

2023 Energy Market Trading Charge

The AESO has set a 2023 energy market trading charge at 33.3 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 2023 Budget Development Process and approval of the 2023 Budget included therein.

The overall energy market trading charge in 2023 has increased by 4.0 cents from the 2022 charge of 29.3 cents per megawatt hour traded.

| AESO Energy Market Trading Charge | 2023 Budget | 2022 Budget |
|---|-------------|-------------|
| AESO Component | | |
| General and administrative costs, interest, amortization and other industry costs | 25.6¢ | 23.0¢ |
| Energy market deferral deficit (surplus) | (1.8)¢ | (2.8)¢ |
| Total | 23.8¢ | 20.2¢ |
| AUC Component | 6.3¢ | 6.3¢ |
| MSA Component | 3.2¢ | 2.8¢ |
| AESO Energy Market Trading Charge | 33.3¢ | 29.3¢ |

AESO Component

The AESO's component of the 2023 energy market trading charge has been set at 23.8 cents per megawatt hour traded compared to 20.2 cents in 2022. The increase is attributed to:

- a slight increase in forecasted volumes and an increase in budgeted costs for 2023 compared to 2022; and
- a reduction in the cumulative deferral surplus balance being refunded, resulting from 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 2023 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 2022 and prior years in the energy market trading charge.

For 2022, the MSA's costs represent 3.2 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 email info@aeso.ca.

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