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**ORIGINAL**

November 20, 2000

Honorable David P. Boergers  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

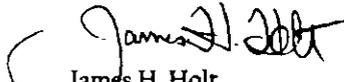
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FEDERAL ENERGY  
REGULATORY COMMISSION

Re: Avista Corporation,  
Docket No. RT01-35-000

Dear Mr. Boergers:

Enclosed for filing in the above referenced proceeding are an original and fourteen copies of the Motion to Intervene, Answer to Request for Expedited Declaratory Order, and Comments of the Power Pool of Alberta, the Alberta Department of Resource Development, and ESBI Alberta, Ltd.

Sincerely,

  
James H. Holt  
Their Counsel

JHH  
Enclosure

001121-0432-1

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ORIGINAL

UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION

Avista Corporation,	)	
The Bonneville Power Administration,	)	
Idaho Power Company, The Montana Power Co.	)	Docket No. RT01-35-000
Nevada Power Company, PacifiCorp,	)	
Portland General Electric Company,	)	
Puget Sound Energy, Inc., Sierra Pacific Power Co.	)	

MOTION TO INTERVENE,  
ANSWER TO REQUEST FOR EXPEDITED  
DECLARATORY ORDER, and COMMENTS OF  
THE POWER POOL OF ALBERTA,  
THE ALBERTA DEPARTMENT  
OF RESOURCE DEVELOPMENT, AND ESBI ALBERTA, Ltd

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FEDERAL ENERGY  
REGULATORY COMMISSION

Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214) and Section 205 of the Federal Power Act, 16 U.S.C.A. § 824d (1998), the Power Pool of Alberta, the Alberta Department of Resource Development, and ESBI Alberta, Ltd., (hereinafter jointly referred to as Alberta Intervenors) each hereby moves to intervene in the above-captioned proceeding, submits its answer to the request for a declaratory order, and submits comments, regarding the proposed formation of a Regional Transmission Organization (RTO) for the Pacific Northwest and contiguous regions.

**Executive Summary**

The Alberta Intervenors comprise three entities, each responsible for various related elements of the restructured, competitive electric power market in the province of Alberta. The formation of an RTO in the U.S. regions contiguous to the western Canadian provinces can serve an important function in enhancing the efficiency of the continental market. In order to achieve its purposes and

objectives, the Commission should ensure that open access is both a norm and a practical reality. For geographical and other considerations, the Alberta Intervenors regard meaningful open access to transmission grid as one of the critical prerequisites to the successful implementation of the proposed RTO. Of key importance in this regard are: flexibility and reasonableness in the allocation of transmission rights; safeguards against undue concentration of ownership on congested paths, recognition of the obligation to release unused transmission capacity on a timely basis for use by others, establishment of a proper scope for "network economy" uses by transmission facilities owners on behalf of native load customers; clear determination of what constitutes "economy energy purchases... from non designated resources"; the time frame within which such provisions are applicable; and whether "network economy" transactions can be invoked concurrently with the occurrence of exports from the control area. Further critical concerns in the implementation of the proposed RTO include safeguards against potential affiliate-based market distortions, and consistency among the three western RTOs that are proposed to operate under the Commission's auspices.

As is evident from a number of its provisions, the proposed RTO West remains a work in progress, with further efforts required to achieve a consensus on various issues. Included among these are the nature and extent of participation by Canadian entities. Alberta interests have participated, and will continue to participate, in the RTO collaborative process. While the Alberta Intervenors do not oppose the Commission's issuance of the requested declaratory order at this juncture, the ultimate test of the conformance of the proposed RTO structure with the criteria established in Order No. 2000 must be empirical, and the functioning of the new organization cannot be conclusively judged by the Commission without the "full package," as borne out by actual operations, being available for its review.

Accordingly, in recognition that the terms of the proposal are both fluid and in some respects preliminary, the Alberta Intervenors request that any approvals issued by the Commission of the proposed governing structure, composition, or organization of the RTO be made subject to continuing review by the Commission, when and at such point as further developments warrant, and that the Commission give its sanction to the continuation of the dialogue on these issues.

