

AESO Discussion Paper – Intertie Restoration Initiative  
 Stakeholder Comment Matrix  
 Comments submitted by Marcy Cochlan on behalf of TransAlta

Section	Subsection	Stakeholder Response
<b>2.0 Intertie Restoration Policy</b>	<b>2.1 Obligation to Restore Capacity</b>	TransAlta believes that import and export capacity should be restored in parallel. The discussion paper outlines shorter term actions that can be taken on the import side without parallel actions on the export side. We believe this is picking winners and losers in the Alberta market and is thus not consistent with FEOC. Thus we believe the AESO needs to undertake work on the export side of the equation in parallel even if this work is seen as more difficult than that available on the import side. Waiting for the north south upgrade is not action. We believe there are other wires solutions that could be undertaken in the mean time.
	<b>2.2 Cost Allocation</b> a. <b>Transmission Development Policy</b> b. <b>Import restoration cost allocation</b> c. <b>Export restoration cost allocation</b> d. <b>Variable cost flow through?</b>	TransAlta believes all costs associated with Import and Export restoration should be allocated to load
<b>3.3 Options to Increase Import ATC</b>	<b>3.3 Options</b> a. <b>LSSi to be pursued</b> b. <b>ILRAS not an option at this time</b> c. <b>Service available for in market use as opposed to emergency use only?</b> d. <b>Others?</b>	
	<b>3.4 Next Steps</b>	

	<b>a. Form working group</b>	
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<p><b>4.3 Options to Increase Export ATC</b></p>	<p><b>4.3 Options</b></p> <ul style="list-style-type: none"> <li>a. <b>GRAS to increase export limit to 935 MW</b></li> <li>b. <b>No GRAS to increase SOK flow limit</b></li> <li>c. <b>Integrate wind forecast into export ATC limit</b></li> <li>d. <b>Service available for in market use?</b></li> <li>e. <b>Others?</b></li> </ul>	<p>The AESO has written off any work related to GRAS for SOK due to the perceived short timeline. We have not firm dates by which the new north south upgrades will be implemented and are concerned that this will likely be more than a few years. Thus we believe the AESO should pursue development of a GRAS product for the SOK issues. The AESO is already asking generators to take on new obligations or capital investments to manage the SOK issues. For example, KH 3 was approved without a GRAS and now a GRAS has been imposed on the unit due to the delay in the North South transmission line. This is not the only conversation on things that generators must do for free related to the delay of the NS and associated problems on the SOK line.</p> <p>Further we believe the AESO needs to further pursue short term actions to restore export capacity. Examples provided in the papers such as implementing an export must run generation or bifurcation of the north south ancillary services market should be further explored in terms of their FEOC benefits and costs. We do not believe that they have been analyzed far enough in determining the benefits and costs of these options.</p> <p>TransAlta supports integrating wind forecasting into the ATC limit calculations as soon as possible.</p> <p>Other issues:</p> <p>TransAlta believes restorations of the intertie capacity must consider number of hours this restored capacity is available. It needs to be more in line with what is available on the import side. We believe there is an unfairness in the current approach which posts ATC for import hours in advance for a significant portion or the time while changes to export capacity are often posted 5 to 10 minutes before the hour. The lateness of these postings is an impediment to exporting and gives imports an unfair advantage</p>
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		over exporters. This is in line with having the principal of focusing efforts so that import and export capacity are restored in parallel.
	<b>4.4 Next Steps</b> <b>a. Form Working Group</b>	
<b>5.0 Conclusions and Next Steps</b>	<b>5.0 Conclusions and Next Steps</b> <b>a. Form Independent Working Group</b> <b>b. Should variable costs of services be charged to users?</b>	<p>The products developed for GRAS and LSSi need to be symmetric and consistent with the way products in the Operating Reserves market. This needs to be considered in terms of coordination between working groups.</p> <p>TransAlta believes that all costs variable and fixed for inertia restoration should be charged to load.</p>