



AESO Quarterly Rider C For Q4 2017

The following table provides a summary of the AESO's forecasted Q4 2017 Rider C rate.

(\$ millions)	Revenues Collected		(Costs Paid)		Variance	Rider C Collected	Total Variance -
	DTS	DTS	DTS	DTS	Pre-2017	(Refunded) Pre-2017	Overcollected/ (Undercollected)
Pre-2017 Actuals ⁽¹⁾							
Connection charge	(1.2)	(0.2)	(1.4)	-	(1.4)	-	(1.4)
Operating reserve charge	(0.1)	0.1	(0.0)	-	(0.0)	-	(0.0)
Transmission constraint rebalancing charge	-	-	-	-	-	-	-
Voltage control charge	0.0	-	0.0	-	0.0	-	0.0
Other system support services charge	(0.0)	-	(0.0)	-	(0.0)	-	(0.0)
Pre-2017 Deferral Amount	(1.2)	(0.2)	(1.4)				(1.4)

YTD Jul 2017 Actual	Revenues Collected		(Costs Paid)		Variance	Rider C Collected	Total Variance -
	DTS	DTS	DTS	DTS	YTD Jul 2017	(Refunded) YTD Jul 2017	Overcollected/ (Undercollected)
Connection charge	1,079.2	(1,053.2)	25.9	6.2	32.1		
Operating reserve charge	63.9	(65.6)	(1.7)	1.6	(0.1)		
Transmission constraint rebalancing charge	0.0	(0.0)	(0.0)	-	(0.0)		
Voltage control charge	2.4	(1.8)	0.6	0.4	1.1		
Other system support services charge	3.5	(3.3)	0.1	(0.1)	0.1		
YTD Jul 2017 Deferral Amount	1,149.0	(1,124.0)	25.1	8.2	33.2		

Aug/Sep 2017 Estimate ⁽²⁾	Estimated Revenues		(Estimated Costs)		Variance	Rider C Collected	Total Variance -
	DTS	DTS	DTS	DTS	Aug/Sep 2017 Estimate	(Refunded) Aug/Sep 2017	Overcollected/ (Undercollected)
Connection charge	303.9	(301.0)	2.8	(21.4)	(18.6)		
Operating reserve charge	12.7	(13.2)	(0.5)	0.5	0.0		
Transmission constraint rebalancing charge	0.0	(0.0)	-	-	-		
Voltage control charge	0.7	(0.9)	(0.2)	-	(0.2)		
Other system support services charge	0.9	(0.9)	0.0	(0.1)	(0.1)		
Estimated Aug/Sep 2017 Deferral Balance	318.2	(316.0)	2.1	(21.0)	(18.9)		

Q4 2017 Estimate ⁽²⁾	Estimated Revenues		(Estimated Costs)		Variance	Rider C Collected	Total Variance -
	DTS	DTS	DTS	DTS	Q4 2017 Estimate	(Refunded) Q4 2017	Overcollected/ (Undercollected)
Connection charge	476.9	(451.6)	25.4	-	25.4		
Operating reserve charge	20.7	(21.4)	(0.7)	-	(0.7)		
Transmission constraint rebalancing charge	0.0	(0.0)	-	-	-		
Voltage control charge	1.1	(1.3)	(0.2)	-	(0.2)		
Other system support services charge	1.5	(1.4)	0.1	-	0.1		
Estimated Q4 2017 Deferral Balance	500.2	(475.7)	24.5	-	24.5		