I.

In support of their motion and answer, the Alberta Intervenors respectfully show the following. Alberta Intervenors request that all pleadings, correspondence or other communications in regard to this proceeding be addressed to:

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and

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(\* Designated for service pursuant to Rule 203(b))

## **II. The RTO Filing**

On October 20, 2000, Avista Corporation, the Bonneville Power Administration, Idaho Power Company, The Montana Power Company, Nevada Power Company, PacifiCorp, Portland General Electric Company, Puget Sound Energy, Inc. and Sierra Pacific Power Company (collectively, the filing utilities) submitted herein a Supplemental Compliance Filing and Request for Declaratory Order Pursuant to Order 2000. The filing was tendered pursuant to Commission Order No. 2000 and regulations codified at 18 CFR 385.207(a)(2). The sponsors of the filing propose to form a regional transmission organization, referred to as RTO West.

The sponsors represent that the proposal complies with the requirements of Order No. 2000. They request that the Commission issue a declaratory order ratifying certain aspects of the proposal, including the proposed governance documents and the scope and configuration of RTO West, as being in accordance with applicable criteria established by Order No. 2000. The sponsors request expedited disposition of the request for declaratory order, and seek to have such an order issued by December 15, 2000.

## **III. Identity of the Alberta Intervenors And Overview of the Restructured Alberta Electric Market**

In accordance with the provisions of Rule 214 of the Commission's Rules of Practice and Procedure, set forth below is a description of the three moving entities that comprise the Alberta

Intervenors and a statement of their respective interests herein. In addition, these descriptive provisions are intended to provide an overview of the revised structure of the Alberta electric market, which affords the potential for increased integration of Alberta into the continental market.

Alberta has been embarked for more than five years on a gradual progression toward competition as the governing paradigm for its provincial electric power industry. The guiding principles underlying this movement are fully in harmony with the objectives and purposes of the FERC's Order No. 2000, and its related policy initiatives. Alberta Intervenors support the Commission's efforts to bring about the implementation of more competitive and fluid markets, including the implementation of RTOs. The three entities that, by this pleading, jointly seek to intervene and participate in the RTO formation process before the FERC, are each instrumental to the process and functioning of the electric market in Alberta.

**The Power Pool of Alberta.** The legal identity of the Power Pool is the Power Pool Council, a statutory corporation under the Electric Utilities Act of Alberta of 1995. The Power Pool is an independent, not-for-profit corporation created to operate an open and competitive electricity market in Alberta. Its principal place of business is located in Calgary, Alberta. The Power Pool has been in operation since January 1996.

Under Alberta's prevailing structure, the Power Pool performs three key functions. It operates the real time electric energy market, manages the operation of the Alberta Interconnected System including the real-time coordination of the provincial power grid and carries out surveillance of the electricity market. The Power Pool matches electricity supply with demand and establishes a visible market price. As the real-time coordinator of the power grid, the Power Pool ensures Alberta's interconnected power system operates safely, reliably and economically.

**Transmission Administrator.** ESBI Alberta, Ltd. (EAL) is a limited liability company organized pursuant to the laws of the province of Alberta, with its principal place of business located in Calgary, Alberta. Pursuant to a provincial designation issued in 1997, EAL has served as Transmission Administrator (TA) since June, 1998. The role of TA, like that of the Power Pool, was created via the Electric Utilities Act. The TA functions to provide access to the Alberta Interconnected system in a manner that is fair and equitable. The TA contracts with individual transmission owners to provide system access service; makes prudent financial arrangements for the provision of ancillary services; determines province-wide tariffs for transmission access for approval by the Alberta Energy and Utilities Board; carries out transmission planning, sets policies for the operation of the transmission system and interacts with the Power Pool for the management of ancillary services and the implementation of their operating policies.

