
Exemption Application

FOR IESO USE ONLY

Exemption ID #: _____

Date Received: _____

Submit this form by e-mail to: exemptions@ieso.ca

Subject: Exemption Application

All information submitted in this process will be used by the *IESO* solely in support of its obligations under the *Electricity Act, 1998*, the *Ontario Energy Board Act, 1998*, the *market rules* and associated policies, standards and procedures and its licence. All submitted information will be assigned the appropriate confidentiality level upon receipt.

Terms and acronyms used in this Form that are italicized have the meanings ascribed thereto in Chapter 11 of the *market rules*.

PART 1 – EXEMPTION APPLICANT - GENERAL INFORMATION

Organization Name: TransAlta Corporation

Market Participant/Metering Service Provider No. IESO Help Centre (IHC) Ticket No.
(if applicable): _____ (if applicable): _____

Date: November 15, 2011

Address: 110 12th Avenue SW

City/Town: Calgary Province/State: Alberta

Postal/Zip Code: T2P 2M1 Country: Canada

Fax No.: _____

Email Address: _____

Main Contact

Name: Kevin T. Van Koughnett

Telephone No.: 403-267-2063 Fax No.: 403-267-2005

E-mail Address: kevin_van_koughnett@transalta.com

Web Site (URL): www.transalta.com

PART 1 – EXEMPTION APPLICANT - GENERAL INFORMATION

Alternative Contact

Name: Marcy Cochlan

Telephone No.: 403-267-4664 Fax No.: _____

E-mail Address: marcy_Cochlan@transalta.com

PART 2 – INFORMATION ABOUT THE EXEMPTION APPLICATION

1. Is this *exemption application* being submitted for existing *facilities* or equipment prior to *market commencement date* pursuant to Section 1.5.1 of the *Exemption Application* and Assessment Procedure?

☒ Yes ☐ No

2. Please specify the duration for which you would like the *exemption* granted in days, months or years:

Permanent

Please cite the *Market Rules* section number(s) to which this *Exemption Application* relates:

Please cite policy, standard or procedure to which this *Exemption Application* relates (including section number(s)):

MR-00362-R01 Attachment A

PART 3 – REQUEST FOR AN INTERLOCUTORY INTERIM EXEMPTION

☐ The *exemption applicant* does not request an interim *exemption* pursuant to Section 1.6.2 of the *Exemption Application* and Assessment Procedure.

OR

☐ The *exemption applicant* requests an interim *exemption* pursuant to Section 1.6.2 of the *Exemption Application* and Assessment Procedure staying the *exemption applicant's* obligation to comply with the following *Market Rules* Section Number(s) pending the Panel's final decision.

_____	_____
_____	_____
_____	_____
_____	_____

The *IESO* recommends that the exemption applicant contact the *IESO's* Market Assessment and Compliance Division regarding the compliance and enforcement measures the *IESO* intends to take pending the hearing of the *exemption* as in some cases it may not be necessary for the *exemption applicant* to seek an interim *exemption*.

PART 4 – SUBMISSIONS IN SUPPORT OF EXEMPTION APPLICATION

Attach an *exemption applicant's* plan detailing:

- The manner and time within which the *exemption applicant* will become compliant;
- The manner in which the *exemption applicant* proposes to modify its equipment or *facilities* or otherwise conduct its operations during the period of time for which the *exemption* would be in effect; and
- The *exemption applicant's* estimate of any costs that may be imposed on the *IESO* or on other *Market Participants*, if the *exemption* were granted.

PART 4 – SUBMISSIONS IN SUPPORT OF EXEMPTION APPLICATION

The following submissions must be included, either below or as attachments:

- a) For *exemption applications* submitted prior to market opening for *facilities/equipment* in operation before or on April 17, 2000 and relating to the technical requirements of *Market Rules* contained in Appendix 2.2 (other than those for participant workstations or *dispatch workstations*), Chapter 4 (other than Sections 6.1.5 to 6.1.21), or the technical requirements set forth in Section 12 of Chapter 5:
- The *exemption applicant's* assessment as to whether or not the *exemption*, if granted would materially:
 - Impact the ability of the *IESO* to direct the operations and maintain the *reliability* of the *IESO-controlled grid*;
 - Affect the ability of the *IESO* to operate the *IESO-administered markets* in an efficient, competitive and reliable manner.
 - The *exemption applicant's* assessment of whether the cost or delay to the *exemption applicant* of complying with the obligation or standard to which the *exemption application* relates is reasonable, having regard to the nature of the obligation or standard, the nature of the *exemption application* and the anticipated impact of non-compliance by the *exemption applicant* in terms of the elements referred to above.
- b) Additionally, for all other *exemption applications*:
- The *exemption applicant's* assessment as to whether or not the *exemption*, if granted would materially:
 - Impact the ability of the *IESO* to ensure non-discriminatory access to the *IESO-controlled grid*;
 - Increase costs of *market participants*; or
 - Increase costs of the *IESO*;
 - An assessment of whether the *exemption* would, if granted, give the *exemption applicant* an undue preference in the *IESO-administered markets*;
 - Where the *exemption applicant* is the *IESO*, identification of the benefit to *Market Participants* of compliance with the obligation or standard to which the *exemption application* relates relative to the financial and other resources required to achieve compliance within such deadlines as may be applicable;
 - Where the *exemption applicant* is the *IESO*, the manner in which it proposes to operate the *IESO-administered markets* or direct the operations and maintain the *reliability* of the *IESO-controlled grid* during the period in which the *exemption* would be in effect;
 - Identification as to whether the *facility* or equipment that is the subject-matter of the *exemption application*:
 - Was in service or was returned to service on the date on which the obligation or standard to which the *exemption application* relates came into force;
 - Was ordered by the *exemption applicant* on or prior to the date on which the obligation or standard to which the *exemption application* relates came into force; or

