



February 1, 2010

To: Alberta Utilities Commission (“Commission”)

Re: Notice of Filing – Proposed Level II Changes to Existing OPP 702 Voltage Control (“OPP 702 Changes”)

1. The Alberta Electric System Operator (“AESO”) is filing ISO rules pursuant to Section 20.2(1) of the *Electric Utilities Act* (“EUA”). The AESO is authorized to make ISO rules, including Operations Policies and Procedures (“OPP”), in accordance with Sections 19 and 20 of the EUA.
2. Level II changes are changes that are expected to have a moderate or low impact on the industry or the AESO, and generally require little or no effort by stakeholders for implementing a solution. They are provided to stakeholders to review to ensure that the expected impact is reasonable, to identify unrealized impacts and/or to provide notice of the potential change in administrative processes.

Summary of ISO Rule

3. OPP 702 provides consistent voltage control guidelines for the Alberta Interconnected Electric system (AIES) and operating policy for all parties concerned with voltage control, including the transmission facility owners (“TFO”), generation facility owners (“GFO”) and the AESO system controller (“SC”).

Summary of Amendments

4. On December 3, 2009, the AESO issued a Letter of Notice requesting comments from market participants and interested parties on the OPP 702 Changes. On January 14, 2010, the AESO posted its Final Proposed Changes letter regarding the OPP 702 Changes. In that letter, the AESO confirmed that no comments were received on the OPP 702 Changes. Today (February 1, 2010), the AESO filed the final OPP 702 Changes with the Commission.
5. Studies show that in order to ensure the safe and reliable operation of the Northwest area of the Alberta system, the minimum operating limits of some 240/144 kV buses must be increased. These increases are proposed in Table 1 of OPP 702.
6. To maintain up-to-date procedures, the AESO also proposes additions to Table 2 of OPP 702 to reflect the addition of two capacitors in the Hardisty area one in the Hanna area, with a new reactor in northwestern Alberta at Wesley Creek.



Attachments to Notice of Filing

7. In accordance with Section 13 of Commission Rule 017, please find the following attached to this Notice of Filing:
 - a) The Letter of Notice sent to those market participants that the AESO considers likely to be affected by the OPP 702 Changes and that was posted on the AESO web site on December 3, 2009. Please note that the AESO has not issued any previous Letters of Notice regarding these changes.
 - b) AESO Final Proposed letter posted on the AESO's website on January 14, 2010. In this letter, the AESO confirmed that no comments were received on the OPP 702 Changes; and
 - c) Copies of filed OPP 702 (blacklined and clean);

Proposed Effective Date

8. The AESO proposes that the above-filed OPP 702 Changes take effect on February 17, 2010.
9. The AESO submits that the filed OPP 702 Changes comply with Commission Rule 017 made under Section 20.9 of the EUA, and that they are not technically deficient, support the fair, efficient and openly competitive operation of the market and are in the public interest.

Yours sincerely,

<original signed by>

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Attachments