



Milestones and Related Process Steps for Southern Alberta Transmission Reinforcement (SATR)

1. GENERAL

This document clarifies the milestones the ISO will use to confirm and verify the need for system work for the Southern Area Transmission Reinforcement (SATR) and how the ISO will monitor these milestones (as per the Transmission Regulation, Section 11(4)).

Section 2 below outlines how the milestones will be used; Section 3 outlines how the milestones were determined, and Section 4 summarizes how the information for milestones will be monitored and reported.

2. MILESTONE PROCESS DEFINITION

Facility Application Activities: Those activities carried out by the AESO and the TFO prior to the issuance of a Permit and License by the AUC, including engineering, planning studies, and procurement of long lead time items. The AESO has the authority to direct TFOs to commence work on facility applications and will do this at any time during a need identification, verification or approval phase depending on the timing required to complete the work and forecast requirement date.

Construction Activities: Those activities carried out by the AESO and TFO after the issuance of a Permit and License by the AUC. In order to be proactive, this stage must be timed to ensure transmission in place in advance of need.

Facility Application Monitoring: The AESO commits to monitoring the need for a directive for facility application work and communicating such directives to industry in a timely fashion. The ISO may issue a directive for this scope of work in advance of formal need approval on any particular staged milestone, in recognition of timing, costs, system requirements. A formal milestone is not recommended.

Construction Milestone: The Milestone which, if met, will lead the AESO to direct the TFO to start Construction Activities. Generally, there is no “start” construction directive and work would proceed following approval of facility applications; however, the milestone would act as an “off ramp” as required.

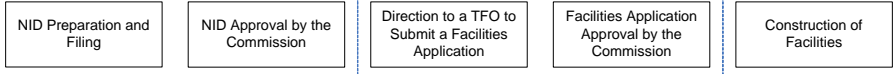
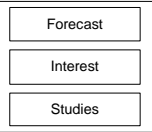
3. MILESTONES APPLICABLE TO SOUTH SYSTEM NID APPLICATION

The following milestones are specific to the circumstance of the SATR NID Application:

Construction Milestone is based on system studies indicating the threshold for wind generation additions that cause congestion. The milestones are determined for each area based on specific system studies and are summarized in the charts below.

SATR Milestones

System Project



Facilities Application Milestone

Construction Milestone

Stage 1

Incremental Forecast 1,200 MW Wind per NID



Milestones

- SW**
500 MW of gen forecast in Pincher Creek/Peigan Region
- SE**
Any wind forecast in the Burdett/Medicine Hat area

Construction Items

- SW**
Peigan to South Calgary 240kV line
- SE**
West Brooks to Medicine Hat 2 to Sub D 240kV line

Stage 2

Incremental 1,000 MW Wind / 2,200 MW Cumulative



Milestones

- SW**
600MW of gen forecast in the Pincher Creek Area
- *Any wind forecast in the Goose Lake - Sub C - Sub D - MATL areas
- SE**
400MW of gen forecast in the Burdett, Medicine Hat and Empress areas combined or studies indicating overloading or voltage problems in the SE

Construction Items

- SW**
Crownsnest Interconnection from Goose Lake
- *Goose Lake to Sub C 240 kV line
- *Sub C to MATL 240 kV line
- *Sub C to Sub D 240 kV line
- SE**
System modifications in Blackie, Ware Junction & Empress areas

Stage 3

Incremental 500 MW Wind / 2,700 MW Cumulative



Milestones

- SE**
Studies - indicating overloading in the SE Alberta's 240 kV network

Construction Items

- SE**
Ware Junction to Langdon 240kV line

4. MONITORING OF MILESTONES FOR SATR

The AESO commits to updating information on the milestones and any directives related to Facility Applications using the following information and process:

Facility Application Directive is based on an assessment related to time required to complete facility application work in advance of required construction and the verification of need. The AESO will monitor the same information outlined in construction milestone below and report on same along with providing notice of any issued directives as they occur.

Construction Milestone is based on a target number of MWs of generation development projects in a specified region that confirm a request for the AESO to file a NID for the interconnection of their project. The milestone will be assessed against all new information, and will be confirmed based on accepted Interconnection Proposals (IPs).

Quarterly reports or updates indicating any new information related to system studies and changes of conditions will be issued by Stakeholder Newsletter and posted to the AESO website.