

AESO Quarterly Rider C For Q2 2016

The following table provides a summary of the AESO's forecasted deferral account balance at June 30, 2016 and the Q2 2016 Rider C rate.

(\$ millions)

	Revenues Collected	(Costs Paid)	Variance Pre-2016	Rider C Collected (Refunded) Pre-2016	Total Variance - Overcollected/ (Undercollected)
	DTS	DTS	DTS	DTS	DTS
Pre-2016 Actuals ⁽¹⁾					
Connection charge	(0.1)	-	(0.1)	-	(0.1)
Operating reserve charge	(0.0)	0.0	(0.0)	-	(0.0)
Transmission constraint rebalancing charge	-	-	-	-	-
Voltage control charge	-	(3.9)	(3.9)	-	(3.9)
Other system support services charge	(0.0)	-	(0.0)	-	(0.0)
Pre-2016 Deferral Amount	(0.2)	(3.9)	(4.0)	-	(4.0)

	Revenues Collected	(Costs Paid)	Variance Jan 2016 YTD	Rider C Collected (Refunded) YTD Jan 2016	Total Variance - Overcollected/ (Undercollected)
	DTS	DTS	DTS	DTS	DTS
YTD Jan 2016 Actual					
Connection charge	138.9	(147.9)	(9.0)	8.5	(0.5)
Operating reserve charge	4.3	(4.6)	(0.2)	0.1	(0.1)
Transmission constraint rebalancing charge	-	-	-	-	-
Voltage control charge	0.3	-	0.3	0.1	0.3
Other system support services charge	0.4	(0.5)	(0.0)	0.0	(0.0)
YTD Jan 2016 Deferral Amount	144.0	(152.9)	(8.9)	8.6	(0.3)

	Estimated Revenues	(Estimated Costs)	Variance Feb / Mar 2016 Estimate	Rider C Collected (Refunded) Feb/Mar 2016	Total Variance - Overcollected/ (Undercollected)
	DTS	DTS	DTS	DTS	DTS
Feb/Mar 2016 Estimate					
Connection charge	272.0	(297.4)	(25.4)	16.1	(9.2)
Operating reserve charge	14.3	(14.8)	(0.5)	0.2	(0.3)
Transmission constraint rebalancing charge	0.7	(0.7)	-	-	-
Voltage control charge	0.5	(0.3)	0.2	0.1	0.3
Other system support services charge	0.9	(0.9)	(0.0)	-	(0.0)
Estimated Feb/Mar 2016 Deferral Balance	288.4	(314.1)	(25.7)	16.4	(9.3)

	Estimated Revenues	(Estimated Costs)	Variance Q2 2016 Estimate	Rider C Collected (Refunded) Q2 2016	Total Variance - Overcollected/ (Undercollected)
	DTS	DTS	DTS	DTS	DTS
Q2 2016 Estimate ⁽²⁾					
Connection charge	424.3	(446.0)	(21.7)	-	(21.7)
Operating reserve charge	22.1	(22.8)	(0.7)	-	(0.7)
Transmission constraint rebalancing charge	1.0	(1.0)	-	-	-
Voltage control charge	0.8	(1.0)	(0.2)	-	(0.2)
Other system support services charge	1.4	(1.3)	0.0	-	0.0
Estimated Q2 2016 Deferral Ending Balance	449.6	(472.1)	(22.5)	-	(22.5)

	Estimated Revenues	(Estimated Costs)	Variance Q2 2016 Estimate	Estimated Rider 'C' Collected (Refunded) as of Q2 2016	Total Variance - Overcollected/ (Undercollected)
	DTS	DTS	DTS	DTS	DTS
Total Estimated YTD Deferral Balance at Q2 2016					
Pre-2016 and YTD Jan 2016 Actual, Feb/Mar 2016 and Q2 2016 Estimated					
Connection charge	835.1	(891.3)	(56.2)	24.6	(31.6)
Operating reserve charge	40.7	(42.1)	(1.4)	0.3	(1.1)
Transmission constraint rebalancing charge	1.7	(1.7)	-	-	-
Voltage control charge	1.6	(5.2)	(3.6)	0.2	(3.4)
Other system support services charge	2.7	(2.7)	(0.0)	0.0	(0.0)
Estimated Deferral Balance at Q2 2016	881.8	(943.0)	(61.2)	25.1	(36.2)

Numbers may not add due to rounding

- (1) The recovery or refund of deferral balances related to 2015 and prior production years which were settled before the end of 2015 are excluded from the Q2 2016 Rider C calculation and will be incorporated into the 2015 Deferral Account Reconciliation Application. The recovery or refund of 2015 and prior year amounts which were or are expected to be settled in 2016 are included in the Q2 2016 Rider C calculation.
- (2) Forecast Q2 revenue is based on Rates DTS and FTS as included in the AESO's 2016 ISO Tariff Update filed on February 2, 2016 which is expected to become effective on April 1, 2016.

DTS Market Participants: In Q2 2016, a Rider C net adjustment of \$2.56 per MWh will be added to the DTS rates as a charge. [(\$36.2 million for Q2 2016 estimated total variance) / (14,128 GWh for Q2 2016)] = \$2.56 per MWh

Rider C Rates for Q2 2016	<u>\$/MWh DTS</u>	<u>DTS Q2/16 GWh</u>
Connection charge	\$ 2.24	14,128
Operating reserve charge	\$ 0.08	
Transmission constraint rebalancing charge	\$ -	
Voltage control charge	\$ 0.24	
Other system support services charge	\$ -	
Total charge (refund)	<u>\$ 2.56</u>	

The analysis of the forecasted deferral account balances are the AESO's best estimate of the costs and revenues based on the information available at the time that this summary was prepared. This information is an estimate only and may not represent the actual costs incurred and revenue collected.

Note - All references to DTS market participants or rate schedules include FTS.