Transmission facilities in Alberta continue to be owned by four major utilities. The Alberta Interconnected System is managed and regulated as a single system. Buyers and sellers trade electricity through the Power Pool and arrange transmission through the Transmission Administrator.

**The Alberta Department of Resource Development.** The ADRD is part of the provincial government of Alberta. It represents the interests of the Government of Alberta in energy-related regulatory proceedings outside the province. As relevant here, the ADRD is responsible for administration of the Alberta Electric Utilities Act, which provides legislative authority for operations of the Power Pool and the Transmission Administrator and facilitates by legislation, the objectives of an open, competitive market for electric power.

Accordingly, each of the Alberta Intervenors may be affected by Commission action in this docket and each has a vital interest in this proceeding, interests that are not represented by any other party. In the preparation of this intervention several Alberta market participants provided comments to this document. This intervention has the support of these Alberta constituent interests as well.

**IV. Alberta Intervenors Support The FERC's RTO Initiatives  
And the Use of Creative Mechanisms to Accommodate  
Multi-Jurisdictional Issues**

The revised structure of the Alberta electric market, as brought about by the seminal 1995 provincial legislation, is premised on essentially the same pro-competitive policies as those articulated by the FERC in Order No. 2000 and related initiatives. Alberta supports the objectives and policies the FERC is pursuing, and this support has been communicated to the Commission previously during the RTO rulemaking and implementation processes. [See rulemaking comments of September, 1999 and letters submitted via RTO process, Supplemental Filing, Attachment I]

RTOs, as envisioned by FERC Order No. 2000, represent an important next stage in the evolution of a competitive electric industry. This general principle applies as fully to the Alberta market as anywhere in the continental grid. RTOs are expected to provide benefits to the markets by enhancing trade between regions. Non-discriminatory transmission access, properly administered, can serve to reduce regulatory burden and reduce transaction costs.

An accepted premise of the RTO formation process is that Canadian entities are not subject to FERC jurisdiction with respect to their operations in Canada. The Alberta Intervenors have consistently noted that comity should be observed among the various governmental and regulatory bodies on both sides of the international border. The nature of the enterprise, however – the creation of a competitive and open continental electric market – necessitates a degree of interaction and

collectivity, which has been borne out during the RTO collaborative process. Electric industry participants in Alberta and other regions are interested in furthering open access to energy markets while maintaining high standards of reliability. Participating in the development of an RTO for the Pacific Northwest and contiguous regions in both the U.S. and the Canadian provinces represents a critical opportunity to address these issues in a deregulated environment.

**V. Response to Motion for Declaratory Order:  
The Composition and Governance of the RTO,  
As Well As Any Commission Approvals,  
Should Accommodate Ongoing Revision  
And Be Subject to Further Commission Review**

The sponsoring parties have requested a declaratory order, approving certain structural elements of the proposed RTO. As filed, its membership does not comprise any entities or facilities located within the province of Alberta. The composition of the membership of the contemplated RTO West, however, is still subject to ongoing discussions, and may ultimately encompass one or more Canadian entities in some fashion. (See Attachments H and I to the Supplemental Compliance Filing submitted herein on October 20, 2000 [hereafter Supplemental Filing]). Various provisions of the proposed organizational documents envision Canadian participation in the RTO's functions. (See, e.g., Supplemental Filing, Attachment J, Article I, Section 1(u) defining Major Utility to potentially encompass Canadian transmission entities; also Attachment Q). Whether and how any Alberta entity and/or facilities may, at some future point, seek to become affiliated with the RTO, will depend on the outcome of ongoing dialogue and analyses.

The governance proposal was developed with the participation of representatives of many stakeholder groups, including the regulatory and policy agencies of many of the western States.

Alberta Intervenors support the incorporation of an independent Board of Directors, as the filing utilities have proposed.

