

2022 Energy Market Trading Charge

The AESO has set a 2022 energy market trading charge at 29.3 cents per megawatt hour traded, including charges from the Alberta Utilities Commission (AUC) and the Market Surveillance Administrator (MSA). The trading charge is subject to amendment in accordance with ISO Rules Section 103.6, ISO Fees and Charges, upon conclusion of the 2022 Budget Review Process and approval of the 2022 Budget included therein.

The overall energy market trading charge in 2022 has decreased by 8.9 cents from the 2021 charge of 38.2 cents per megawatt hour traded.

AESO Energy Market Trading Charge	2022 Budget	2021 Budget
AESO Component		
General and administrative costs, interest, amortization and other industry costs	23.0¢	28.5¢
Energy market deferral deficit (surplus)	<u>(2.8)¢</u>	<u>1.2¢</u>
Total	20.2¢	29.7¢
AUC Component	6.3¢	5.4¢
MSA Component	2.8¢	3.1¢
AESO Energy Market Trading Charge	29.3¢	38.2¢

AESO Component

The AESO's component of the 2022 energy market trading charge has been set at 20.2 cents per megawatt hour traded compared to 29.7 cents in 2021. The decrease is attributed to:

- an increase in forecasted volumes and a decrease in budgeted costs for 2022 compared to 2021; and
- a cumulative deferral surplus balance due to lower energy market costs compared to actual revenue collections.

AUC Component

Under the provision of the *Alberta Utilities Commission Act*, AUC operating and capital costs are recovered from natural gas and electricity market participants under its jurisdiction or any person to whom the AUC provides services. Accordingly, the AUC apportions all of its costs related to its wholesale electric market activities to the AESO as an AUC administration fee.

The AUC's component of the 2022 energy market trading charge has been set at 6.3 cents per megawatt hour traded.

MSA Component

In accordance with the *Electric Utilities Act*, the energy market trading charge will also recover the costs required by the MSA. The MSA's budgeting process is a separate activity, and their budget is approved by the Chair of the Alberta Utilities Commission. The AESO receives the cost recovery requirement determined by the MSA and must include that amount net of any surplus or deficit collection from 2021 and prior years in the energy market trading charge.

For 2022, the MSA's costs represent 2.8 cents per megawatt hour traded which is the current year cost recovery.



If you have questions or would like to discuss this topic further, please call AESOfirstcall at 1-888-588-AESO (2376) during business hours from Monday to Friday between 8:00 am and 5:00 pm (Mountain Standard Time) or email info@aeso.ca.

Posted: December 10, 2021