

# Rider C Calculation For Calendar Quarter Q2 2019 Applicable to Rates DTS, FTS and PSC



The AESO calculates Rider C charges and credits in accordance with Rider C of the ISO tariff, *Deferral Account Adjustment Rider*, as published on the AESO website. Rider C was most recently approved in Decision 22942-D01-2017 issued by the Alberta Utilities Commission on November 28, 2017.

Table 1 below provides a summary of Rider C charges and credits for each calendar quarter of 2019 calculated to date. Table 3 on the next page provides the detailed calculations for the latest calendar quarter by rate component. Detailed calculations for earlier calendar quarters are provided in previous Rider C calculations published on the AESO website.

**Table 1 – Summary of Rider C Charges and Credits (%)**

| Rate Component                               | Rider C Charge (Credit) (%) |         |         |         |
|--|-----------------------------|---------|---------|---------|
|  | Q1 2019                     | Q2 2019 | Q3 2019 | Q4 2019 |
| Connection charge and primary service credit | 0.01%                       | 3.89%   |         |         |
| Operating reserve charge                     | 1.04%                       | 1.20%   |         |         |
| Transmission constraint rebalancing charge   | 0.00%                       | 0.00%   |         |         |
| Voltage control charge                       | 9.94%                       | 12.83%  |         |         |
| Other system support services charge         | (10.61%)                    | (7.20%) |         |         |

Table 2 below lists the cost and revenue amounts included in each rate component in the Rider C calculation. These items reflect the AESO revenue requirement as filed and approved in the ISO tariff application expected to be effective for the calendar quarter. The Rider C calculation for Q2 2019 reflects Decision 24036-D01-2018 issued by the Alberta Utilities Commission on December 18, 2018.

**Table 2 – Cost and Revenue Amounts Included in Rider C Calculation**

| Rate Component                               | Cost Amounts  | Revenue Amounts                    |
|--|---|------------------------------------|
| Connection charge and primary service credit | TFO wires-related costs (including isolated generation) | Rate DTS charge                    |
|  | Non-wires costs (IBOC and LBC SO)                       | Rate FTS charge                    |
|  | Other industry costs                                    | Rate PSC credit                    |
|  | General and administrative costs                        |                                    |
|  | Tariff revenue offsets                                  |                                    |
| Operating reserve charge                     | Operating reserves                                      | Rate DTS charge                    |
|  | Black start   | Rate FTS charge                    |
|  | Load shed service for imports (LSSi)                    |                                    |
| Transmission constraint rebalancing charge   | Transmission constraint rebalancing (TCR)               | Rate DTS charge<br>Rate FTS charge |
| Voltage control charge                       | Transmission must-run (TMR)                             | Rate DTS charge<br>Rate FTS charge |
| Other system support services charge         | Reliability services from BC                            | Rate DTS charge                    |
|  | Poplar Hill   | Rate FTS charge                    |

In accordance with the deferral account reconciliation methodology approved by the Alberta Utilities Commission, all cost and revenue transactions are reported by production period.

All prior-period amounts which were settled before or accrued as of December 31, 2018 are excluded from the Q2 2019 Rider C calculation. Those prior-period amounts will be included in the deferral account reconciliation application the AESO files for the prior period.