Significant issues remain to be resolved concerning the integration of entities and facilities operating within the provinces of Alberta and British Columbia into the functions of RTO West. A working group within the RTO West collaborative process, the Adjunct Committee, has crafted a "tiered" conceptual structure for the RTO, which is intended to address some of the cross-jurisdictional issues inherent in the participation of Canadian entities. These efforts have taken due account of the sovereignty of the various interested jurisdictions, and the need for comity among them. Illustratively, provisions aimed at integrating certain facilities of BC Hydro have been conceived of as contractually based arrangements, rather than employing the vehicle of RTO membership. (See Definition of "Canadian Transmission Provider;" Supplemental Filing, Attachment J, Article I, Section 1(g)). A number of issues remain to be resolved in this process, including the division of responsibilities and authority concerning system operation, tariff design and system planning.

Given the evolving nature of the structural elements of the organization, the Alberta Intervenors respectfully request that any findings or conclusions made by the Commission in ruling on the request for declaratory order be made without prejudice to the outcome of further dialogue and analyses, and that the collaborative process be allowed to continue, in order that remaining issues can continue to be addressed by all interested participants, including the Alberta entities.

In this connection, the Commission should ensure that its approvals do not effectuate an abdication of ongoing oversight authority, or give unwarranted primacy to the terms of the pro forma TOA incorporated into the governance documents. The TOA is a contract among the filing utilities that will determine how RTO-West will operate. (See Attachments R and S, Supplemental

Compliance Filing.) Recognizing that filing utilities, their customers and respective regulatory authorities, need to know how the creation of the RTO will affect the assets and rights at stake, the Commission should not give its sanction to the terms of the TOA as overriding or superseding authority relative to the FERC-regulated tariff of the RTO. The Commission, in any approvals and authorizations conferred, should reiterate that the terms of the TOA must remain subject to the independent ability of the RTO to propose, and the authority of the FERC to review, changes in its operations and procedures as conditions dictate.

**VI. The Open-Access Components of the RTO Should Be Vigorously Ensured,  
Including Reasonable and Fair Allocations of FTR,  
And Appropriate Safeguards Against Affiliate  
Based Impediments To Open-Access**

Alberta is located at the periphery of the RTO West, as configured under the proposed "geographic scope" provisions (See Supplemental Filing, Attachment A; Attachment J, Article I, Section 1(nn), definition of "RTO West Geographic Area".) The province currently has approximately 10,000 MW of generating capacity. At present it is interconnected to British Columbia via one 500kV and two 138 kV transmission lines and to Saskatchewan via a back-to-back High Voltage Direct Current converter. The BC interconnection is technically rated at total transfer capability of 1200 MW for import into Alberta and available transfer capability of 800 MW for normal transactions; with Saskatchewan, at 150 MW. These physical connections facilitate both export/import and demand-management participation in the larger continental market for electric power.

While both Alberta market participants and those in the Pacific Northwest desire to enhance their participation in the cross border trade in electric power, they are currently entirely dependent on BC transmission facilities for access to and from U.S. Pacific Northwest markets. An

appropriately structured and functioning RTO can have a critical homogenizing and debalkanizing impact on the various geographical components of the market, and a key element is that all corridors, including the U.S./BC/Alberta corridor be made fully viable for competitive access in both directions. Elimination of obstacles to the free use of the grid is one of the specific objectives set out by the Commission in Order No. 2000, and Alberta considers this a critical mission.

Three elements of open access warrant special scrutiny by the Commission. First, those provisions governing the allocation of firm transmission rights (FTRs) should be administered in such a way as to ensure that open access is not merely a normative criterion, but also a practical reality. There are several elements of the proposed provisions that are of concern in this regard.

**The Proposed Allocation of FTRs Appears Likely to Foreclose Meaningful Access.** A fundamental objective of Order No. 2000 was to enhance the efficient use of existing transmission capacity. The terms of the RTO as proposed incorporate no requirement that existing owners of transmission and existing contract holders place their FTRs in the market. They may instead choose to retain any or all of the FTRs distributed to them via initial allocations even if the transmission is not used. While it is contemplated that the RTO would auction any unallocated FTRs, thereby placing them into the market, it is by no means clear whether any material quantity of unallocated FTRs would remain after initial assignments, and even more so in light of the provisions for load growth of transmission owners and preexisting contract holders. The effects of these inclusive allocation provisions are amplified by the generous conditions for contract renewals into the future.

