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January 17, 2013

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

Dear Mr. Lowther:

RE: Consultation on AUC Rule 019

Capital Power appreciates the opportunity to provide this response to the Alberta Utilities Commission (Commission) Bulletin 2012-20, dated December 21, 2012, which requested comments on the revision of AUC Rule 019: *Specified Penalties for Contravention of ISO Rules* on an expedited basis in order to ensure continuity in the enforcement of ISO rules.

In December 2012, the Alberta Electric System Operator (AESO) filed an application with the Commission to add, amend, and remove a number of ISO rules on an expedited basis, which the AESO characterized as expedited core market rules changes. Subsequently, the MSA requested a revision to the penalty table in AUC Rule 019 in association with the AESO filing. In addition to the amendments requested by the Market Surveillance Administrator (MSA) to the penalty table contained in AUC Rule 019, that were made effective by the Commission as of January 8, 2013, the Commission is also considering further modifications to Category 1 of the penalty table that are not part of the expedited core market rules filings.

Capital Power's understanding from reviewing both the Commission's notice and the MSA's letter dated December 14, 2012 is that the modifications requested by the MSA at this time are intended solely to maintain administrative consistency and accuracy with the rules identified

within the penalty, and specifically that no changes to the dollar amounts of any of the specified penalties are being proposed by either the AESO or the MSA. On this basis, Capital Power has no concerns with the administrative modifications to Categories 1, 2, and 3 being proposed in relation to the expedited core market rules that became effective on January 8, 2013.

Capital Power also has no concerns with the additional changes proposed by the MSA to modify the penalty table in order to ensure consistency with ISO rules that previously became effective at various dates throughout 2012. Capital Power understands that the Commission has not yet proposed an effective date associated with these changes.

If you wish to discuss Capital Power's comments in more detail, please contact me directly at 403-717-4639 or via e-mail at sbrown@capitalpower.com.

Sincerely,

A handwritten signature in black ink, appearing to read "SBrown". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Stephanie Brown
Senior Advisor, Regulatory Affairs West
Capital Power Corporation

cc: Daniel Jurijew, Capital Power