



Alberta Electric System Operator

Approval of new Alberta Reliability Standard Definition

March 20, 2017

Alberta Utilities Commission

Decision 22411-D01-2017

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Application 22411-A001

Proceeding 22411

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1 Introduction

1. On February 13, 2017, the Alberta Electric System Operator (AESO)¹ filed the following Alberta reliability standard definition with the Alberta Utilities Commission for review pursuant to Section 19(4)(b) of the *Transmission Regulation*. The AUC registered this filing as Application 22411-A001 and designated it as Proceeding 22411.

Table 1. Reliability standard definition filed February 13, 2017

Reliability standard category	Reliability standard definition	Proposed action
Definition in the AESO <i>Consolidated Authoritative Document Glossary</i>	- technical feasibility exception	New

2. Pursuant to Section 19(4) of the *Transmission Regulation*, before adopting or making reliability standards, the Independent System Operator (ISO) must consult with those market participants that it considers are likely to be directly affected by the proposed reliability standards. It must also forward them to the Commission for review, along with its recommendation that the Commission either approve or reject each of them.

3. Pursuant to sections 19(5) and 19(6) of the *Transmission Regulation*, the Commission must approve or refuse to approve each reliability standard in accordance with the recommendation of the ISO, unless an interested person satisfies the Commission that the ISO's recommendation is:

- (a) technically deficient, or
- (b) not in the public interest.

4. On February 13, 2017, the Commission issued a notice of filing and notice for objection with respect to the reliability standard definition identified in Table 1 above, by uploading the notice to the Commission's eFiling System.

5. No objections were filed with the Commission before or after the February 28, 2017 deadline specified in the notice of filing and notice for objection.

¹ The Independent System Operator (ISO) is established under Section 7(1) of the *Electric Utilities Act* and operates under the trade name AESO.

2 Background

6. The AESO has stated that the definition “technical feasibility exception” has been drafted to clarify that the AESO may grant a variance to certain critical infrastructure protection Alberta reliability standards requirements where it is not technically feasible for a Responsible Entity to meet the requirement, but comparable or higher level of reliability of the bulk electric system will be maintained by allowing the variance.

7. The AESO stated in its notice of filing to the Commission that it has posted a consultation letter on October 18, 2016 requesting written comments from market participants and other interested parties with respect to the proposed adoption of the reliability standard definition “technical feasibility exception.” The AESO further submitted that it posted written comments received from market participants and other interested parties on November 29, 2016, and posted its replies to market participant comments on January 26, 2017.

8. The AESO attached a copy of the reliability standard definition to Application 22411-A001, submitted that the new proposed reliability standard definition is compliant with the requirements of the *Transmission Regulation*, and recommended that the Commission approve the adoption of the proposed new definition pursuant to Section 19 of the *Transmission Regulation*.

3 Commission findings and decision

9. Pursuant to sections 19(5) and 19(6) of the *Transmission Regulation* the Commission must follow the recommendation of the ISO to either approve or reject proposed reliability standards unless the recommendation is demonstrated to be technically deficient or not in the public interest:

Reliability Standards

[...]

19(5) Subject to subsection (6), the Commission must approve or refuse to approve the reliability standards, agreements, criteria or directives, and must inform the ISO of its decision.

(6) The Commission must follow the recommendation of the ISO that the Commission approve or reject the proposed reliability standards, agreements, criteria or directives unless an interested person satisfies the Commission that the ISO’s recommendation is

(a) technically deficient, or

(b) not in the public interest.

10. The ISO forwarded the reliability standard definition in Table 1 to the AUC with a recommendation that the Commission approve it.

11. The Commission finds that the ISO consulted as required with those market participants that it considers are likely to be affected by the approval of the reliability standard definition in Table 1 and that the ISO complied with Section 19(4)(a) of the *Transmission Regulation*.

12. No party filed an objection with the AUC indicating that the recommended reliability standard definition is either technically deficient, or not in the public interest.

13. Accordingly, pursuant to Section 19(6) of the *Transmission Regulation*, the Commission approves the new reliability standard definition contained within Application 22411-A001, in accordance with the recommendation of the ISO. The Commission advises that the new reliability standard definition will be effective as follows:

Table 2. Effective date

Reliability standard	Effective date
New reliability standard definition in Table 1.	Approved, effective March 21, 2017.

Dated on March 20, 2017.

Alberta Utilities Commission

(original signed by)

Anne Michaud
Commission Member