The FERC's intent and purpose in requiring the establishment of RTOs is in part to eliminate the ability of transmission owners to strategically limit access to their respective systems,

thereby contributing to a potentially self-sustaining balkanization of the grid. The Alberta Intervenors are concerned that the proposed provisions for allocation of initial FTRs, particularly in conjunction with provisions for load growth and preexisting contract holders, will have a practical effect that is not in keeping with these purposes, and could serve to ossify existing market requirements. Specifically, the allocation provisions appear likely to leave almost no transmission rights available for auction among potential new or different users. If this were the practical effect, potential Alberta market participants could be foreclosed, notwithstanding the creation of nominal processes for the distribution of available capacity. Simply put, the proposed allocation procedures provide no assurance that a liquid, efficient market for transmission capacity will accompany the creation of the RTO, even if nominally structured as "open."

In this connection, the Commission should give careful consideration to whether the depth of the FTR market is likely to be sufficient for a competitive market to develop. Measures to facilitate liquidity at the inception of the process would appear likely to reap significant benefits

Under the RTO West proposal, FTRs would be allocated in proportion to existing rights on the transmission system. (See Supplemental Filing, Attachment M, "Preexisting Rights") The categories of loads and services for which such allocations could be made, however, are both broad and imprecise. Illustratively, FTRs shall be made available "as needed to serve obligations under any bundled power sale, exchange, coordination *or other obligations not covered by a Pre-Existing Transmission Agreement.*" See TOA at §15.1.1(3). (Emphasis supplied.) This language is facially vague. Exhibit F to the Transmission Operating Agreement, which is anticipated as a listing of FTR quantities awarded to each filing utility, is in fact blank, reflecting the fact that the process of applying these allocation categories has not yet been undertaken. See Transmission Operating

Agreement ("TOA") at §15.1.4. Actual designations of capacity allocations by utility are apparently envisioned only as part of the next set of filings to be made with the Commission.

The scope of these allocation categories should obviously be resolved in advance of the concrete measures needed to identify unallocated capacity that will be available to the market. The Alberta Intervenors respectfully urge the Commission to consider the appropriate purposes and scope of these categories, and to provide appropriate guidance in the implementation of the open-access, efficiency-enhancement purposes of Order No. 2000. If the constituent members of RTO West effectively consume all of the FTRs through initial allocations, then the practical impact of the Commission's RTO initiatives may prove to be nominal or insubstantial; potential new participants will simply be unable to buy, sell and trade energy in RTO West. Reasonable measures intended to preserve the existing requirements of filing utilities should not be extended unreasonably, nor should FTR holders be empowered to withhold them from the market under a standardless regime.

As the Commission is, or will soon become, aware another regional entity, PJM Interconnection, has recently proposed a new system of auctioning FTRs on an annual basis. There are certain to be other proposals made to the Commission concerning this fundamental issue. The Alberta Intervenors request that the Commission evaluate all such proposals and ensure that concerns about open, non-discriminatory transmission access are addressed, and that balanced measures be adopted for RTO West.

Related to the issue of initial allocations is the unknown scope of potential load growth. The relevant definition of "existing rights," includes transmission capacity needed for load growth through the year 2011. (See Attachment M, "Preexisting Rights"). It is unclear whether FTRs needed for load growth are intended to be available for auction until such time as the need is

declared, or if such declarations are self-actuating. This element of the proposal could serve to confound the market efficiency goals of Order No. 2000. It should be clarified, at a minimum, to require that the transmission capacity necessary for load growth should be available for auction until such load growth materializes.

