



June 17, 2009

Posted on AESO website

TFO O&M Cost Causation Study Working Group Members
AESO Stakeholders

Dear Working Group Member:

Re: Meeting Agenda for TFO O&M Cost Causation Study Working Group

The second meeting of the TFO O&M Cost Causation Study Working Group for the AESO's 2010 tariff application is scheduled as follows:

Time: 1:00 to 3:00 PM
Date: Thursday, June 18, 2009
Location: Meeting Room 2506, AESO Office, 330 – 5th Avenue SW, Calgary
Refreshments: Coffee, juice, and snacks

If you intend to participate in the meeting by conference call, are unable to attend the meeting, or will be represented by an alternate, please let me know as soon as possible.

The agenda for the meeting is proposed to include the following items:

- 1 **Review agenda** 1:00 PM
- 2 **Review notes from last meeting** 1:05 PM
 - See enclosed document
- 3 **Update on TFO O&M cost causation study** 1:10 PM
 - Review revised study scope (enclosed)
 - Discuss further details of data gathering including questions to be used in interviews with the TFOs
 - Discuss preliminary results on functionalization of costs between bulk system, local system, and point of delivery (which indicates less-than-average O&M should be attributed to the bulk system and more-than-average to the local system)
 - Discuss expected schedule for completion of study
 - What items should be taken to stakeholders for broader consultation?
- 4 **Incorporation of study results into rate design** 2:00 PM
 - The AESO expects to simply add functionalized and classified O&M costs to functionalized and classified capital costs, to provide functionalized and classified total costs
 - Are there other considerations that should be accounted for?

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|---|--|---------|
| 5 | Determination of O&M charge | 2:30 PM |
| | <ul style="list-style-type: none">• What approaches could be used to determine the percentage O&M charge to be used in the calculation of customer contribution? | |
| 6 | Follow-up required for next meeting | 2:45 PM |
| | <ul style="list-style-type: none">• Summarize what tasks need to be completed before next meeting and who will complete them | |
| 7 | Dates and times for next meeting(s) | 2:55 PM |
| 8 | Adjourn | 3:00 PM |

This agenda and all other printed information related to the TFO O&M Cost Causation Study Working Group is available on the AESO's website at www.aeso.ca by following the path Tariff ► Current Consultations ► 2010 Tariff. The AESO appreciates stakeholders' participation in this consultation.

If you have any comments or questions on this consultation process or the AESO's tariff application, please contact me at 403-539-2465 or john.martin@aesoc.ca, or David Michaud at 403-539-2471 or david.michaud@aesoc.ca.

Sincerely,

[original signed by]

John Martin
Director, Tariff Applications

enclosures

cc: David Michaud, Manager, Regulatory, AESO
Arnie Reimer, TFO O&M Study, Consultant to AESO