



December 7, 2009

To: Kai Yang, Alberta Utilities Commission

Re: AUC Decision No. 2009-126 (September 8, 2009) and Approval No. U2009-340 (September 17, 2009) South Area Transmission Reinforcement (SATR) Project Milestones

Pursuant to the captioned Decision and Approval¹, the AESO is filing the attached Milestones and Related Process Steps for the SATR Project (SATR Milestones).

The SATR Milestones reflect amendments to the milestones contemplated in Table 2 of the original SATR NID and Appendix A to the AESO's Reply evidence filed in the proceeding leading to Decision No. 2009-126. In accordance with the Decision and Approval, the AESO respectfully requests that the Commission approve the SATR Milestones.

The AESO notes that the SATR Milestones are the result of industry consultation regarding appropriate measures that should be used to monitor and assess need over the forecast period related to new generation development, and the appropriate process for communicating new information. Specifically, consultation included the release of the AESO's "Recommendation Paper: Milestones and Related Process Steps for Southern Alberta Transmission System Reinforcement" on October 9, 2009. Additionally, the AESO hosted a stakeholder session, took industry comment, responded to those comments and, based on this consultation process, finalized the SATR Milestones. For information, relevant documents related to this consultation process are also attached.

As outlined in section 5.2 of the AESO's Recommendation Paper, the SATR Milestones represent an advancement in milestone measures and language from both the original Table 7.2-1 in the SATR NID and the AESO's Reply Evidence, to provide further clarity to what the measures will trigger, as well as to include milestones that reflect confirmation of the need for transmission.

¹ Section 6, paragraph 116 of Decision 2009-126 and paragraph 2 of Approval U2009-340

Sincerely,

“original signed by”

Bill Strongman
Director, Regional System Planning

Attached:

1. SATR Milestones

2. Consultation Material

- AESO Recommendation Paper: Milestones and Related Process Steps for Southern Alberta Transmission System Reinforcement (October 9, 2009)
- Comments received from industry
- AESO comment matrix with AESO response and covering letter
- Blackline to show minor changes between October 9, 2009 and filed version of Milestones.

CC: Heidi Kirrmaier, Vice President, Regulatory