In any event, the reservation of load growth through the year 2011 appears unreasonably far-reaching. Even if FTR rights were auctioned annually until they are needed, the proposed process would likely serve to fragment the constituent transmission systems rather than unifying them, as envisioned by the Commission's policy. Particularly if the RTO West system is to conduct joint transmission planning and expansion, then all participants both old and new should have a reasonable stake in the planning process. The FTR allocation to long-term load growth appears likely to frustrate that process.

The same conceptual problem is inherent in the filing utilities' proposal to award FTRs for power exchanges, coordination agreements and other obligations not covered by pre-RTO contracts. *See* TOA at §15.1(3). These types of agreements are meant to optimize the use of the transmission systems of two or more interconnected utilities. Typical agreements are conducted on an economy energy basis or some other means, which attempts to ensure maximum use of both parties' facilities. This optimizing function will now be taken over by RTO West. Awarding FTRs for economy energy transactions, in practical effect, seriously hampers the development of an economy energy market through RTO West.

A more general shortcoming concerning load growth is that the proposal regarding expansion planning remains vague at this juncture, and provides no assurance that the RTO West will operate in a coordinated manner. The language acknowledges expansion planning, but provides little substantive criteria for applying the concept of transmission planning. As

contemplated (Attachment P of the filing "Description of RTO West Planning and Expansion"), further work remains to be done to identify the terms of expansion planning.

The physical rights system of congestion management can result in efficient, market-based congestion management only if there is a liquid and transparent market for the FTRs. Regardless of how rights are distributed initially, a liquid market will monetize them and provide incentives for all parties to incorporate the market value of FTRs into their comparisons of alternate sources of power or their evaluations of potential power market transactions. They will have incentives to retain or acquire only the rights they need for their best set of transactions.

**Open Access Under Order 888-Based Tariffs.** The RTO West filing alludes to the continuing applicability of relevant provisions of FERC Order No. 888. Alberta Intervenors urge the Commission to recognize that the open-access features of preexisting tariffs are taking on an increased, and likely different, significance as markets become further integrated through implementation of RTOs. In this context, certain issues have arisen that are currently unresolved as to the appropriate construction of tariff provisions filed pursuant to the Order No. 888, and as to the principles of open access under the Commission's policies. Alberta Intervenors respectfully request that the Commission direct that these issues be addressed in the continuing collaborative RTO formation process.

Among the specific developing points of contention are: limitation of ownership on congested paths, the obligation to release unused transmission capacity on a timely basis for use by others, on the proper scope of "network economy" uses by transmission facilities owners on behalf of native load customers; the determination of what constitutes "economy energy purchases... from non designated resources"; the time frame within which such provisions are applicable; and whether "network economy" transactions can be invoked concurrently with the occurrence of

exports from the control area. Absent definitive agreement among interested parties, these issues may ultimately require resolution by the Commission.

**Safeguards Against Affiliate-Based Distortions.** Open access to the proposed RTO system should not be compromised by potential affiliate-based distortions in the market. Various forms of corporate connections are, and are likely to continue to be, operative among unregulated merchant subsidiaries and various classes of members participating in the RTO. This is obviously a reality of the prevailing marketplace. The proposed RTO provisions implicitly recognize the potential ramifications of such affiliations, and incorporate a proposed definition aimed at excluding various types of affiliations from affiliate scrutiny or other proscriptions. (See Attachment J, Article I, Sec. 1(a)). It is inevitable, however, that some affiliate relationships will, at a minimum, create the perception of unfair advantage in the process of obtaining and utilizing otherwise "open" access to the transmission grid. In some circumstances, transactions involving an RTO member and an affiliate may result in a transfer of monetary payments from a subsidiary to a parent company, and the benefit to the ultimate shareholder in such transactions is unaffected by the price at which they occur. In fact the added benefit to the unregulated subsidiary from energy market activities could far exceed the losses incurred by the parent organization by not selling transmission to other users. This is only one illustration of instances in which the purposes and functions of the RTO structure could be distorted, and which require the continuing scrutiny of market participants.

