

July 28, 2011

Alberta Utilities Commission
Fifth Avenue Place
400, 425 – 1st Street SW
Calgary, Alberta
T2P 3L8

Attention: Darin Lowther
Director, Markets Division

Dear Mr. Lowther

**Re: Bulletin 2011-16
Stakeholder Consultation Regarding Process and Procedure for Reliability Standards**

The Alberta Electric System Operator ("AESO") has reviewed Bulletin 2011-16 issued by the Alberta Utilities Commission ("Commission") on June 30, 2011, including Professor Mullan's attached discussion paper. We appreciate the Commission's continued efforts to consult on these matters and give further consideration to the points raised by the AESO in its submission dated February 3, 2011, in response to AUC Bulletin 2011-02.

Regarding the five (5) specific questions posed by the AUC in Bulletin 2011-16, the AESO has only the following brief comments in addition to those provided in its February 3, 2011 submission.

Question 1:

Our interpretation of Section 19 (6) of the *Transmission Regulation* is that it does offer an interested person procedural rights or standing when a reliability standard is forwarded to the Commission.

Questions 2 and 3:

The AESO believes that when the Commission receives a submission or intervention from an interested person, and as a consequence of such a submission or intervention must determine whether or not a hearing is required prior to approving or rejecting a reliability standard, then it is reasonable for the Commission to take into consideration whether the person participated in the AESO's consultation process and if not, why not. For clarity, we are not suggesting that is the only consideration, nor are we suggesting that lack of participation should automatically equate to lack of standing.

We believe our February 3, 2011 submission otherwise sufficiently addresses the Commission's remaining questions.

Sincerely,

<original signed by>

Heidi Kirrmaier
Vice-President
Regulatory