



Market Rule Amendment Written Submission

This form is used to provide comment on a *market rule* amendment under consideration by the *IESO*. Please complete all four sections of this form and submit the completed form by email or fax to the following:

Email Address: Rule.Amendments@ieso.ca

Fax No.: (416) 506-2847 **Attention: Market Rules Group**

Subject: Market Rule Written Submission

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 *confidentiality classification* of “Public” upon receipt. You should be aware that the *IESO* intends to *publish* this written submission.

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

PART 1 – SUBMITTER’S INFORMATION

Please enter your organization and contact information in full.

Name:

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Market Participant Class:
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¹ This number is a maximum of 12 characters and does not include any spaces or underscore.

PART 2 – MARKET RULE AMENDMENT REFERENCE

Type of Rule Amendment Being Commented on (please indicate with x):

Amendment Submission x Proposed Rule Amendment Recommended Rule Amendment

MR Number: MR-00288

This *Market Rule* number is located on the “Current Market Rule Amendment” web page.

Date Relevant Amendment Submission, Proposed or Recommended Rule Amendment Posted for Comment:

2005.04.29

PART 3 – COMMENTS ON RULE AMENDMENT

Provide your comments.

TransAlta acknowledges the proposed amendment is well intentioned. By allowing generators to meet their reactive power requirements through injection at any point behind the interconnection it expands the available options and the cost to connect generators may well be reduced. We suggest however that the options could be expanded further.

We suggest the IESO consider additional variations on their theme of cost reduction through flexible supply of reactive power and:

1. Allow projects to make their reactive power injections anywhere provided electrically the injection is equivalent (or superior) to injections at the interconnection;
2. Permit reactive power to be provided under bi-lateral contracts with terms long enough that administrative burden is not problematic.

These 2 steps would allow the development of reactive power sources in the most economic manner. A new project could develop excess capability on behalf of a neighboring facility, an existing generator could add reactive power contribution in excess of its obligations or a group of producers could fund expansion of voltage control on the grid rather than self-supply.

The value in such arrangements result from the economies of scale, in particular with respect to those costs incurred for controls, protection and power quality management components. Note also that system control may be enhanced by controlling larger reactive power resources providing the standard of “equivalent or superior electrically” is adhered to and all other requirements are held constant.

We look forward to comments or questions from the technical panel.

PART 4 – EXTERNAL CONSULTATION MEETING

If you believe that a special meeting of stakeholders would be necessary/desirable to discuss the issues raised by the rule amendment, please complete the following information:

External Stakeholdering meeting necessary/desirable (please indicate with x):

Reason(s) why you believe a meeting is necessary/desirable: