



November 1, 2006

Submitted via EUB Digital Data Submission System

Alberta Energy and Utilities Board
640 – 5th Avenue SW
Calgary, Alberta
T2P 3G4

Attention: Jamie Cameron, Application Officer

Dear Jamie:

Re: AESO 2007 Balancing Pool Consumer Allocation Rider F

On October 4, 2006 the Balancing Pool notified the Alberta Electric System Operator (AESO) of an estimated annualized amount to be reflected in the AESO's rates under sections 30 and 82 of the *Electric Utilities Act* (EUA). The annualized amount is similar in nature to the amount currently being refunded to AESO customers through Rider F under the AESO's 2006 tariff as approved by the Alberta Energy and Utilities Board (EUB) in Order U2005-464 dated December 20, 2005.

The Balancing Pool has requested that the amount be paid to AESO customers as a \$3.00/MWh credit during 2007, and that the credit be shown as a separate tariff item to be as visible as possible to end-use consumers. A copy of the Balancing Pool's letter providing the notice is attached.

The AESO believes the Balancing Pool's notice complies with the requirements of the EUA. The AESO therefore requests approval by the EUB pursuant to subsections 82(5) and (6) of the EUA, for a Balancing Pool Refund Rider F to provide a \$3.00/MWh credit to all Demand Transmission Service (DTS) and Demand Opportunity Service (DOS) customers, with the exceptions of the City of Medicine Hat and BC Hydro at Fort Nelson, for consumption from January 1 through December 31, 2007, inclusive. A proposed Rider F schedule is attached.

This application and the attached Rider F schedule are consistent with the corrections to Rider F applied for by the AESO on October 12, 2006, as part of Application 1482458 currently before the EUB. As explained in that application, the AESO expects that matter to be able to be addressed in an expedited process, and to receive approval prior to January 1, 2007. The AESO therefore considers the form of Rider F included in that application to be the appropriate basis for this application for a 2007 Rider F.

In the event that the corrections to Rider F are not approved prior to January 1, 2007, the AESO requests the EUB approve, on an interim basis or otherwise, the change to the Rider F level to a \$3.00/MWh credit in the form of the currently-approved Rider F, to be effective January 1, 2007.

Given the nature of this application as a simple revision to the level of Rider F, and given its compliance with relevant legislation, the AESO requests that the EUB deal with this application in an expedited process.

If you have any questions on this application or need additional information, please contact me at (403) 539-2751 or by e-mail to heidi.kirrmaier@aeso.ca, or John Martin at (403) 539-2465 or by e-mail to john.martin@aeso.ca.

Sincerely,

[original signed by]

Heidi Kirrmaier
Vice President, Regulatory

Attachments

cc: John Martin, Manager, Regulatory, AESO



Rider F **Balancing Pool Consumer Allocation Rider** Page 1 of 1

Purpose: To collect from or refund to AESO Customers an annualized amount estimated by the Balancing Pool and transferred to the AESO under section 82 of the *Electric Utilities Act*.

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Applicable to: Customers receiving service under the following Rate Schedules:

- DTS, with the exception of the City of Medicine Hat
- DOS, with the exceptions of the City of Medicine Hat and BC Hydro at Fort Nelson

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Effective: The rider is effective for all billing periods from January 1, 2007 to December 31, 2007.

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Rate: A credit of **\$3.00/MWh** of Metered Energy during the Billing Period.

Terms: The Terms and Conditions form part of this Rate Schedule.



balancingpool

Kim Verrier – Director of Finance
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Calgary, Alberta T2P 0L4

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October 4, 2006

Ms. Heidi Kirrmaier, Vice-President, Regulatory
Alberta Electric System Operator
Calgary Place
2500, 330 - 5th Ave SW
Calgary, AB T2P 0L4

Dear Ms. Kirrmaier:

RE: AESO 2007 Tariff Application

The Balancing Pool has announced a consumer allocation of \$3.00 per MWh of consumption for an estimated annualized amount of \$166,516,788. Pursuant to Section 30(2)(b) of the Electric Utility Act, any such allocation must be included in the AESO's tariff. It is the Balancing Pool's request to have this amount shown as a separate line item so that it is as visible as possible to end use consumers.

Please consider this our formal request to have this included as part of the AESO's tariff effective January 1 to December 31, 2007.

If you have any questions, please contact the undersigned at 539-5355.

Yours truly,

Kim Verrier, CA
Director of Finance

cc: Carol Moline (AESO)
John Martin (AESO)
Jamie Cameron (AEUB)