

March 16, 2021

Market Participants Receiving System Access Service Under Rate DTS, Rate FTS and Rate PSC

Dear Market Participant:

Re: **Revised Rider C Credit for the 2nd Quarter of 2021**

Please be advised that the Rider C rate for the second quarter of 2021 which was posted on February 26, 2021 has now been revised. On March 16, 2021, the AESO has posted the revised Rider C rate for the second quarter of 2021. The revised Rider C for the Connection charge and primary service credit rate will be an 18.16% credit.

In accordance with its obligation to calculate and publish Rider C at least 30 days prior to the beginning of a calendar quarter, the AESO originally published the second quarter Rider C as a 3.81% credit on February 26, 2021. Subsequent to this, the AESO received new information which significantly impacts the original Rider C rate. As such, the AESO has incorporated this latest information, which resulted in an increased Rider C rate credit to 18.16% for the second quarter of 2021.

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

Nicole Kinch
Director, Finance – Accounting & Treasury
403-539-2532
Nicole.Kinch@aeso.ca

LaRhonda Papworth
Manager – Tariff, Markets & Tariff
403-539-2555
LaRhonda.Papworth@aeso.ca

Rider C Calculation For Calendar Quarter Q2 2021 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 25175-D01-2020 issued by the Alberta Utilities Commission on February 28, 2020.

Table 1 below provides a summary of Rider C charges and credits for each calendar quarter of 2021 calculated to date. Table 3 on the next page provides the detailed calculations for each 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 2021	Q2 2021	Q3 2021	Q4 2021
Connection charge and primary service credit	0.00%	(18.16%)		
Operating reserve charge	1.66%	1.13%		
Transmission constraint rebalancing charge	0.00%	0.00%		
Voltage control charge	(31.53%)	(32.10%)		
Other system support services charge	(20.48%)	(21.58%)		

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 2021 reflects Decision 25175-D01-2020 issued by the Alberta Utilities Commission on February 28, 2020.

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 Rate FTS charge
Voltage control charge	Transmission must-run (TMR)	Rate DTS charge 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, 2020 are excluded from the Q2 2021 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 (\$ 000 000)	Costs Paid (\$ 000 000)	Variance (\$ 000 000)	Rider C Collected (\$ 000 000)	Monthly Variance (\$ 000 000)	Rider C Amount (%)
Connection Charge and Primary Service Credit							
Pre-2021	Actual	–	–	–	–	–	
Jan 2021	Estimate	179.7	(149.7)	29.9	–	29.9	<i>Monthly Variance Total</i>
Feb 2021	Estimate	172.1	(149.8)	22.4	–	22.4	
Mar 2021	Estimate	170.3	(149.8)	20.5	–	20.5	
Apr 2021	Estimate	168.1	(149.7)	18.5	–	18.5	<i>\$282.8 Surplus</i>
May 2021	Estimate	164.1	(149.7)	14.4	–	14.4	
Jun 2021	Estimate	168.9	(149.8)	19.1	–	19.1	<i>Remaining Revenue Apr-Dec</i>
Jul 2021	Estimate	176.9	(149.8)	27.1	–	27.1	
Aug 2021	Estimate	177.3	(149.6)	27.7	–	27.7	<i>\$1,556.9</i>
Sep 2021	Estimate	171.2	(149.6)	21.5	–	21.5	
Oct 2021	Estimate	173.0	(149.5)	23.5	–	23.5	<i>Rider C Charge</i>
Nov 2021	Estimate	175.6	(149.6)	26.0	–	26.0	
Dec 2021	Estimate	181.8	(149.6)	32.2	–	32.2	<i>(18.16%)</i>
Component Totals		2,078.9	(1,796.2)	282.8	–	282.8	
Operating Reserve Charge							
Pre-2021	Actual	–	–	–	–	–	
Jan 2021	Estimate	27.9	(28.1)	(0.3)	0.5	0.2	<i>Monthly Variance Total</i>
Feb 2021	Estimate	39.7	(40.0)	(0.3)	0.7	0.4	
Mar 2021	Estimate	9.6	(9.9)	(0.3)	0.2	(0.1)	
Apr 2021	Estimate	23.5	(23.8)	(0.3)	–	(0.3)	<i>(\$1.8) Shortfall</i>
May 2021	Estimate	27.4	(27.6)	(0.3)	–	(0.3)	
Jun 2021	Estimate	10.3	(10.5)	(0.3)	–	(0.3)	<i>Remaining Revenue Apr-Dec</i>
Jul 2021	Estimate	9.4	(9.6)	(0.3)	–	(0.3)	
Aug 2021	Estimate	13.6	(13.8)	(0.3)	–	(0.3)	<i>\$160.9</i>
Sep 2021	Estimate	13.0	(13.3)	(0.3)	–	(0.3)	
Oct 2021	Estimate	21.4	(21.7)	(0.3)	–	(0.3)	<i>Rider C Charge</i>
Nov 2021	Estimate	15.8	(16.1)	(0.3)	–	(0.3)	
Dec 2021	Estimate	26.5	(26.8)	(0.3)	–	(0.3)	<i>1.13%</i>
Component Totals		238.1	(241.2)	(3.1)	1.3	(1.8)	
Transmission Constraint Rebalancing Charge							
Pre-2021	Actual	–	–	–	–	–	
Jan 2021	Estimate	0.0	(0.0)	–	–	–	<i>Monthly Variance Total</i>
Feb 2021	Estimate	0.0	(0.0)	–	–	–	
Mar 2021	Estimate	0.0	(0.0)	–	–	–	
Apr 2021	Estimate	0.0	(0.0)	–	–	–	<i>\$0.0 Surplus</i>
May 2021	Estimate	0.0	(0.0)	–	–	–	
Jun 2021	Estimate	0.0	(0.0)	–	–	–	<i>Remaining Revenue Apr-Dec</i>
Jul 2021	Estimate	0.0	(0.0)	–	–	–	
Aug 2021	Estimate	0.0	(0.0)	–	–	–	<i>\$0.1</i>
Sep 2021	Estimate	0.0	(0.0)	–	–	–	
Oct 2021	Estimate	0.0	(0.0)	–	–	–	<i>Rider C Charge</i>
Nov 2021	Estimate	0.0	(0.0)	–	–	–	
Dec 2021	Estimate	0.0	(0.0)	–	–	–	<i>0.00%</i>
Component Totals		0.1	(0.1)	–	–	–	

