


<p>AESO 2010 Tariff Stakeholder Consultation</p> <p>John Martin, Lee Ann Kerr, and Raj Sharma AESO Regulatory</p> <p>Arnie Reimer, PS Technologies November 3, 2009 — Calgary</p>	<p>Reliable Power</p> <p>Reliable Markets</p> <p>Reliable People</p>
 	

<p>Agenda</p>	
<ul style="list-style-type: none">• Introduction (slides 1-4)• Studies<ul style="list-style-type: none">– POD cost function update (slides 5-19)– TFO O&M cost causation study (separate presentation)• 2010 rate proposals (slides 20-39) <p>Break</p> <ul style="list-style-type: none">• 2010 terms and conditions proposals (slides 40-80)• Next steps (slides 81-84)	
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AESO 2010 Tariff Application



- To be filed on November 30, 2009
 - Delayed from initial target of late September 2009
- Proposals being presented are still preliminary and subject to change in application when filed
- Working group meetings held in spring and summer 2009
 - Working group information posted on AESO website
- 2010 tariff will build on existing tariff
 - Changes to rates include hourly DTS operating reserve charge and additional export and import rates
 - Changes to terms and conditions include revisions to customer connection process, contribution policy, and revisions to align and consolidate information

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Meeting Objectives



- Understanding of results of studies being finalized for tariff application
- Understanding of proposals for tariff changes
 - Proposals are discussed “without prejudice” and may still be subject to change in tariff application when filed
- Please ask questions during presentation

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POD Cost Function and Investment Level Update

Raj Sharma
Senior Tariff Analyst, AESO Regulatory





POD Cost Function and Investment Level Update Working Group



- Working group participants:
AltaLink, Dual Use Customers, ENMAX, TransCanada, and UCA
- Data and recommendations posted on AESO website
 - POD cost update data, POD cost update paper, AltaLink cost index information, POD charge calculation, and draft recommendations

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Updated “Greenfield” Data Set



- 48 load-only connection projects included in POD cost function in 2007 tariff proceeding
 - From 1987 to 2006
 - Escalated to 2007 using Alberta CPI in 2007 GTA study
- Removed one project that was cancelled
- Added 17 new load-only connection projects
 - From 2006 to 2009
- Updated project costs to most recent estimates or final costs
 - Minimum +20%/–10% (“PPS”) estimate or better

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Composite Price Index



- Project costs escalated to 2008 using composite price index
- Based on four historical price indices from Statistics Canada
 - Canada equipment index ▶ substations
 - Canada materials index ▶ transmission line
 - Alberta industrial services index ▶ engineering
 - Average of Calgary and Edmonton industrial structures indices ▶ construction
- Historical price indices weighted in proportion to average weighting of cost components for connection projects

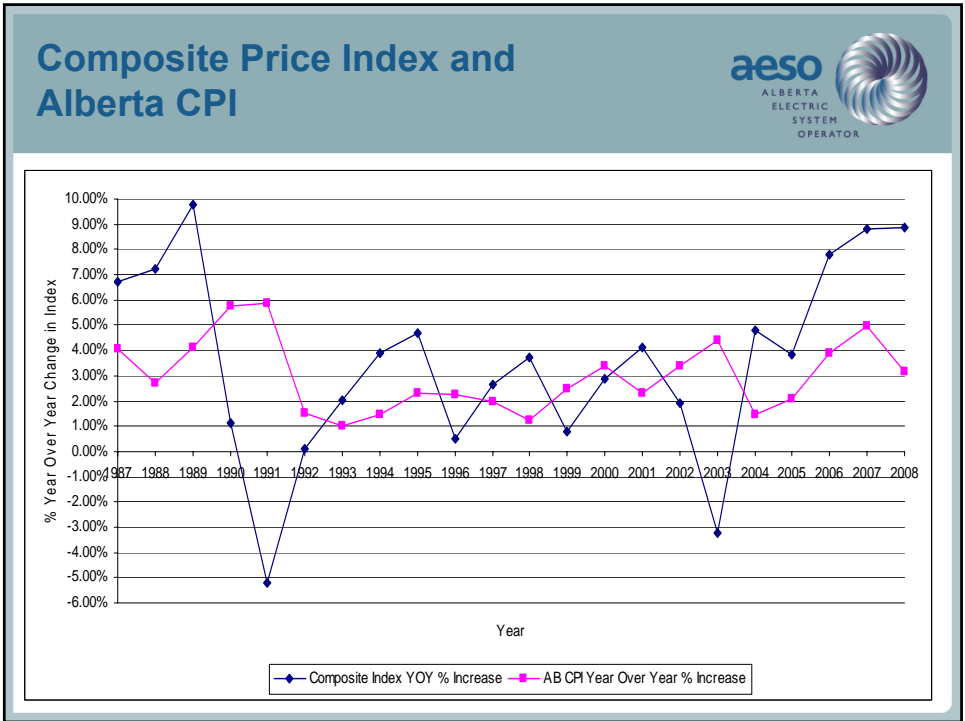
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Composite Price Index (cont'd)