**Table 3 – Calculation Detail for Rider C Charges (Credits)**

| Production Period                                   | Basis for Values | Revenues Collected<br>(\$ 000 000) | Costs Paid<br>(\$ 000 000) | Variance<br>(\$ 000 000) | Rider C Collected<br>(\$ 000 000) | Monthly Variance<br>(\$ 000 000) | Rider C Amount (%)        |
|---|------------------|------------------------------------|----------------------------|--------------------------|-----------------------------------|----------------------------------|---------------------------|
| <b>Connection Charge and Primary Service Credit</b> |                  |                                    |                            |                          |                                   |                                  |                           |
| Pre-2019  | Actual           | (0.4)                              | 0.1                        | (0.2)                    | –                                 | (0.2)                            |                           |
| Jan 2019  | Actual           | 158.0                              | (155.4)                    | 2.6                      | 0.0                               | 2.6                              | Monthly Variance Total    |
| Feb 2019  | Estimate         | 160.5                              | (156.8)                    | 3.7                      | 0.0                               | 3.7                              |                           |
| Mar 2019  | Estimate         | 156.0                              | (162.5)                    | (6.4)                    | 0.0                               | (6.4)                            | (\$54.5) Shortfall        |
| Apr 2019  | Estimate         | 151.4                              | (162.3)                    | (10.9)                   | –                                 | (10.9)                           |                           |
| May 2019  | Estimate         | 154.3                              | (162.5)                    | (8.1)                    | –                                 | (8.1)                            | Remaining Revenue Apr-Dec |
| Jun 2019  | Estimate         | 155.6                              | (162.4)                    | (6.8)                    | –                                 | (6.8)                            |                           |
| Jul 2019  | Estimate         | 161.0                              | (162.4)                    | (1.3)                    | –                                 | (1.3)                            | \$1,402.8                 |
| Aug 2019  | Estimate         | 162.5                              | (160.9)                    | 1.6                      | –                                 | 1.6                              |                           |
| Sep 2019  | Estimate         | 149.3                              | (161.2)                    | (11.8)                   | –                                 | (11.8)                           | Rider C Charge            |
| Oct 2019  | Estimate         | 152.2                              | (161.6)                    | (9.4)                    | –                                 | (9.4)                            |                           |
| Nov 2019  | Estimate         | 158.5                              | (162.1)                    | (3.6)                    | –                                 | (3.6)                            | 3.89%                     |
| Dec 2019  | Estimate         | 157.8                              | (161.6)                    | (3.8)                    | –                                 | (3.8)                            |                           |
| Component Totals                                    |                  | 1,876.9                            | (1,931.5)                  | (54.6)                   | 0.1                               | (54.5)                           |                           |
| <b>Operating Reserve Charge</b>                     |                  |                                    |                            |                          |                                   |                                  |                           |
| Pre-2019  | Actual           | (0.2)                              | 0.2                        | (0.1)                    | –                                 | (0.1)                            |                           |
| Jan 2019  | Actual           | 6.9                                | (7.1)                      | (0.2)                    | 0.1                               | (0.2)                            | Monthly Variance Total    |
| Feb 2019  | Estimate         | 43.8                               | (44.1)                     | (0.2)                    | 0.5                               | 0.2                              |                           |
| Mar 2019  | Estimate         | 11.2                               | (11.5)                     | (0.2)                    | 0.1                               | (0.1)                            | (\$2.4) Shortfall         |
| Apr 2019  | Estimate         | 31.1                               | (31.3)                     | (0.2)                    | –                                 | (0.2)                            |                           |
| May 2019  | Estimate         | 31.3                               | (31.6)                     | (0.2)                    | –                                 | (0.2)                            | Remaining Revenue Apr-Dec |
| Jun 2019  | Estimate         | 12.7                               | (12.9)                     | (0.2)                    | –                                 | (0.2)                            |                           |
| Jul 2019  | Estimate         | 20.9                               | (21.1)                     | (0.2)                    | –                                 | (0.2)                            | \$198.0                   |
| Aug 2019  | Estimate         | 14.3                               | (14.6)                     | (0.2)                    | –                                 | (0.2)                            |                           |
| Sep 2019  | Estimate         | 24.4                               | (24.6)                     | (0.2)                    | –                                 | (0.2)                            | Rider C Charge            |
| Oct 2019  | Estimate         | 10.3                               | (10.5)                     | (0.2)                    | –                                 | (0.2)                            |                           |
| Nov 2019  | Estimate         | 9.5                                | (9.7)                      | (0.2)                    | –                                 | (0.2)                            | 1.20%                     |
| Dec 2019  | Estimate         | 43.6                               | (43.9)                     | (0.2)                    | –                                 | (0.2)                            |                           |
| Component Totals                                    |                  | 259.7                              | (262.7)                    | (3.0)                    | 0.6                               | (2.4)                            |                           |
| <b>Transmission Constraint Rebalancing Charge</b>   |                  |                                    |                            |                          |                                   |                                  |                           |
| Pre-2019  | Actual           | (0.0)                              | –                          | (0.0)                    | –                                 | (0.0)                            |                           |
| Jan 2019  | Actual           | –                                  | –                          | –                        | –                                 | –                                | Monthly Variance Total    |
| Feb 2019  | Estimate         | 0.0                                | (0.0)                      | –                        | –                                 | –                                |                           |
| Mar 2019  | Estimate         | 0.0                                | (0.0)                      | –                        | –                                 | –                                | (\$0.0) Shortfall         |
| Apr 2019  | Estimate         | 0.0                                | (0.0)                      | –                        | –                                 | –                                |                           |
| May 2019  | Estimate         | 0.0                                | (0.0)                      | –                        | –                                 | –                                | Remaining Revenue Apr-Dec |
| Jun 2019  | Estimate         | 0.0                                | (0.0)                      | –                        | –                                 | –                                |                           |
| Jul 2019  | Estimate         | 0.0                                | (0.0)                      | –                        | –                                 | –                                | \$0.1                     |
| Aug 2019  | Estimate         | 0.0                                | (0.0)                      | –                        | –                                 | –                                |                           |
| Sep 2019  | Estimate         | 0.0                                | (0.0)                      | –                        | –                                 | –                                | Rider C Charge            |
| Oct 2019  | Estimate         | 0.0                                | (0.0)                      | –                        | –                                 | –                                |                           |
| Nov 2019  | Estimate         | 0.0                                | (0.0)                      | –                        | –                                 | –                                | 0.00%                     |
| Dec 2019  | Estimate         | 0.0                                | (0.0)                      | –                        | –                                 | –                                |                           |
| Component Totals                                    |                  | 0.1                                | (0.1)                      | (0.0)                    | –                                 | (0.0)                            |                           |

