

December 27, 2012

Market Participants Receiving System Access Service Under Rate DTS or Rate FTS

Dear Market Participant:

Re: **Revised Deferral Account Adjustment Rider C Charge for First Quarter of 2013**

On November 30, 2012, the AESO advised market participants that Deferral Account Adjustment Rider C for the first quarter of 2013 would increase to a charge of \$5.13/MWh. The AESO explained that it had determined Rider C for Q1 2013 assuming that Alberta Utilities Commission Bulletin 2012-03 would no longer be in effect by January 1, 2013.

However, Bulletin 2012-03 remains in effect to date. The AESO's November 30 notice noted that, in the event the AESO's assumption was incorrect and Bulletin 2012-03 remained in effect into 2013, the AESO would continue to maintain Rider C as a \$2.84/MWh charge as in 2012.

The AESO accordingly notifies stakeholders that Rider C will not increase to the calculated Q1 2013 level and will remain as a \$2.84/MWh charge that will apply to all system access services provided under:

- Demand Transmission Service Rate DTS and
- Fort Nelson Demand Transmission Service Rate FTS.

Rider C is being maintained as a \$2.84/MWh charge as a result of Alberta Energy's March 8, 2012, request that the Alberta Utilities Commission put in a process to limit increases in the current rates or charges for transmission and distribution service. On March 13, 2012, the Commission issued Bulletin 2012-03 which described the approach it would use for currently-pending and new applications filed with it. The AESO interpreted the intent of Alberta Energy's request and of Bulletin 2012-03 to be to ensure transmission and distribution rates and riders do not exceed their levels in March 2012. The AESO considers it appropriate and consistent with this intent to maintain Rider C at the first quarter 2012 charge of \$2.84/MWh.

The AESO will allocate and recover or refund any deferral account balances related to 2012 and prior years through its 2012 deferral account reconciliation application, which the AESO plans to file with the Commission in the second quarter of 2013. Any deferral account balances resulting from transactions settled in 2013 will be recovered or refunded through Rider C after Bulletin 2012-03 is no longer in effect.

More information, including Alberta Energy's letter and Commission Bulletin 2012-03, is available in the AESO's Q2 2012 Rider C Estimate – Revised, which is available on the AESO website at [www.aeso.ca](http://www.aeso.ca) by following the path Market ► Settlement ► Transmission Deferral Accounts ► 2012 Quarterly Deferral Estimates.

If you have questions or would like to discuss this further, please contact:

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