- For 1987-2008, average year over year change for composite price index is 3.54%
 - Compared to 2.99% for the Alberta CPI
- Project costs escalated from 2008 to 2010 using forecast of Alberta CPI
- For 1987 to 2010, average year over year change for the cost index used is 3.37%

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POD Cost Function Increase




- 2007 POD cost function based on Standard Facility cost:

$$\text{Cost} = \$2,213,108.54 \times \text{MW}^{0.37}$$
- 2010 POD cost function based on total cost:

$$\text{Cost} = \$2,761,700 \times \text{MW}^{0.4089}$$
- Power curve remains “best fit” to data
- Shape of curve essentially unchanged
- Increases of:
 - 27% at 7.5 MW
 - 32% at 17 MW
 - 38% at 40 MW

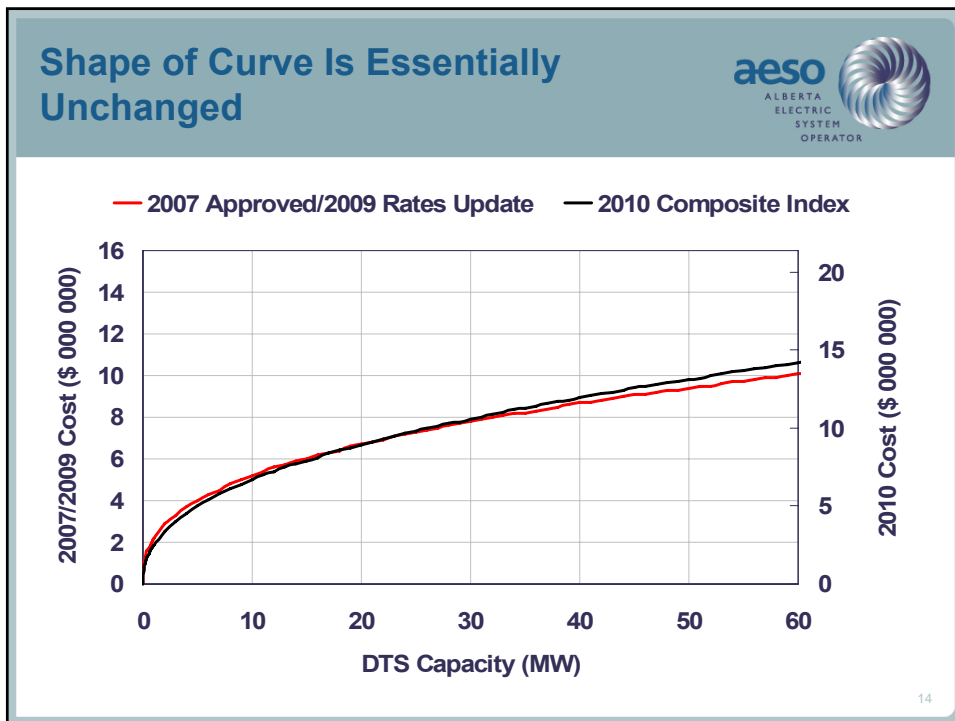
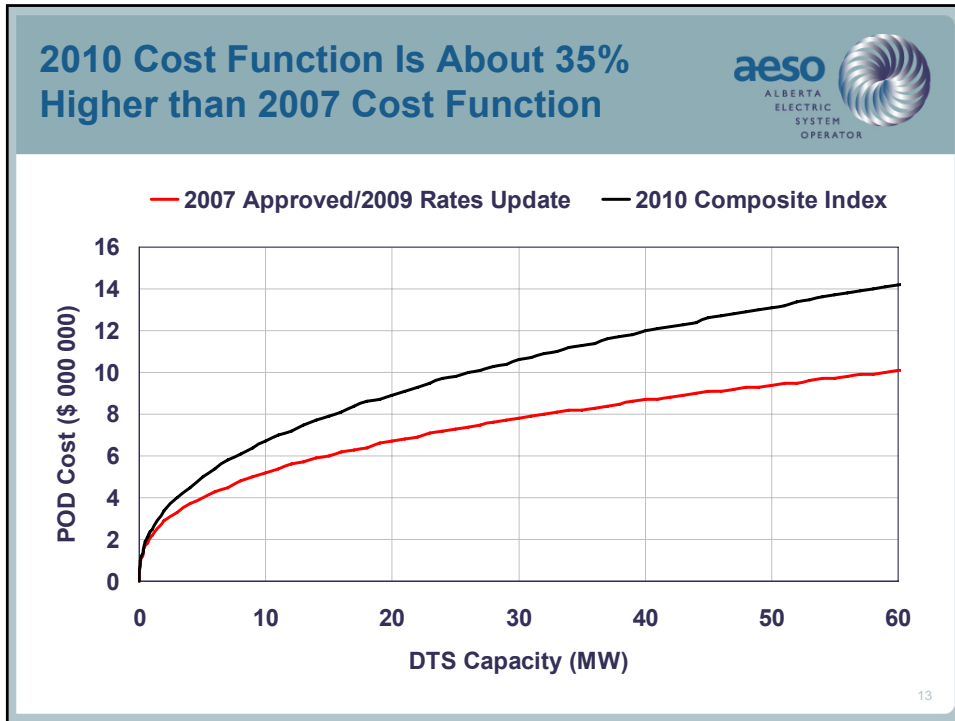
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Impact on 2009 Demand Transmission Service POD Charge



