



January 28, 2010

Dear Market Participants and Interested Parties:

Re: Letter of Notice – Proposed Level II “Package 3” Amendments to and Removal of Existing ISO Rule Section G1 Definitions (“G1 Definitions Changes”)

Pursuant to Section 2(1) of the Alberta Utilities Commission (“Commission”) Rule 017, the Alberta Electric System Operator (“AESO”) is providing notice and seeking feedback on a third package of definitions reforms that are being proposed by the AESO. Click [here](#) to view a copy of the proposed *amended* definitions as a part of the G1 Definitions Changes. Click [here](#) to view a copy of the definitions being proposed for *removal*.

Transition of Authoritative Documents (“TOAD”) Reforms

The latest proposed G1 Definitions Changes and the related development and planned implementation of a centralized definitions glossary are the result of the specific TOAD project. Under TOAD, the AESO is endeavoring to eliminate duplication, address conflicts and gaps and improve clarity among and within its three authoritative document domains: the ISO rules, the ISO tariff and the Alberta Reliability Standards. Information on the TOAD project can be found on the AESO website at www.aeso.ca.

Universal Definition Reforms in Sequential “Packages”

Prior to implementing the centralized glossary, the AESO through TOAD is performing a clean-up on definitions to improve and standardize the language and remove definitions that are not used. The proposed G1 Definitions Changes under this Letter of Notice is a third package of definitions that have been internally reviewed and are now proposed for stakeholder comment. The first package was sent out for comment on October 8, 2009, while the second package was sent out on October 15, 2009. The second package became in force and effect as of December 16, 2009, while the first package is awaiting a complementary approval under a pending ISO tariff module filing.

The third package of G1 Definitions Changes contains further amendments and removals that are both substantive and non-substantive in nature, and represent definitions that have been standardized in conjunction with work on the ISO tariff. Specifically, certain third package G1 Definitions Changes are being proposed for removal because they are no longer used or have a well understood industry meaning. Others are being added or modified in order to rationalize with legislative definitions.

Separate Regulatory Approvals

On the G1 Definitions Changes stakeholders will notice that the matrices include a column for ISO tariff definitions where appropriate. The actual regulatory approval of the G1 Definitions Changes as applicable to the ISO tariff will be dealt with as part of the 2010 ISO tariff application and formally approved of through that process. The existing ISO tariff definitions have been included here for reference only. Proposed effective



dates for the G1 Definitions Changes through the ISO rules process therefore will not occur concurrently with the ISO tariff effective date.

Review of Applicability to Specific Provisions

It should be noted that the G1 Definition Changes together with those included in the first two packages are applicable to the specific provisions of the three authoritative document domains, and that stakeholders should consider the application of these definition changes accordingly.

For ease of reference, the following Table is hyperlinked to provide assistance in directing stakeholders to the summary of the third package of G1 Definitions Changes and the attachments. The attached summaries provide more information on the G1 Definitions Changes including a brief explanation of the reason why these should be amended or removed.

Rule Number	Description	Level	Most relevant stakeholder interest
G1	Definitions (amended)	II	All Market Participants
G1	Definitions (removed)	II	All Market Participants

Comments and suggestions on the changes to and removal of the third package of G1 Definitions Changes being proposed are encouraged. Please use the comment matrices provided when submitting comments to the AESO. Click [here](#) to access the comment matrix for the proposed G1 Definitions Changes. Click [here](#) to access the comment matrix for the G1 Definitions Changes being proposed for removal. Only written comments will be considered in finalizing the G1 Definitions Changes.

Please provide feedback or questions by **Friday, February 19, 2010** to the ***individual*** specified in the "AESO Contact section of the "Proposed LEVEL II ISO Rule Changes" below.

The AESO will be publishing all stakeholder comments received for industry review shortly after the comment deadline. Stakeholder comments received along with AESO responses will be published with the final proposed changes to and removal of G1 Definitions being recommended for internal approval in March 2010.

Yours sincerely,

Original Signed By

Paul Glatthor
Manager, Authoritative Documents Process
Ph: (403) 539-2464
E-mail: paul.glatthor@aeso.ca



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, 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

ISO Rule Section G1 Definitions (amended)	
Rule Section/Number	G1 Definitions: <ul style="list-style-type: none"> • commissioning • electric distribution system • interchange transaction • ISO tariff • Market Surveillance Administrator • material adverse change • metered demand • metered energy • metering equipment • outage • point of delivery • point of interconnection • point of supply • power factor • reactive power • real power • settlement period • transmission facility
Summary of ISO Rule	



Summary of Amendment	The AESO is proposing changes to definitions and new defined terms in order to improve and standardize the language.
Level	II
Explanation of Confidentiality	None
Proposed Effective Date	April 15, 2010
AESO Contact	Regulatory Services, Evelyn Kelly, evelyn.kelly@aeso.ca , (403) 539-2468
Attachments	See attached: Comparison of Changes to G1 Definitions

ISO Rule Section G1 Definitions (removed)

Rule Section/Number	
	<p>G1 – Definitions:</p> <ul style="list-style-type: none"> • aggregation • apparent power • capacity benefit margin • customer’s facilities • data model • dispatch log • distributor • E&GI Act • eligible dispute • energization certificate • forward contract • incremental loss factor • ISO FDRM • ISO load forecast • marketer • measurement data • measurement point definition record • mediation oversight committee • mediator • meter data manager • metering system • non-dispensated metering equipment • notice of eligible dispute • PPA effective date • shift factor • STS capacity • STS contracting party



Summary of ISO Rule	
Reason for Removal	The AESO is proposing to remove definitions that are not used in the ISO rules and definitions that do not require a specific definition as their common industry meaning is sufficient.
Level	II
Explanation of Confidentiality	None
Proposed Effective Date	April 15, 2010
AESO Contact	Regulatory Services, Evelyn Kelly, evelyn.kelly@aeso.ca , (403) 539-2468
Attachments	See attached: Rationale Document for Removal of G1 Definitions