity.

All market participants and other interested parties are encouraged to provide comments on the recommendation paper in the attached <u>comment matrix</u> and submit them to the AESO by October 26, 2009. Should you have any questions regarding the Transmission Need Identification: Milestones for Southern Area Transmission Reinforcement Recommendation Paper, please contact either me at 403-539-2697 or Cheryl Terry at 403-539-2836, or email <a href="mailto:bill.strongman@aeso.ca">bill.strongman@aeso.ca</a> or <a href="mailto:cheryl.terry@aeso.ca">cheryl.terry@aeso.ca</a>.

Sincerely,

(original signed by)

Bill Strongman Director, Regional Transmission Planning

cc: Heidi Kirrmaier – Vice President, Regulatory Cheryl Terry – Market Policy