



October 17, 2014

Alberta Utilities Commission  
Fifth Avenue Place  
Fourth Floor, 425 First Street SW  
Calgary, AB T2P 3L8

To Greg Andrews:

**RE: *Bulletin 2014-13: Consultation on AUC Rule 019 – Specified Penalties for Contraventions of ISO Rules***

The Alberta Utilities Commission (“AUC”) published Bulletin 2014-13 on October 1, 2014 requesting stakeholder comments on proposed changes to AUC Rule 019: *Specified Penalties for Contraventions of ISO Rules*. ATCO Power submits this letter with its comments on the proposed changes.

The AUC proposes to move ISO Rule 3.6.2 and 3.6.3 from Category 2 to Category 3 based upon the view that these rules overlap with ISO Rule Section 203.3, which is found in Category 3. ATCO Power does have a concern with the proposed re-categorizations of ISO Rules 3.6.2 and 3.6.3.

The AESO is currently consulting on changes to the operating reserves rules, which will require ISO Rule 3.6.2 and 3.6.3 to be removed and replaced by ISO Rule Sections 205.2, 205.3, 205.4, 205.5, and 205.6. The proposed changes include substantive amendments to the directive performance requirements for operating reserves. ATCO Power is concerned that the proposed recategorization of ISO Rule 3.6.2 and 3.6.3 will expose operating reserve market participants to higher penalties that they have no experience with.

ATCO Power requests the AUC delay the changes in Categories for ISO Rule 3.6.2 and 3.6.3 until such time that the new operating reserve rules are put in place and market participants are provided some time to adapt their practices and procedures to the new rule requirements.

If you have any questions or would like to discuss this letter further, please contact Akira Yamamoto at (403) 209-6079.

Sincerely,

<sent electronically>

Akira Yamamoto  
ATCO Power Canada Ltd.