

Amendment to the Cypress Substation upgrade in the Southern Alberta Transmission Reinforcement Needs Identification Document Approval

May 2014



Why am I receiving this information?

The Alberta Electric System Operator (AESO) advises you of its intention to file an application with the Alberta Utilities Commission (AUC) to amend the *Southern Alberta Transmission Reinforcement Needs Identification Document* (SATR NID) Approval No. U2014-138 (SATR NID Approval).

The SATR NID Approval includes the addition of a Static Var Compensator to the existing Cypress 526S substation to support area power requirements. Recent long-term planning studies conducted by the AESO now demonstrate that two capacitor banks will provide sufficient area support at a lower cost. Therefore, the AESO is applying to the AUC for an amendment of the SATR NID Approval to replace the proposed Static Var Compensator with two 52 MVar capacitor banks. No other changes are proposed to the SATR NID Approval.

The AESO is providing this information to stakeholders, including landowners, occupants and residents in the area that may be affected by the change in transmission development. The AESO intends to file the amendment with the AUC in Q3 2014. The amendment will be available at <http://www.aeso.ca/transmission/24781.html> at the time of the AESO's application to the AUC.

Background

In December 2008, the AESO filed the SATR NID with the AUC to address the need for transmission system reinforcement in southern Alberta. SATR is needed to alleviate existing system constraints and to integrate southern Alberta wind generation with the transmission system. As part of the regulatory process, the AESO consulted on the need for SATR and its plan to address the need from October 2007 to October 2008. A public hearing was held to consider the SATR NID application in June 2009. The AUC approved the SATR NID in September 2009 in Decision 2009-126 and further approved certain amendments in Decision 2014-091 and Approval No. U2014-138. For more information on the need for SATR, please visit <http://www.aeso.ca/transmission/16869.html>

Who is the AESO?

Alberta's transmission system, sometimes referred to as the Alberta Interconnected Electric System (AIES), is planned and operated by the AESO. The transmission system comprises the high-voltage lines, towers and equipment (generally 69 kV and above) that transmit electricity from generators to lower voltage systems that distribute electricity to cities, towns, rural areas and large industrial customers.

The AESO's role is to maintain the safe, reliable and economic operation of the AIES. The AESO's planning responsibility includes determining the need for transmission system development and the manner in which that need is met. The AESO is also mandated to facilitate the interconnection of qualified market participants to the AIES. The AESO is regulated by the AUC and must apply to the AUC for approval of its needs identification documents.

How is AltaLink Management Ltd. involved?

AltaLink is the transmission facilities owner in the Cypress area. While the AESO is responsible for identifying that transmission system development is needed, AltaLink is responsible for detailed siting and routing, constructing, operating and maintaining the associated transmission facilities. The AESO has directed AltaLink to provide information to stakeholders on the AESO's amendment and to file a facility proposal application with the AUC, which will include a detailed description and location of the proposed transmission development.

For More Information

The AESO believes anyone potentially affected by transmission planning should have the opportunity to participate in the process and provide input. The AESO appreciates your views on the need for transmission system development and encourages your comments and participation.

For further information, the SATR NID Approval can be found on the AUC website at: <http://www.auc.ab.ca/applications/orders/utility-orders/Utility%20Orders/2011/U2011-115.pdf>

Please contact Megan Harris through stakeholder.relations@aeso.ca or call our stakeholder relations toll-free line at 1-888-866-2959 if you have any questions or suggestions.