PART 4 – SUBMISSIONS IN SUPPORT OF EXEMPTION APPLICATION

- Was in the process of construction on or prior to the date on which the obligation or standard to which the *exemption application* relates came into force, and;
 - An assessment of the capability of the owner of the *facility* to operate the *facility* consistent with the terms of the proposed *exemption*.
- c) Additionally, for *exemption applications* requesting an interlocutory *interim exemption* pursuant to Section 1.6.2 of the *Exemption Application* and Assessment Procedure:
- The *exemption applicant's* reasons for requesting an interim *exemption*, including the *exemption applicant's* assessment regarding:
 - The type and degree of harm the *exemption applicant* will suffer if the interim *exemption* is not granted; and
 - how the interim *exemption* would impact the public interest.

PART 5 – SUPPORTING DOCUMENTATION TO BE ATTACHED BY EXEMPTION APPLICANT

Please list below all supporting documents attached to this *exemption application*.

1. *Exemption Applicant's* Plan (must be attached)
2. Map of Melancthon Wind Farm
- 3.
- 4.
- 5.

PART 6 – CERTIFICATION

The *exemption applicant* hereby declares that the information contained in and submitted in support of this document is, to the best of the *exemption applicant's* knowledge, complete and accurate.

Kevin Van Koughnett

Name

Director of Transmission

Title

PART 7 – CONFIDENTIALITY

- ☒ The *exemption applicant* agrees that information on this application may be posted in its entirety on the IESO Web site in accordance with the provisions of the *Exemption Application* and Assessment Procedure

OR

- ☐ The *exemption applicant* claims confidentiality over parts of the *Exemption Application* in accordance with Section 1.6.4 of the *Exemption Application* and Assessment Procedure. Parts of this *Exemption Application* over which confidentiality is claimed are highlighted. The balance of the information on this *exemption application* may be posted on the *IESO* Web site.

Kevin Van Koughnett

Director of Transmission

Name

Title

Melancthon Wind Farm: Exemption

Request for Exemption to MR-00362-R01; Attachment – A: Wind Generator Data Requirements as modified by IESO_IMDC_0170

TransAlta has reviewed our 199.5 MW Melancthon Wind Farm in detail. The wind farm uses 133 General Electric 1.5 MW turbines with a hub height of 80 m and 77 m rotors. The first stage of Melancthon uses 45 turbines for a total of 67.5 MW and went into service in 2006. The second stage of Melancthon uses 88 turbines for a total of 132 MW and went into service in 2008.

Based on this review TransAlta seeks the following exemptions as revised from our original request dated September 1, 2011 given recent changes:

The two met towers requirement

Please note that the attached map was from the planning stages for the wind farm and the met towers shown on the map were temporary and no longer exist.

Melancthon has no meteorological towers. TransAlta has investigated the costs and efforts to add met towers to Melancthon. We do not control (lease or own) land on which to locate met towers and would have to acquire such land rights through negotiation with landowners. The met towers would then have to be permitted with the local community and with federal aviation agencies. The towers would then have to be acquired and installed. This installation would include integration of the met towers into the wind farm scada system and in the provision of data to the RTU. TransAlta considers that this process could take between six and twelve months.

The capital cost of each permanent met tower based on our costs at Wolfe Island would approximate \$500,000 and as such the total cost would be \$1 million. In addition TransAlta would incur ongoing operations costs including landowner payments and tower maintenance.

TransAlta assesses that retrofitting met towers to an existing wind farm is unfair as we have no opportunity to recover the capital and ongoing costs. The wind farm is under long term purchase power agreements.

The provision of the nacelle data will provide the core data (wind speed and wind direction) needed for wind forecasting and any met tower data would be redundant to the nacelle data.