Tier	2009 DTS POD Charge Using Current POD Cost Function	2009 DTS POD Charge Using New POD Cost Function
First (7.5×SF) MW of billing capacity	\$3,955 / MW	\$3,926 / MW
Next (9.5×SF) MW of billing capacity	\$1,368 / MW	\$1,465 / MW
Next (23×SF) MW of billing capacity	\$802 / MW	\$891 / MW
All remaining MW of billing capacity	\$425 / MW	\$490 / MW
Substation fraction (customer charge)	\$7,030 / month	\$5,607 / month

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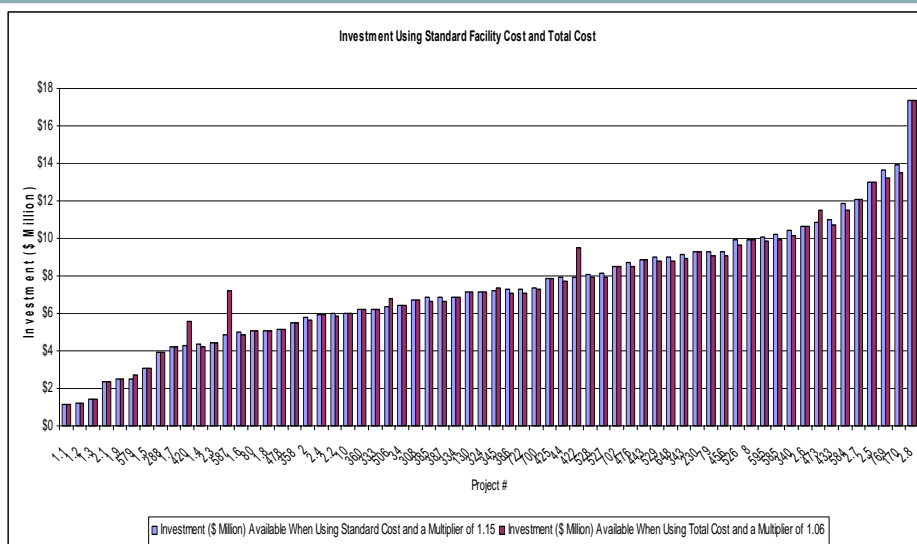
Total Cost versus Standard Facility Cost



