

Alberta Electric System Operator 2021 Balancing Pool Consumer Allocation Rider F Application

Date: November 4, 2020

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1 Application

1 Pursuant to subsection 82(6) of the *Electric Utilities Act*, S. A. 2003, c. E-5.1 (“Act”), the Alberta Electric System Operator (“AESO”) applies to the Alberta Utilities Commission (“Commission”) for approval of the Independent System Operator (“ISO”) tariff Rider F, *Balancing Pool Consumer Allocation Rider* for 2021 (“Rider F”), providing a \$2.30 per megawatt hour (“MWh”) charge for all demand transmission service (“Rate DTS”) and demand opportunity service (“Rate DOS”) market participants, with the exception of the City of Medicine Hat and BC Hydro at Fort Nelson, for metered energy from January 1, 2021 through December 31, 2021 inclusive.

2 Background

2 Rider F provides a credit or charge applicable to all Rate DTS and Rate DOS market participants, with the exception of the City of Medicine Hat and BC Hydro at Fort Nelson. In accordance with Board Order U2006-307, the City of Medicine Hat and BC Hydro at Fort Nelson are ineligible for Rider F.

3 Under subsection 82(4) of the Act, the Balancing Pool must notify the AESO of an annualized amount for each fiscal year. Under subsections 82(5) and 30(2)(b) of the Act, the AESO must include the annualized amount in the ISO tariff, and has done so through Rider F.

3 2021 Rider F

4 On October 19, 2020 the Balancing Pool notified the AESO of a consumer charge for 2021 of \$2.30/MWh for an estimated negative annualized amount of \$134,317,470. A copy of the Balancing Pool’s notice to the AESO is included as Appendix A to this Application.

5 The AESO has confirmed that the proposed \$2.30/MWh charge for Rider F for metered energy from January 1, 2021 to December 31, 2021 is expected to charge the annualized amount to all market participants receiving service under Rate DTS and Rate DOS, with the exception of the City of Medicine Hat and BC Hydro at Fort Nelson, on a forecast basis.

Table 1 – Rider F Calculation

[A]	[B]	[C]	[D = B ÷ C]
Period	Annualized Amount Refund (Charge)	Metered Energy MWh	Annual Credit (Charge) \$/MWh
January - December 2021	(\$134,317,470)	58,398,900	(\$2.30)

6 The AESO proposes that all substantive aspects of Rider F, including applicability criteria and use of a \$/MWh amount approach, continue unchanged from the Rider F that is currently in effect for 2020 metered energy, with the exception of section 2(2) of the currently approved Rider F.

7 Section 2(2) of the currently approved Rider F states:

2(2) The **ISO** must determine Rider F to refund or collect an annualized amount estimated by the Balancing Pool and transferred to the **ISO** under section 82 of the **Act**, for the **market participants** receiving **system access service** from the **ISO** under subsection 1 above.

8 While section 2(2) provides context regarding the purpose of Rider F, it repeats the requirements set out in sections 30(2)(b) and 87 of the Act and section 1 of Rider F. The AESO therefore considers section 2(2) to be an unnecessary regulatory requirement that can be removed, in alignment with the Government of Alberta's objective of reducing regulatory burden.¹

9 The proposed Rider F is included as Appendix B to this Application. The format and language of the proposed Rider F is the same as the currently approved Rider F, with the exception of section 2(2), which has been removed.

4 Relief Requested

10 The AESO requests that the Commission approve the proposed Rider F for 2021 provided as Appendix B to this Application to provide a \$2.30/MWh charge applicable to metered energy from January 1, 2021 through December 31, 2021 inclusive.

11 All of which is respectfully submitted this 4th day of November 2020.

Alberta Electric System Operator

Per: "Miranda Keating Erickson"

Miranda Keating Erickson
Vice President, Markets

¹ As described in the *Red Tape Reduction Act*, S.A., 2019 c. R-8.2.
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