



December 10, 2009

Dear Market Participants and Interested Parties:

Re: Final Proposed Level II Changes to Existing OPP 307 Alberta-Saskatchewan Interconnection Transfer Limits and Existing OPP 503 Empress Area Operation (“OPP Rule Changes”)

Please find attached the OPP Rule Changes being recommended for internal AESO approval in January 2009. The proposed OPP Rule Changes were initially distributed for consultation on November 19, 2009.

For ease of reference, the following grid is hyperlinked to provide assistance in directing stakeholders to the summary of the OPP Changes and the attachments. The attached summary provides more information on OPP Changes, including a brief explanation of the reason why they are needed.

Rule Number	Description	Level	Most relevant stakeholder interest
OPP 503	Empress Area Operation	II	AESO, TFOs, and Interconnected Members
OPP 307	Alberta-Saskatchewan Interconnection Transfer Limits	II	AESO, TFOs, and Interconnected Members

The AESO is required to provide replies to market participant comments pursuant to Section 8 of the Alberta Utilities Commission (“Commission”) Rule 017. No written stakeholder comments have been received on the above-proposed OPP Rule Changes.

Pursuant to Section 9 of Commission Rule 017, please note the following:

1. The AESO will be filing the OPP Rule Changes with the Commission on January 5, 2010;
2. Market Participants, as defined in the *Electric Utilities Act* (“EUA”), may object to an ISO rule filed with the Commission within 10 days of the publication by the Commission of the notice of filing of the ISO rule, in accordance with Section 20.4 of the EUA; and