Provision of Data delay

The inservice date of the changes required to provide certain data is beyond November 1, 2011 and we will need an exemption until December 2011.

TransAlta is in the process of replacing the wind farm scada system at Melancthon by General Electric. This will include acquiring the nacelle data and providing it to the RTU. TransAlta believes this work will be in service no later than December 6, 2011. In addition the "Available Megawatts" needs to be programmed. We will update the IESO when we are advised for a

revised specific date for completion of this work by General Electric but we expect it before year-end.

Nondiscriminatory or Preference

TransAlta does not assess that the above exemptions for existing wind farm facilities are discriminatory or show preference, or will result in an increase in costs for the IESO or others. In large part we meet the requirements of Attachment A. The data we are providing is consistent with wind industry standard practice. Rule MR-00362-R01 comes into effect long after the Melancthon Wind Farm was designed, permitted and constructed. The wind farm was completed in two stages in 2006 and 2008.

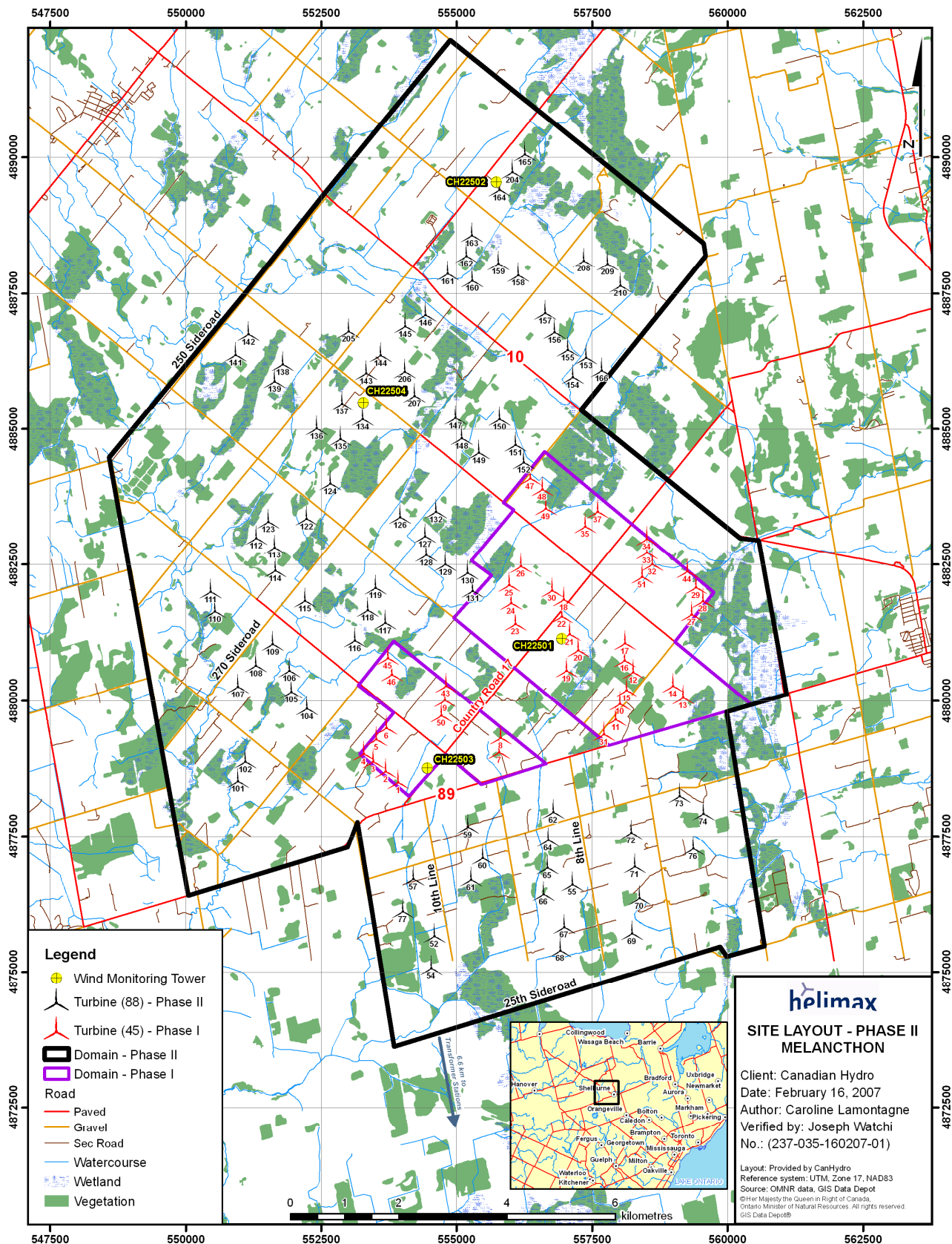


Figure 7-1: Melancthon II Wind Project – Site Layout