

December 2, 2019

To: Market Surveillance Administrator, Market Participants and Other Interested Parties (“Stakeholders”)

Re: **Update Letter for Proposed Amended ISO Rules and AESO Consolidated Authoritative Documents Glossary (“CADG”) Terms & Definitions:**

- 1) **Section 103.2, *Dispute Resolution*;**
- 2) **Section 201.1, *Pool Participant Registration*;**
- 3) **Section 201.4, *Submission Methods and Coordination*;**
- 4) **Section 203.4, *Delivery Requirements for Energy*;**
- 5) **Section 304.2, *Electric Motor Start Requirements*;**
- 6) **Section 304.8, *Event Analysis*;**
- 7) **Section 305.4, *System Security*;**
- 8) **Section 306.3, *Load Planned Outage Reporting*;**
- 9) **Section 306.4, *Transmission Outage Reporting and Coordination*;**
- 10) **Section 306.5, *Generating Outage Reporting and Coordination*;**
- 11) **Section 501.10, *Transmission Loss Factors*;**
- 12) **Section 502.9, *Synchrophasor Measurement Unit Technical Requirements*¹;**
- 13) **Section 507.1, *Open Access Requirements for Proposed Interties*; and**
- 14) **AESO CADG Term – “agent”**
- 15) **AESO CADG Term – “Alberta internal load”**
- 16) **AESO CADG Term – “business day”**
- 17) **AESO CADG Term – “generating asset steady state”**
- 18) **AESO CADG Term – “LTA metrics”**
- 19) **AESO CADG Term – “LTA threshold”**
- 20) **AESO CADG Term – “LTA threshold actions”**
- 21) **AESO CADG Term – “market participant”**
- 22) **AESO CADG Term – “point of supply”**
- 23) **AESO CADG Term – “ramping”**
- 24) **AESO CADG Term – “system access service”**

collectively referred to as the “Administrative Updates – EAS Rules”.

Background

As part of the AESO’s development of ISO rules required to establish and implement the capacity market, the AESO performed an extensive review of existing ISO rules and identified a number of ISO rules requiring changes. Whereas certain changes to the existing ISO rules were considered essential for the implementation of the capacity market (“Amended EAS Market Rules”), others were not considered essential (“Category 2 Rules”). The ISO rules development consultation process associated with both sets of amendments commenced in July 2018 and concluded in March 2019.

On January 31, 2019, the AESO filed its capacity market application which included the proposed Amended EAS Market Rules.

In a [letter](#) dated July 25, 2019, the AESO received notification from the Government of Alberta that Alberta will not transition to a capacity market, and will continue with an energy-only market. On July 29, 2019, the Alberta Utilities Commission (“AUC”) accepted the AESO’s request to withdraw its capacity

¹ ISO Rule 502.9, *Synchrophasor Measurement Unit Technical Requirements*, will be aligned with approved changes proposed in the Waivers and Variances application under Proceeding 24885.

market application. Subsequently, the AESO did not file an application for the proposed Category 2 Rules.

The purpose of this letter is to inform Stakeholders that the AESO is continuing to propose some of the amendments that are administrative in nature and do not relate to establishing or implementing the capacity market. The proposed Administrative Updates – EAS Rules are essentially comprised of amendments from the proposed Amended EAS Market Rules and Category 2 Rules, absent capacity market-related content.

Consultation Completed to Date

The proposed Administrative Updates – EAS Rules amendments have been consulted on as part of the Amended EAS Market Rules and the Category 2 Rules.

Consultation conducted by the AESO for the Amended EAS Market Rules included:

Date	Consultation Activities
August 3, 2018	Publication of the Set 1 Draft Rules
August 13, 2018	Invitation for written comments on the Set 1 Draft Rules
August 15, 2018	In-person presentation on the Set 1 Draft Rules
August 31, 2018	Publication of the Set 2 Draft Rules
September 7, 2018	Publication of Set 1 Stakeholder Comments
September 7, 2018	Invitation for written comments on the Set 2 Draft Rules
September 7, 2018	Posting of presentations for the September 11 & 12 Stakeholder sessions on the Set 2 Draft Rules
October 10, 2018	Publication of Set 2 Stakeholder comments
October 22, 2018	Publication of the Proposed New and Amended ISO Rules and Terms and Definitions for the Implementation of the Capacity Market
October 26, 2018	Invitation for comments on the proposed New and Amended Rules and Terms & Definitions posted October 22, 2018
November 29, 2018	Publication of replies to Stakeholder comments on proposed Capacity Market Rules and Definitions

During the above consultation activities, Stakeholders were given an opportunity to review and provide comments, to which the AESO provided replies, in accordance with AUC Rule 017.

Consultation conducted by the AESO for the Category 2 Rules included:

Date	Consultation Activities
November 20, 2018	Publication of Category 2 Rules and invitation for written comments
December 20, 2018	Publication of AESO reply to Stakeholder comments
February 7, 2019	Publication of re-consultation and invitation for written comments on proposed amended Section 304.2, <i>Electric Motor Start Requirements</i> and Section 505.2, <i>Performance Criteria for Refund of Generating Unit Owner's Contribution</i>
February 7, 2019	Publication of consultation and invitation for written comments on proposed amended Section 103.2, <i>Dispute Resolution</i>
March 12, 2019	Publication of consultation and invitation for written comments on proposed amended Section 203.4, <i>Delivery Requirements for Energy</i> and associated definitions

With respect to the Category 2 Rules, following the AESO's reply to Stakeholder comments on December 20, 2018, the AESO did not receive written comments from Stakeholders on any of the additional proposed amended ISO rules and associated definitions that were posted for consultation in 2019.

Proposed Next Steps

The proposed Administrative Updates – EAS Rules contain primarily administrative changes that reflect requirements of the energy-only market and provide additional clarity, ensure alignment with certain ISO rules and definitions, remove requirements that are no longer needed, and align defined terms with the recent amendments to applicable defined terms in the Electric Utilities Act.

The AESO is of the view that it has met the intention of sections 4 and 6 of AUC Rule 017 as a result of the consultations completed to date. Therefore, the AESO is proposing to move directly to submitting an application for approval of the Administrative Updates – EAS Rules, blacklines of which are attached for reference, pursuant to section 7 of AUC Rule 017. If any Stakeholder has significant concerns with this proposed next step, please provide those concerns in writing to rules_comments@aeso.ca prior to December 10, 2019.

Attachments

1. [Blackline version of Section 103.2, *Dispute Resolution*](#)
2. [Blackline version of Section 201.1, *Pool Participant Registration*](#)
3. [Blackline version of Section 201.4, *Submission Methods and Coordination*](#)
4. [Blackline version of Section 203.4, *Delivery Requirements for Energy*](#)
5. [Blackline version of Section 304.2, *Electric Motor Start Requirements*](#)
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11. [Blackline version of Section 501.10, Transmission Loss Factors](#)
12. [Blackline version of Section 502.9, Synchrophasor Measurement Unit Technical Requirements](#)
13. [Blackline version of Section 507.1, Open Access Requirements for Proposed Interties](#)
14. [Blackline version of CADG Terms and Definitions - Administrative Updates for EAS Rules](#)

Sincerely,

Alison Desmarais

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Legal & Regulatory Affairs
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