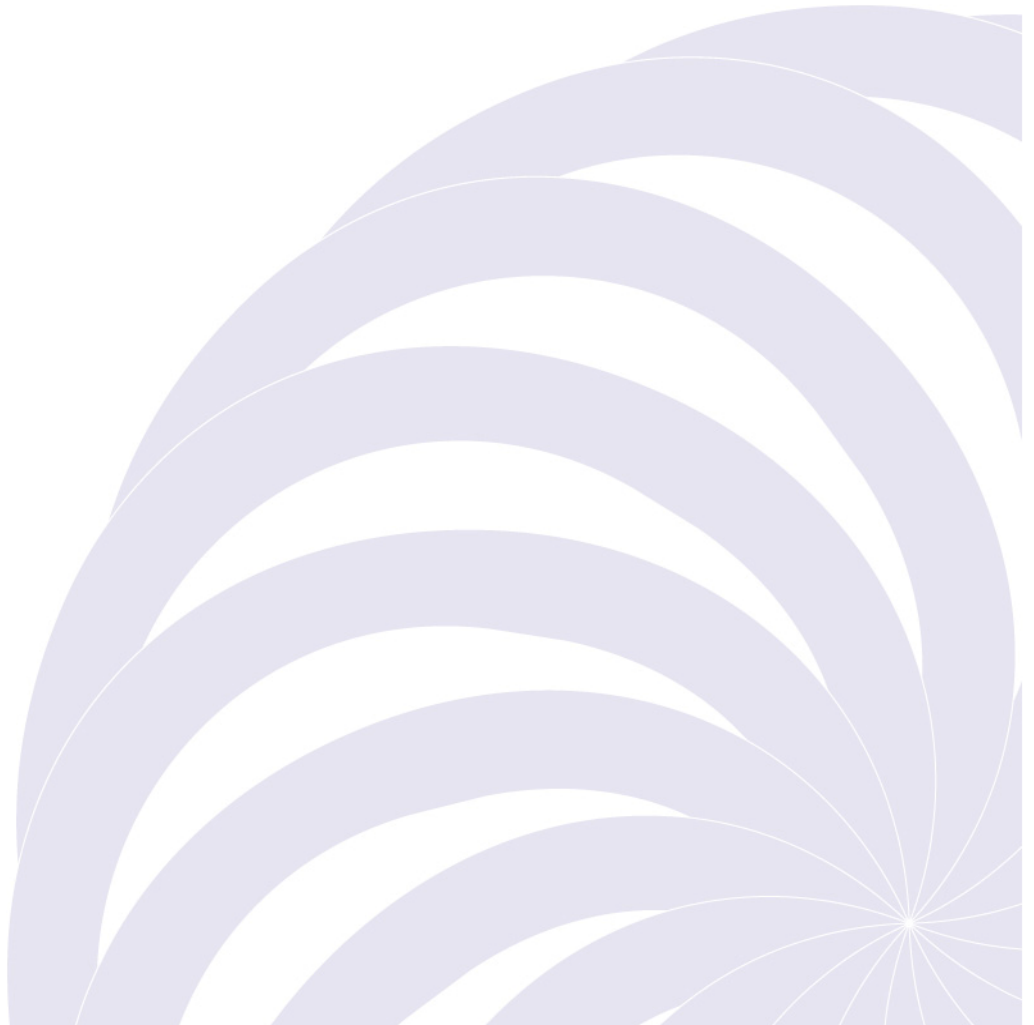


3. The OPP Rule Changes are proposed to be effective on January 25, 2010, in accordance with Section 20.3 of the EUA.

Yours sincerely,

Original Signed By

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Final Proposed LEVEL II ISO Rule Changes

Level II changes are changes that are expected to have a moderate or low impact on the industry or the ISO.

OPP 503 Empress Area Operation	
Rule Section/Number	Part 3, OPP 503 Empress Area Operation
Summary of ISO Rule	The purpose of OPP 503 is to define the policies and responsibilities for the Empress Area load customers and the policies and procedures for the system controller (“SC”) in managing load levels and motor starts in the Empress area.
Summary of Amendment	<p>The amendments to the OPP 503 provisions are driven by the ongoing system reinforcement project - "<i>Southeast Alberta Transmission Development</i>".</p> <p>This project includes upgrades the Empress area transmission system with the addition of a 240 /138 KV Cyprus substation, reconfiguration of 240/138 kV transmission lines and the addition of two (2) 27 MVar capacitors at McNeill 840S. With these changes, restrictions on management of the Empress area load and export to Saskatchewan are removed.</p> <p>OPP 503 has been amended to remove sections dealing with the management of Empress area load and curtailment of export to Saskatchewan, including the removal of Table 1, as these are no longer required.</p>
Level	II



<p>Explanation of Confidentiality</p>	<p>OPP 503 has confidential Table 1 (previously Table 2) that includes confidential customer DTS contract information and confidential Table 2 (previously Table 3) that includes confidential customer contact information, which if made public could violate the confidentiality agreements regarding the customer information.</p> <p>For clarity, previous confidential Tables 2 and 3 have been renumbered to confidential Tables 1 and 2 to reflect the proposed removal of existing Table 1.</p> <p>Except for the renumbering of the confidential tables, no revisions were made to the content of these tables. As a result, the AESO will not be requesting the Commission confirm that disclosure of the confidential tables attached to OPP 503 would not be in the public interest.</p>
<p>Proposed Effective Date</p>	<p>January 25, 2010</p>
<p>AESO Contact</p>	<p>Operating Policy and Procedures, Jason Murray, opp_comments@aeso.ca (403) 705-5230</p>
<p>Attachments</p>	<p>See attached:</p> <p>Final Rationale Document for Changes to OPP 503</p>



OPP 307 Alberta-Saskatchewan Interconnection Transfer Limits

Rule Section/Number	Part 3, OPP 307 Alberta-Saskatchewan Interconnection Transfer Limits
Summary of ISO Rule	The purpose of OPP 307 is to establish the transfer limits on the Alberta-Saskatchewan interconnection and to define the policies and procedures for establishing the export and import transfer capability on the Alberta-Saskatchewan interconnection while ensuring system security in the Alberta Interconnected Electric System (AIES).
Summary of Amendment	<p>Currently the Alberta-Saskatchewan interconnection transfer limit is constrained by thermal restrictions in the Empress area and the transfer capability of McNeill converter station. With the additions in the Empress area (described above in OPP 503), the export capacity to Saskatchewan has increased.</p> <p>OPP 307 has been revised to reflect improved export transfer capacity to Saskatchewan.</p>
Level	II
Explanation of Confidentiality	None
Proposed Effective Date	January 25, 2010
AESO Contact	Market Operations, Jason Murray opp_comments@aeso.ca (403) 705-5230
Attachments	<p>See attached:</p> <p>Final Rationale Document for Changes to OPP 307</p>