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Alberta Electric System Operator  
2500, 330 – 5 Avenue SW  
Calgary, Alberta  
T2P 0L4

**Attention: Mrs. Melissa Mitchell-Moisson**

Dear Melissa:

**Re: TransAlta Comments Regarding  
Proposed ISO Rules Section 502.17 Voice Communication System Requirements**

As part of the AESO's stakeholder consultation regarding proposed new and amended communication ISO Rules and reliability standards, TransAlta is writing to communicate a number of concerns with proposed Section 502.17. TransAlta asks that these be addressed before the AESO submits the rule to the AUC for approval. May it be noted that these concerns are similar to those communicated by some other large generators.

### **Timing of the ISO Rule relative to the AESO system project**

Just recently, the AESO notified parties with generation larger than 300 MW (control room or remote control center) and/or non-radial transmission facilities that at the end of September they will be hosting a project kick-off meeting regarding Voice-Order wire / Data (SCADA) Telecommunications. Consultation on the proposed rule should be deferred until that system project is fully scoped and it is determined who will pay the cost of the upgrade to utility order wire.

### **Regulatory efficiency**

All generators with a MARP greater than 5 MW, acting rationally and considering the significant costs and other burdens to generators which would result from the rule, should object to the requirements and costs being put on them as a result of the proposed rule. Given the above-mentioned system project and that the AESO has communicated the need for the utility order wire requirements, it seems reasonable to ask why this isn't covered under system costs. Furthermore, it has been stated that that utility order wire is to ensure system reliability during a major power system event.

### **AESO Cost/Benefit Analysis**

The AESO has communicated that the need for the utility order wire requirements is to ensure system reliability during a major power system event. Given the system has operated reliably historically with existing back-up communications, regardless whether the new costs would be borne by generators or rate payers, the onus is on the AESO to justify economically that benefits would outweigh the costs.

### **Implementation Issues**

With an AESO system project, the AESO would Direct Assign the work to be completed by legal owners of transmission facilities and the scope, cost recovery and return would be clear. Proposed 502.17 proposes a very different approach, despite the upcoming system project, it does not provide any details regarding implementation by generators, including consideration for how the work would be scoped and generators would be expected to coordinate commercially with legal owners of transmission facilities.

TransAlta feels strongly that consultation on the proposed rule should be deferred until the planned system project is fully scoped and it is determined who will pay the cost of the upgrade to utility order wire.

Regards,

Yours truly,

***Original Signed***

DAVID MICHAUD  
Senior Advisor, Operations Compliance