**Table 3 – Calculation Detail for Rider C Charges (Credits)**

| Production Period                           | Basis for Values | Revenues Collected (\$ 000 000) | Costs Paid (\$ 000 000) | Variance (\$ 000 000) | Rider C Collected (\$ 000 000) | Monthly Variance (\$ 000 000) | Rider C Amount (%)   |
|---|------------------|---------------------------------|-------------------------|-----------------------|--------------------------------|-------------------------------|--|
| <b>Voltage Control Charge</b>               |                  |                                 |                         |                       |                                |                               |  |
| Pre-2019                                    | Actual           | (0.0)                           | (0.1)                   | (0.1)                 | –                              | (0.1)                         |  |
| Jan 2019                                    | Actual           | 0.3                             | (0.2)                   | 0.0                   | 0.0                            | 0.1                           | Monthly Variance Total (\$0.3) Shortfall Remaining Revenue Apr-Dec \$2.3 Rider C Charge 12.83% |
| Feb 2019                                    | Estimate         | 0.3                             | (0.3)                   | (0.0)                 | 0.0                            | (0.0)                         |  |
| Mar 2019                                    | Estimate         | 0.3                             | (0.3)                   | (0.0)                 | 0.0                            | 0.0                           |  |
| Apr 2019                                    | Estimate         | 0.2                             | (0.3)                   | (0.0)                 | –                              | (0.0)                         |  |
| May 2019                                    | Estimate         | 0.2                             | (0.3)                   | (0.0)                 | –                              | (0.0)                         |  |
| Jun 2019                                    | Estimate         | 0.2                             | (0.3)                   | (0.0)                 | –                              | (0.0)                         |  |
| Jul 2019                                    | Estimate         | 0.3                             | (0.3)                   | (0.0)                 | –                              | (0.0)                         |  |
| Aug 2019                                    | Estimate         | 0.3                             | (0.3)                   | (0.0)                 | –                              | (0.0)                         |  |
| Sep 2019                                    | Estimate         | 0.2                             | (0.3)                   | (0.0)                 | –                              | (0.0)                         |  |
| Oct 2019                                    | Estimate         | 0.3                             | (0.3)                   | (0.0)                 | –                              | (0.0)                         |  |
| Nov 2019                                    | Estimate         | 0.3                             | (0.3)                   | (0.0)                 | –                              | (0.0)                         |  |
| Dec 2019                                    | Estimate         | 0.3                             | (0.3)                   | 0.0                   | –                              | 0.0                           |  |
| Component Totals                            |                  | 3.1                             | (3.5)                   | (0.4)                 | 0.1                            | (0.3)                         |  |
| <b>Other System Support Services Charge</b> |                  |                                 |                         |                       |                                |                               |  |
| Pre-2019                                    | Actual           | (0.0)                           | –                       | (0.0)                 | –                              | (0.0)                         |  |
| Jan 2019                                    | Actual           | 0.4                             | (0.4)                   | 0.0                   | (0.0)                          | 0.0                           | Monthly Variance Total \$0.3 Surplus Remaining Revenue Apr-Dec \$3.7 Rider C Credit (7.20%)    |
| Feb 2019                                    | Estimate         | 0.4                             | (0.4)                   | 0.1                   | (0.0)                          | 0.0                           |  |
| Mar 2019                                    | Estimate         | 0.4                             | (0.4)                   | 0.0                   | (0.0)                          | (0.0)                         |  |
| Apr 2019                                    | Estimate         | 0.4                             | (0.4)                   | 0.0                   | –                              | 0.0                           |  |
