



April 6, 2010

To: Alberta Utilities Commission (“AUC” or “Commission”)

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

1. The Alberta Electric System Operator (“AESO”) is filing the attached 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 (“OPPs”), in accordance with Sections 19 and 20 of the EUA.
2. The G1 Definitions Changes are considered by the AESO to be Level II Changes. Level II Changes are changes that are expected to have a moderate or low impact on the industry and/or the AESO, and generally require little or no effort by stakeholders in implementing a solution.

“Package 3” G1 Definitions to be Amended

3. Amendments are proposed to the following ISO rules Section G1 Definitions:
 - commissioning
 - electric distribution system
 - interchange transaction
 - ISO tariff
 - Market Surveillance Administrator
 - material adverse change
 - metering equipment
 - outage
 - point of delivery
 - point of interconnection
 - point of supply
 - settlement period
 - transmission facility

Transition of Authoritative Documents (“TOAD”) Reforms

4. The proposed G1 Definitions Changes are the result of specific changes and reforms with respect to the TOAD Project. The AESO is seeking 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.



Summary of Amendments – Standardization with the ISO Tariff

5. On January 28, 2010, the AESO issued a Letter of Notice requesting comments from market participants and interested parties regarding the G1 Definitions Changes. On March 15, 2010, the AESO posted its reply to comments received from stakeholders in response to the January 28, 2010 Letter of Notice on the AESO website.
6. The G1 Definitions Changes contain further amendments that are both substantive and non-substantive in nature, and are definitions that have been standardized in conjunction with work on the ISO tariff.

AESO Reply to Stakeholder Comments

7. The AESO is required to provide a reply to market participant comments pursuant to Section 8 of the Commission Rule 017.
8. The AESO proposed amendments to certain ISO Rules Section G1 Definitions. Stakeholder comments were received regarding the inclusion or exclusion of volumes for the definitions of “real power, reactive power, metered demand and metered energy”. In addition, stakeholder comments were received with respect to the definition of “power factor”, specifically the reference to “apparent power” within that definition as stakeholders were of the view that the term “apparent power” should be a defined term and identified as such within the definition of “power factor”.
9. On March 15, 2010, the AESO provided a detailed reply to the stakeholder comments indicating that the AESO had determined that further analysis was required on the definitions for “real power, reactive power, metered demand, metered energy and power factor” and that they would be excluded from the G1 Definitions proposed to be amended. The AESO advised that it would proceed with the filing of the remaining proposed definitions amendments.
10. In its reply, the AESO also indicated that after completing this further analysis on the definitions for “real power, reactive power, metered demand, metered energy and power factor” it may proceed with filing of an amendment to these definitions in a subsequent filing.
11. In light of the above, after careful consideration of the comments received from market participants, the AESO has determined that the remaining G1 Definitions Changes will continue as proposed.



Attachments to Notice of Filing

12. In accordance with Section 13 of Commission Rule 017, the following documents are attached to this Notice of Filing:

- a) Letter of Notice forwarded to market participants and interested parties the AESO considered likely to be affected by the G1 Definition Changes and that was posted on the AESO web site on January 28, 2010. Please note that the AESO has not issued any previous Letters of Notice regarding these changes;
- b) The Stakeholder Comments on Letter of Notice posted on the AESO web site February 24, 2010, setting out written comments received, the name of the market participants that submitted each comment in response to the Letter of Notice and the date on which the comment was submitted;
- c) AESO Reply Letter, posted on the AESO web site on March 15, 2010 setting out the AESO reply to the comments received from market participants on the G1 Definition Changes; and
- d) Blacklined and clean copies of following amended G1 Definitions:
 - commissioning
 - electric distribution system
 - interchange transaction
 - ISO tariff
 - Market Surveillance Administrator
 - material adverse change
 - metering equipment
 - outage
 - point of delivery
 - point of interconnection
 - point of supply
 - settlement period
 - transmission facility

* Please be advised that certain of the attachments noted above include reference to other ISO rules Section G1 Definitions that are not the subject of this filing.

Proposed Effective Date

13. The AESO proposes that the above-filed G1 Definition Changes take effect on April 30, 2010.



14. The AESO submits that the filed G1 Definition Changes complies with Commission Rule 017 and further submits that the filed G1 Definition Changes 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