The Commission should not only ensure that the structure of the RTO carries sufficient safeguards to ensure that such potential distortions in the market do not occur, but should also reiterate its intentions to perform the critical oversight function as the markets develop.

**VII . Provisions Designed to Address Seams Issues  
Should Apply Fully to the Alberta Interface With the RTO**

Issues pertaining to borders, “seams”, and the provisions crafted for dealing with transactions that cross one or more RTO borders, are of particular importance to the success of RTOs in the western reaches of the continental grid. Plainly, a fundamental premise of the RTO mechanism is to eliminate discriminatory treatment within the bounds of RTOs as configured. The Alberta Intervenors request that RTO provisions aimed at facilitating transactions at the borders, or seams, of the RTO West, be equally applicable at all “seams”, so as to ensure movements into and from the Alberta market, and to facilitate movements across all western continental interconnects as well. As alluded to in Attachment Q of the October 16 filing, the “seams” issue is dependent on the configuration of the RTO and also on the nature of the contractual arrangements incorporated into the RTO structure. Should Alberta entities participate in RTO West as a result of ongoing collaborative discussions, this issue would become an RTO issue; in any event, it will be important to the development of an efficient transmission system.

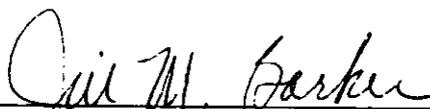
Integral to the seams issue are a range of issues concerning the “knitting” of contiguous RTOs, and the facilitation of cross-RTO transactions. The Alberta Intervenors regard it as essential that the three proposed western RTOs – RTO West, California’s ISO, and the Desert STAR – adopt consistent commercial methods and product definitions, and respectfully urge the Commission to bear in mind the need for consistency in its disposition of the various related proposals. Systems of pricing and congestion management that are parallel or based on a common model can serve to ensure that the seams between RTOs do not become barriers to the functioning of a competitive wholesale market throughout the western expanse of the continental grid.

Specifically, the Commission needs to strongly encourage consistency among western RTOs with regard to the following: 1) Determination of the transmission paths in the Western Interconnection where FTRs will be offered; 2) Determination of the amount of capacity on such paths that will be covered by FTRs; 3) Flowgate methodologies; and 4) Definition of terms (Firm Transmission Rights, Recallable Transmission Rights, Non-firm Transmission Rights) to the extent such commonality is necessary to foster a competitive wholesale market. Further, to the maximum extent feasible, the Commission should endeavor to harmonize the timetables under which each of the RTOs proceeds toward full compliance with Commission's directives, and implements the various elements of their plans, such as TOAs, tariffs, etc.

WHEREFORE, The POWER POOL OF ALBERTA, The ALBERTA DEPARTMENT OF RESOURCE DEVELOPMENT, and ESBI ALBERTA, LTD. respectfully request 1) that they be permitted to intervene in the above-captioned proceeding with full rights as parties, 2) that the requested declaratory order, if granted, be issued subject to further, ongoing review by the Commission, and 3) that the foregoing comments be given due consideration in the disposition of the proposed RTO provisions.

Respectfully submitted,

THE POWER POOL OF ALBERTA  
ALBERTA DEPARTMENT OF RESOURCE  
DEVELOPMENT  
ESBI ALBERTA, LTD.



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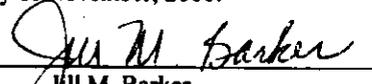
Their Attorneys

November 20, 2000

## CERTIFICATE OF SERVICE

I hereby certify that I have this day served by first class mail, postage prepaid, the foregoing document upon all persons entitled to service according to FERC's records in accordance with the requirements of Rule 2010 of FERC's Rules of Practice and Procedure.

Dated at Washington, D.C., this 20th day of November, 2000.



Jill M. Barker

Attorney for Movants

Power Pool Council of Alberta,  
The Alberta Department of Resource Development,  
And ESBI Alberta, Ltd.