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 (%)
Voltage Control Charge							
Pre-2021	Actual	–	–	–	–	–	
Jan 2021	Estimate	0.1	(0.0)	0.0	(0.0)	0.0	Monthly Variance
Feb 2021	Estimate	0.0	(0.0)	0.0	(0.0)	(0.0)	
Mar 2021	Estimate	0.1	(0.0)	0.0	(0.0)	0.0	Total \$0.1
Apr 2021	Estimate	0.0	(0.0)	0.0	–	0.0	
May 2021	Estimate	0.0	(0.0)	0.0	–	0.0	Surplus
Jun 2021	Estimate	0.0	(0.0)	0.0	–	0.0	
Jul 2021	Estimate	0.0	(0.0)	0.0	–	0.0	Remaining Revenue
Aug 2021	Estimate	0.0	(0.0)	0.0	–	0.0	
Sep 2021	Estimate	0.0	(0.0)	0.0	–	0.0	Apr-Dec \$0.4
Oct 2021	Estimate	0.0	(0.0)	0.0	–	0.0	
Nov 2021	Estimate	0.1	(0.0)	0.0	–	0.0	Rider C Credit (32.10%)
Dec 2021	Estimate	0.1	(0.0)	0.0	–	0.0	
Component Totals		0.6	(0.4)	0.2	(0.0)	0.1	
Other System Support Services Charge							
Pre-2021	Actual	–	–	–	–	–	
Jan 2021	Estimate	0.3	(0.2)	0.1	(0.1)	0.0	Monthly Variance
Feb 2021	Estimate	0.3	(0.2)	0.1	(0.1)	(0.0)	
Mar 2021	Estimate	0.3	(0.2)	0.0	(0.1)	(0.0)	Total \$0.6
Apr 2021	Estimate	0.3	(0.2)	0.1	–	0.1	
May 2021	Estimate	0.3	(0.2)	0.1	–	0.1	Surplus
Jun 2021	Estimate	0.3	(0.2)	0.1	–	0.1	
Jul 2021	Estimate	0.3	(0.2)	0.1	–	0.1	Remaining Revenue
Aug 2021	Estimate	0.3	(0.2)	0.1	–	0.1	
Sep 2021	Estimate	0.3	(0.2)	0.1	–	0.1	Apr-Dec \$2.7
Oct 2021	Estimate	0.3	(0.2)	0.1	–	0.1	
Nov 2021	Estimate	0.3	(0.2)	0.1	–	0.1	Rider C Credit (21.58%)
Dec 2021	Estimate	0.3	(0.2)	0.1	–	0.1	
Component Totals		3.6	(2.9)	0.8	(0.2)	0.6	
Summary for All Components							
Pre-2021	Actual	–	–	–	–	–	
Jan 2021	Estimate	207.9	(178.1)	29.8	0.4	30.1	
Feb 2021	Estimate	212.2	(190.0)	22.2	0.6	22.8	
Mar 2021	Estimate	180.2	(159.9)	20.3	0.1	20.4	
Apr 2021	Estimate	192.0	(173.8)	18.3	–	18.3	
May 2021	Estimate	191.9	(177.7)	14.2	–	14.2	
Jun 2021	Estimate	179.5	(160.6)	18.9	–	18.9	
Jul 2021	Estimate	186.6	(159.7)	27.0	–	27.0	
Aug 2021	Estimate	191.2	(163.7)	27.5	–	27.5	
Sep 2021	Estimate	184.5	(163.2)	21.3	–	21.3	
Oct 2021	Estimate	194.8	(171.5)	23.3	–	23.3	
Nov 2021	Estimate	191.8	(166.0)	25.8	–	25.8	
Dec 2021	Estimate	208.7	(176.7)	32.0	–	32.0	
Summary Totals		2,321.3	(2,040.7)	280.6	1.0	281.7	

Distribution system owners have requested the AESO provide the following information:
 Total Rate DTS metered energy for Q2-Q4 2021: 43,694.9 GWh