Total Estimated YTD Deferral Balance at Q4 2017 Pre-2017 and YTD Jul 2017 Actual, Aug/Sep 2017 and Q4 2017 Estimated	Estimated Revenues		(Estimated Costs)		Variance	Estimated Rider 'C' Collected (Refunded) as of Q4 2017	Total Variance - Overcollected/ (Undercollected)
	DTS	DTS	DTS	DTS	Q4 2017 Estimate	DTS	DTS
Connection charge	1,858.8	(1,806.1)	52.7	(15.2)	37.5		
Operating reserve charge	97.2	(100.1)	(2.9)	2.1	(0.8)		
Transmission constraint rebalancing charge	0.1	(0.1)	(0.0)	-	(0.0)		
Voltage control charge	4.2	(4.0)	0.2	0.4	0.6		
Other system support services charge	5.9	(5.7)	0.2	(0.1)	0.1		
Estimated Deferral Balance at Q4 2017	1,966.2	(1,915.9)	50.3	(12.9)	37.4		

Numbers may not add due to rounding



- (1) The recovery or refund of deferral balances related to 2016 and prior production years which were settled before or accrued as of December 31, 2016 are excluded from the Q4 2017 Rider C calculation and will be incorporated into the 2016 Deferral Account Reconciliation Application.
- (2) Forecast August 2017 to December 2017 revenues are based on Rates DTS and FTS which received AUC approval effective Jan 1, 2017 (Decision 22093-D01-2016).

DTS Market Participants: In Q4 2017, a Rider C net adjustment of \$2.45 per MWh will be added to the DTS rates as a refund.

Rider C Rates for Q4 2017	<u>\$/MWh DTS</u>	<u>DTS Q4 2017 GWh</u>
Connection charge	\$ (2.45)	15,335
Operating reserve charge	\$ 0.05	
Transmission constraint rebalancing charge	\$ -	
Voltage control charge	\$ (0.04)	
Other system support services charge	\$ (0.01)	
Total charge (refund)	\$ (2.45)	

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.



Basis of Presentation

The Quarterly Rider C has been prepared using the “production month” methodology, with balances classified as follows¹:

Deferral Cost Category	Revenues/Costs Included	DTS/FTS	Rate Rider
Connection Charge	Wires Costs Other Industry Costs General & Administrative Costs Invitation to Bid on Credit (IBOC) Location Based Credit Standing Offer (LBCSO) Isolated Generation Interruptible Load Remedial Action Scheme (ILRAS) Load Shed Service for imports (LSSi) ^{2,3} Other Revenue	100%	C
Operating Reserve Charge	Operating Reserves Black Start Generator Remedial Action Scheme Load Shed Service for imports (LSSi) ³	100%	C
Transmission Constraint Rebalancing Charge	Associated costs began Nov 26, 2015	100%	C
Voltage Control Charge	Voltage Control Transmission Must Run (TMR)	100%	C
Other System Support Services Charge	Other System Support Poplar Hills Load Shed Service for imports (LSSi) ² Under Frequency Mitigation (Load Shedding) Reliability Services From BC	100%	C

- Production period reporting – All revenue and cost transactions related to production periods prior to the current year continue to be addressed through the retrospective deferral account reconciliation process. This means that an adjustment that occurs in the current year that relates to a prior period continues to be associated with DTS/FTS market participants in accordance with the tariff in the respective period and is included in the retrospective deferral account reconciliation.
- Retrospective deferral cost categories include Connection Charge, Operating Reserves Charge, Transmission Constraint Rebalancing Charge, Voltage Control Charge and Other System Support Services Charge. Under the Rider C process, a quarterly rate rider (\$/MWh charge or credit) is applied to DTS market participants to restore the deferral account balance to zero over the following calendar quarter. An annual retrospective deferral account reconciliation process also occurs.

¹ Prior to January 1, 2006, Revenues/Costs included in Deferral Cost Categories as well as Allocation percentages and Rate Riders differ from those provided in this table.

² Effective October 1, 2013, LSSi costs moved from Other System Support Services Charge to Connection Charge to align with the associated revenues under the 2013 ISO Tariff Update. Prior to 2014, LSSi deferral balances were included in Rider C for Other System Support Services.

³ Effective July 1, 2015, LSSi costs moved from Connection Charge to Operating Reserves Charge to align with the associated revenues under the 2014 ISO Tariff.