

November 23, 2018

**To: Alberta Utilities Commission (“AUC” or “Commission”)**

**Re: Forwarding Notice – New and Retirement of Existing Alberta Reliability Standards:**

**a) New Alberta Reliability Standard PRC-002-AB-2, *Disturbance Monitoring and Reporting Requirements* (“new PRC-002-AB-2”)**

**b) Retirement of Existing Alberta Reliability Standard PRC-018-AB-1, *Disturbance Monitoring Equipment Installation and Data Reporting* (“existing PRC-018-AB-1”)**

The Alberta Electric System Operator (“AESO”) recommends that the Commission approve:

- (a) the adoption of proposed new PRC-002-AB-2; and
- (b) the retirement of existing PRC-018-AB-1,

pursuant to Section 19 of the *Transmission Regulation*.

## **Background**

The purpose of proposed new PRC-002-AB-2 is to ensure that adequate data is available to the AESO, the Western Electricity Coordinating Council, and the North American Electric Reliability Corporation (“NERC”), in order for them to facilitate analysis of disturbances on the bulk electric system. Proposed new PRC-002-AB-2 is intended to;

- promote consistency of data by specifying recording data parameters;
- enhance reliability through monitoring and reporting requirements for sequence of events recording data and fault recording data; and
- ensure that the AESO is aligned with the neighboring Reliability Coordinators that are already following NERC PRC-002-2, *Disturbance Monitoring and Reporting Requirements* (“NERC PRC-002-2”) requirements.

The second version of NERC PRC-002-2 has been in effect since July 2016. The AESO currently ensures that adequate disturbance data is available by relying on the requirements of existing PRC-018-AB-1 and by issuing functional specifications or direction letters to the legal owner of a transmission facility, a generating facility, or an aggregated generating facility which requires them to install disturbance monitoring equipment. However, the AESO recommends adopting proposed new PRC-002-AB-2 in Alberta to ensure that all disturbance monitoring equipment is consistent and also to align with neighbouring reliability coordinators. In some cases, the AESO may require additional functionalities from disturbance monitoring equipment beyond that which is specified in proposed new PRC-002-AB-2. In such circumstances, the AESO will continue to rely on functional specifications or direction letters to satisfy the AESO’s reliability needs.

The requirements for disturbance monitoring equipment in proposed new PRC-002-AB-2 cover similar requirements to those in existing PRC-018-AB-1. Accordingly, existing PRC-018-AB-1 will be retired once proposed new PRC-002-AB-2 has been fully implemented. Appendix 2 of proposed new PRC-002-AB-2 sets out a phased implementation plan pursuant to which all of the requirements of proposed new PRC-002-AB-2 will become effective as the requirements of existing PRC-018-AB-1 are retired. The entire existing PRC-018-AB-1 will be retired 6 years after the effective date of proposed new PRC-002-AB-2.

## Summary of Proposed Changes

In developing the proposed new PRC-002-AB-2, the AESO determined that certain administrative amendments were required in order to ensure that NERC PRC-002-2 is capable of being applied in Alberta and does not require a material change in the framework for the market for electric energy. A summary of the administrative amendments are as follows:

Administrative amendments:

- The NERC PRC-002-2 "Applicability" section has been redrafted, in order to correctly identify the applicable entities in Alberta, and to align with terms included in the AESO's [Consolidated Authoritative Document Glossary](#) ("CADG"), in order to ensure the proposed new PRC-002-AB-2 is capable of application in Alberta. In addition, the AESO made amendments to ensure consistent use of defined terms as included in the AESO's CADG. Administrative changes, such as formatting and grammatical corrections, have also been made in the proposed new PRC-002-AB-2.

After reviewing a stakeholder's comment regarding the requirements for phasor measurement units ("PMUs") with on-line streaming capability, the AESO amended requirement R8. The AESO added an exemption for those PMUs which comply with subsection 7(1) of Section 502.9 of the ISO rules, *Synchrophasor Measurement Unit Technical Requirements* ("Section 502.9"). Given that subsection 7(1) of Section 205.9 requires longer collection and continuous storage of data compared to what is specified in proposed new PRC-002-AB-2, the AESO believes this amendment does not cause any concern for reliability or the fair and efficient operation. Requirement R8 of proposed new PRC-002-AB-2 was amended to ensure there was no double-jeopardy on the applicable entities in case of a non-compliance with the requirements of proposed new PRC-002-AB-2 and Section 502.9.

## Summary of AESO Consultation

On September 18, 2018 the AESO posted a [Consultation Letter](#) on its website requesting written comments from market participants and other interested parties with respect to proposed new PRC-002-AB-2 and the retirement of existing PRC-018-AB-1 and notified market participants in the AESO Stakeholder Newsletter.<sup>1</sup>

On October 9, 2018 the AESO posted written comments received from market participants and other interested parties, in response to the Consultation Letter, on its website and notified market participants in the AESO Stakeholder Newsletter. Please see the [Market Participant Comments on Consultation Letter](#) for a summary of written comments received.

On October 18, 2018 the AESO issued a separate consultation letter to give market participants the opportunity to provide comments on the omitted Appendix 3. No comments were received from market participants on the proposed new PRC-002-AB-2 Appendix 3.

On November 8, 2018 the AESO posted its replies to market participant comments, including the final proposed new PRC-002-AB-2 and the retirement of existing PRC-018-AB-1, on its website and notified market participants in the AESO Stakeholder Newsletter. Please see the [AESO Reply to Market Participant Comments Letter](#) for a summary of replies to written comments received, as well as the rationale or basis for the position of the AESO that explains why certain positions were rejected or accepted.

## Proposed Effective Date

The AESO recommends that the Commission approve proposed new PRC-002-AB-2 and the retirement of existing PRC-018-AB-1 as set out in Appendix 2 – Implementation Plan of proposed new PRC-002-AB-2. The

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<sup>1</sup> Section 19(4) of the *Transmission Regulation* states that, before adopting or making a reliability standard, "the ISO must consult with those Market Participants that it considers are likely to be directly affected".

AESO submits that proposed new PRC-002-AB-2 and retirement of existing PRC-018-AB-1 complies with the requirements of the *Transmission Regulation*, is not technically deficient and is in the public interest.

### Attachments to Forwarding Notice

The following documents are attached to this Forwarding Notice:

1. [September 18, 2018, Consultation Letter proposed new PRC-002-AB-2 and retirement of existing PRC-018-AB-1;](#)
2. [October 9, 2018, Market Participant Comments on Consultation Letter;](#)
3. [October 18, 2018, Consultation Letter proposed new PRC-002-AB-2 Appendix 3;](#)
4. [November 8, 2018, AESO Reply to Market Participant Comments Letter;](#)
5. [Copy of proposed new PRC-002-AB-2;](#) and
6. [Copy of existing PRC-018-AB-1.](#)

If you have any questions, please contact the undersigned.

Sincerely,

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Attachments