- Standard Facilities approach applied to the Standard Facilities cost of the 64 projects in data set with a multiplier of 1.15 results in total investment of about \$471 million.
- A multiplier of 1.06 applied to the raw cost function based on total project cost results in about the same total investment for all 64 projects of about \$472 million.
- Out of 64 projects, investment was equal for 30 projects, from 0% to 3% lower for 27 projects and from 2% to 8% higher for 4 projects
- For 3 projects investment was higher by 19%, 29%, and 46%
- For 58 projects difference in investment was within $\pm 3\%$

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Change in Investment



Advantages of Using Total Cost



- Investment is effectively limited through the maximum investment function based on total cost
- There is no longer a need to expend significant AESO, TFO, and customer resources on determining, evaluating, and estimating costs for Standard Facilities which may never be constructed.
- Connection for a customer will be based on those facilities which the customer considers necessary for the connection.

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Primary Service Credit



- Primary Service Credit (PSC) determination is based on the division of cost of connection between substation related costs and line related costs
- Greenfield projects for which such division is available were used for the calculation
- Ratio of total substation related cost (that is, excluding line related cost) to total project cost was calculated to be 0.55 in the last study. Based on the updated data and additional projects included in the data set for the AESO 2010 General Tariff Application, this ratio now increases to 0.78

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Next Steps



- Will be incorporated into AESO 2010 General Tariff Application
- Direct comments, feedback, and suggestions to John Martin or Raj Sharma


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2010 Rate Proposals

John Martin
Director, Tariff Applications, AESO Regulatory



Revenue Requirement




- Rate levels will be based on 2010 costs as presented to stakeholders in AESO Budget Review Process
 - Wires costs will be updated with recent TFO tariff approvals

Cost Component	2010 Forecast \$ 000 000	2009 Forecast \$ 000 000
Wires	\$537.5	\$523.7
Ancillary Services	144.3	282.2
Losses	173.6	238.0
Administrative	79.4	80.0
Revenue Requirement	\$934.8	\$1 123.9

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Demand Transmission Service Rate DTS



- Connection charge updated to reflect
 - (a) updated POD cost function,
 - (b) updated wires cost functionalization and classification from TFO O&M cost causation study, and
 - (c) 2010 forecast costs and billing determinants
 - No changes to structure, billing determinants, or methodology

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DTS Connection Charge




Preliminary Comparison

Component	2010 Preliminary	2009 Rates Update
Bulk System	\$1 959.00/MW \$0.68/MWh	\$2 229.00/MW \$0.78/MWh
Local System	\$860.00/MW \$0.42/MWh	\$653.00/MW \$0.32/MWh
Point of Delivery		
• First (7.5 × SF) MW	\$4 207.00/MW	\$3 955.00/MW
• Next (9.5 × SF) MW	\$1 569.00/MW	\$1 368.00/MW
• Next (23 × SF) MW	\$955.00/MW	\$802.00/MW
• All Remaining MW	\$525.00/MW	\$425.00/MW
• Fixed Component	\$6 008.00 × SF	\$7 030.00 × SF

SF = Substation Fraction

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Hourly Operating Reserve Charge



- Operating reserve charge revised to:
 - metered energy in each hour ×
 - operating reserve unit cost in each hour

where operating reserve unit cost is the total cost of operating reserves in the hour divided by the sum over all Rate DTS customers of the metered energy for each customer in the hour
- AESO will maintain single-block operating reserve charge to allow estimation of magnitude of charge
- Operating reserve charge deferral account expected to be significantly reduced