| May 2019                                    | Estimate         | 0.4                             | (0.4)                   | 0.0                   | –                              | 0.0                           |  |
| Jun 2019                                    | Estimate         | 0.4                             | (0.4)                   | 0.1                   | –                              | 0.1                           |  |
| Jul 2019                                    | Estimate         | 0.4                             | (0.4)                   | 0.0                   | –                              | 0.0                           |  |
| Aug 2019                                    | Estimate         | 0.4                             | (0.4)                   | 0.1                   | –                              | 0.1                           |  |
| Sep 2019                                    | Estimate         | 0.4                             | (0.4)                   | 0.0                   | –                              | 0.0                           |  |
| Oct 2019                                    | Estimate         | 0.4                             | (0.4)                   | 0.0                   | –                              | 0.0                           |  |
| Nov 2019                                    | Estimate         | 0.4                             | (0.4)                   | 0.0                   | –                              | 0.0                           |  |
| Dec 2019                                    | Estimate         | 0.4                             | (0.4)                   | 0.0                   | –                              | 0.0                           |  |
| Component Totals                            |                  | 4.9                             | (4.5)                   | 0.4                   | (0.1)                          | 0.3                           |  |
| <b>Summary for All Components</b>           |                  |                                 |                         |                       |                                |                               |  |
| Pre-2019                                    | Actual           | (0.6)                           | 0.2                     | (0.4)                 | –                              | (0.4)                         |  |
| Jan 2019                                    | Actual           | 165.5                           | (163.1)                 | 2.4                   | 0.1                            | 2.5                           |  |
| Feb 2019                                    | Estimate         | 205.0                           | (201.6)                 | 3.4                   | 0.5                            | 3.9                           |  |
| Mar 2019                                    | Estimate         | 167.9                           | (174.6)                 | (6.7)                 | 0.1                            | (6.6)                         |  |
| Apr 2019                                    | Estimate         | 183.1                           | (194.3)                 | (11.2)                | –                              | (11.2)                        |  |
| May 2019                                    | Estimate         | 186.3                           | (194.7)                 | (8.4)                 | –                              | (8.4)                         |  |
| Jun 2019                                    | Estimate         | 169.0                           | (176.0)                 | (7.0)                 | –                              | (7.0)                         |  |
| Jul 2019                                    | Estimate         | 182.6                           | (184.2)                 | (1.6)                 | –                              | (1.6)                         |  |
| Aug 2019                                    | Estimate         | 177.6                           | (176.2)                 | 1.4                   | –                              | 1.4                           |  |
| Sep 2019                                    | Estimate         | 174.4                           | (186.5)                 | (12.1)                | –                              | (12.1)                        |  |
| Oct 2019                                    | Estimate         | 163.2                           | (172.8)                 | (9.6)                 | –                              | (9.6)                         |  |
| Nov 2019                                    | Estimate         | 168.7                           | (172.5)                 | (3.8)                 | –                              | (3.8)                         |  |
| Dec 2019                                    | Estimate         | 202.1                           | (206.2)                 | (4.1)                 | –                              | (4.1)                         |  |
| Summary Totals                              |                  | 2,144.8                         | (2,202.3)               | (57.6)                | 0.6                            | (56.9)                        |  |

Distribution system owners have requested the AESO provide the following information:

Total Rate DTS metered energy for Q2-Q4 2019: 46,433.0 GWh