



October 14, 2009

Submitted via AUC Digital Data Submission (DDS) System

Alberta Utilities Commission
Utilities Division, Calgary Office
Fifth Avenue Place
400, 425 – 1st Street SW
Calgary, Alberta
T2P 3L8

Attention: Cameron Taylor, Application Officer

Dear Cameron:

Re: **AESO Compliance With AUC Orders in Decision 2009-105 on the Review and Variance of AEUB Decision 2007-106: Second Stage Application No. 1566390 and Proceeding ID 108**

- 1 As ordered in the above-noted decision, the Alberta Electric System Operator (“AESO”) provides the Alberta Utilities Commission (“AUC”) with the attached reconciliation of contribution adjustments arising from Decision 2009-105.
- 2 In that decision (paragraph 59), released on July 13, 2009, the AUC provided the following orders:
 - (1) *The AESO shall provide refiled 2007 tariff terms and conditions reflecting the findings and directions of this Decision on or before August 15, 2009.*
 - (2) *The AESO shall provide a full reconciliation of contribution adjustments arising from this Decision by October 15, 2009.*
 - (3) *The AESO shall file its analysis of the relationship between incremental O&M and interconnection capital costs, as originally directed by the Board in Decision 2005-096, by no later than the time of its next GTA.*
- 3 The AESO responded to the order to provide refiled 2007 terms and conditions by notice to the AUC on July 15, 2009, attached for your convenience. The amended “Terms and Conditions Effective August 1, 2008” are posted on the AESO website at www.aeso.ca and are available by following the path Tariff ► Current Tariff ► Tariff Effective October 1, 2009.
- 4 In response to the second order, the AESO provides the attached project table which presents a full reconciliation showing the amounts, by project, of all contribution adjustments resulting from

the application of the revised wording of Operations and Maintenance Article 9.4 to customer contribution amounts determined for interconnection projects commenced after August 1, 2008.

- 5 As summarized in the table, \$13.4 million of customer contributions are eligible for refund to customers who had paid contributions for 16 projects which commenced construction after August 1, 2008 and to which the original Article 9.4 provisions of the AESO's 2007 tariff had applied.
- 6 As well, estimated customer contributions have been reduced by \$21.2 million for 32 projects which have not yet commenced construction and to which the original Article 9.4 provisions of the AESO's 2007 tariff had applied.
- 7 The AESO notes that the customer contribution amounts may be subject to change based on revised estimates or final costs after project construction is complete.
- 8 The AESO will respond to the final order in Decision 2009-105, to file an analysis of the relationship between incremental operation and maintenance and interconnection capital costs, as part of its upcoming 2010 tariff application.
- 9 If you need any additional information related to this compliance filing, please contact me at 403-539-2741 in Calgary or by email to leeann.kerr@aeso.ca.

Yours truly,

[original signed by]

Lee Ann Kerr
Manager, Tariff Applications

cc: Heidi Kirrmaier, Vice-President, Regulatory, AESO
John Martin, Director, Tariff Applications, AESO