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Other Rate DTS Components 

Preliminary Comparison

Component	2010 Preliminary	2009 Rates Update
Operating Reserve	3.17% × Pool Price	4.82% × Pool Price
Voltage Control	\$0.39/MWh	\$0.65/MWh
Other System Support	\$59.00/MW	\$62.00/MW
Power Factor Deficiency	Being Finalized	\$400.00/MVA

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- Fort Nelson Demand Transmission Service Rate FTS** 
- Incremental costs will be assessed to Alberta and Fort Nelson loads based on incremental load growth in each region
 - Based on load growth above load forecast on which northwest transmission development was based
 - Incremental costs will be recovered from Fort Nelson through Local System component of Rate FTS
 - Similar to current recovery of wires costs through local system charge
 - Incremental TMR costs will be assessed to Alberta and Fort Nelson based on load in each region during hours in which TMR is required
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Demand Opportunity Services Rates DOS



- No changes to structure, billing determinants, or methodology
 - Rate levels will change to reflect changes in costs
- Rights and obligations which currently exist in tariff, OPPs, and business practices will be consolidated into rate sheet and terms and conditions section
 - Other information will be consolidated into an information document

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Export Transmission Service Rates XTS



- AESO is finalizing proposal for hourly, daily, weekly, monthly, and annual “firm” export services comparable to Rate DTS load service
- Costs would generally be comparable to costs on Rate DTS
 - All rate versions would be based on the same unit costs
 - Distinctions in priority are through duration of contracted transfer
- Rates could not be implemented until an OASIS or similar system is available

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Export Opportunity Services Rates XOS



- AESO is finalizing proposal for hourly, daily, weekly, monthly, and annual opportunity export services comparable to existing Rates XOS
- Costs would generally be comparable to costs on existing Rates XOS
 - All rate versions would be based on the same unit costs
 - Distinctions in priority are through duration of contracted transfer
- No changes to structure, billing determinants, or methodology
 - No changes expected yet from implementation of WECC BAL-002 contingency reserve standard

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Demand Under-Frequency Load Shedding Credit Rate UFLS



- No changes to structure or billing determinants, or to applicability of rate
- Provisions from terms and conditions will be incorporated into rate sheet, where applicable

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Primary Service Credit Rate PSC



- No changes to structure, billing determinants, or methodology
 - Rate levels will change to reflect changes in costs
- 78% of DTS POD charge components represent share of costs attributable to substation
 - Based on updated data set used for POD cost function update
- Primary service credit will apply at all sites where substation is not owned by TFO
 - No longer a customer option
- Primary service credit will apply in conjunction with reduced maximum investment levels

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Supply Transmission Service Rate STS



- No changes to structure, billing determinants, or methodology
- RGUCC levels will reduce in accordance with existing schedule of charges
- Some provisions from terms and conditions will be incorporated into rate sheet
 - For example, provision that generators contracted under Small Power Research and Development Act are not subject to Rate STS

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Import Transmission Service Rate ITS



- AESO still debated conceptual framework for “firm” import transmission service
 - Key criteria for Rate STS is merit order dispatch, which is not applicable to import offers
- Work may not be completed in time to be included in 2010 tariff application, and may require a supplemental or amendment application

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Import Opportunity Services Rates IOS



- No changes to structure, billing determinants, or methodology
 - Single import opportunity service seems to be sufficient

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Riders



- DAT Riders A1–A4: no changes
- Deferral Account Adjustment Rider C:
 - change to include prior year balances
 - more explicit description of calculation
 - possible changes to reconciliation approach and process
- Losses Calibration Factor Rider E: no change
- Balancing Pool Consumer Allocation Rider F: no change

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Deleted Riders



- Working Capital Deficiency/Surplus Rider B
 - Has not been used since Rider C was implemented
 - Appears to no longer be of value to AESO
- Bill Impact Mitigation Rider G
 - Expires December 31, 2009
- Interim Refundable Fort Nelson Rider H
 - Addressed as part of Rate FTS

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Amortized Contribution Option Rider I



