



April 8, 2010

Re: Revised Determination of Rider C for Q2 2010

The AESO advises market participants that Deferral Account Adjustment Rider C for the second quarter of 2010 has been revised from the original rate posted on March 31, 2010 and effective April 1, 2010. The revised Q2 2010 Rider C rate reduces the cost estimate for the interconnection charge by \$17.5 million, and will apply to all Rate DTS metered energy effective April 1, 2010.

The reduction reflects a change in the AESO's estimated costs for the period from January 1 to June 30, 2010 resulting from new information, namely Alberta Utilities Commission ("Commission") Decision 2010-147, released on April 6, 2010, on the Preliminary Question for a Review of Alberta Utilities Commission Decision 2009-151 on AltaLink's 2009 and 2010 Transmission Facility Owner Tariff. Decision 2010-147 confirmed the Commission's initial direction requiring the AESO to pay \$35 million to AltaLink for recovery of costs incurred for the cancelled Genesee-Langdon 500 kV project. The cost, which was paid by the AESO on December 31, 2009, is now being included in the AESO's 2009 deferral account reconciliation application as a result of Decision 2010-147.

Previously, the cost was being collected through Rider C during 2010 pending a decision by the Commission on the review request. As stated in the Q1 2010 and original Q2 2010 Rider C postings, each quarterly Rider C rate was calculated to collect one quarter of the \$35 million payment. With the determination of the \$35 million payment as a 2009 cost to be included in the 2009 deferral account reconciliation application, the previous cost included in the Q1 2010 Rider C will be refunded in the revised Q2 2010 Rider C interconnection charge rate, and there will be no further collection of amounts related to the \$35 million cost in Q2 2010 (which had previously included an \$8.7 million shortfall for collection during Q2 2010).

As communicated to stakeholders earlier this year, the AESO is planning to file the 2009 deferral account reconciliation application with the Commission in April. The \$35 million payment to AltaLink will now be incorporated into the application, which is still anticipated to be filed in April.

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

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