- Would allow customers to pay customer contributions over time rather than as up-front cash payment as currently required
- Would be available to both DTS and STS customers
- Would be implemented in conjunction with revised financial obligation provisions of terms and conditions
 - Customer would be required to pay contribution while connection project is under construction
 - After commercial operation, contribution could be converted into amortized payment
- Payment would be amortized over investment term with a small risk premium included in payment calculation

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Wind Forecasting Cost Recovery Rider J



- AESO is implementing a centralized wind forecasting service with costs recovered from wind generators
- Rider proposed to escalate over four years as a simple \$/MWh charge:

— 2010:	\$0.23/MWh
— 2011:	\$0.25/MWh
— 2012:	\$0.28/MWh
— 2013 and later years:	\$0.31/MWh
- Rider would include annual adjustment to reflect variance of actual costs minus forecast costs, less variance of actual revenues minus forecast revenues

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Appendix Regulated Generating Units



- No material changes contemplated
- All appendices being considered appendices to tariff
 - No more distinction between rates appendices and terms and conditions appendices

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2010 Terms and Conditions Proposals

Lee Ann Kerr
Manager, Tariff Applications, AESO Regulatory



Terms and Conditions Changes



- Updated throughout to reflect changes in legislation, rules, and standards
- Updated to align with and incorporate TOAD conventions
- Addresses recommendations of AltaLink consultation on AESO contribution policy
- Includes changes to accommodate new customer connection model
- Significant redrafting and reorganization of:
 - system access service request process
 - financial obligations for connection projects
 - customer contribution policy

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AltaLink Consultation Contribution Policy Recommendations



1. Adopt a set of guiding principles into the contribution policy

The AESO has generally been guided by principles similar to those discussed in the AltaLink recommendation, and will discuss the principles in its application
2. Enhance the definition of standard facilities, and lead a stakeholder consultation to develop Planning Principles and Standards of Service

To improve process efficiency the AESO is proposing to remove the concept of standard facilities in conjunction with a modified approach to determining maximum investment level

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AltaLink Consultation Contribution Policy Recommendations (cont'd)



3. Incorporate a method of fairly allocating the costs associated with an early system rebuild

In conjunction with an economic evaluation policy, the tariff will provide for an RCN credit for any transformers which are replaced and either suitable for reuse or treated as capital maintenance

4. Use an inflation factor that is representative of the Alberta market place, and incorporate a mechanism to adjust the contribution formula to account for regulatory lag

The AESO has developed a composite price index based on Statistics Canada historical transmission price indices and forecast Alberta CPI

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AltaLink Consultation Contribution Policy Recommendations (cont'd)



5. Align the timing of prepaid O&M with costs, and apply prepaid O&M exclusively to facilities in excess of standard

With the removal of the use of standard facilities, the AESO proposes that O&M will apply to costs of facilities in excess of maximum investment

6. Provide flexibility on the timing of contribution payments, and provide choices for customers transitioning between tariffs

The AESO proposes that the contribution policy which applies is the one in effect when P&L is issued for a project, and that security and contribution requirements would be staged to the incurrence of costs by the TFO

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AltaLink Consultation Contribution Policy Recommendations (cont'd)



7. Provide the choice for the contribution payment to be a facilities charge rather than a balance sheet transaction

The AESO is finalizing a proposal for an amortized contribution option that would include a slight risk premium on the rate of return on which the amortized payment is based

8. Provide new customers with both generation and load at the site, the opportunity to be “load first” in determination of the contribution payment

The AESO proposed to continue the use of substation fractions to allocate costs and investment between generation and load at a substation

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Terms and Conditions Changes



- Proposed terms and conditions are meant to align with new customer connection model
- Revised throughout to replace “interconnection” with “connection”
 - Use the term “connection” when connecting within Alberta
 - “Interconnection” term used when connecting to a neighbouring jurisdiction

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Section 4: System Access Service Requests



- Identifies the obligations of the AESO, TFO, and customer as they relate to requests for system access service
- Two types of requests
 - Requests which require the construction of new transmission facilities
 - Requests which do not require construction
- The customer may work with the TFO or other party in the development of a connection proposal
- The AESO will direct the TFO to prepare and submit the NID and facility applications

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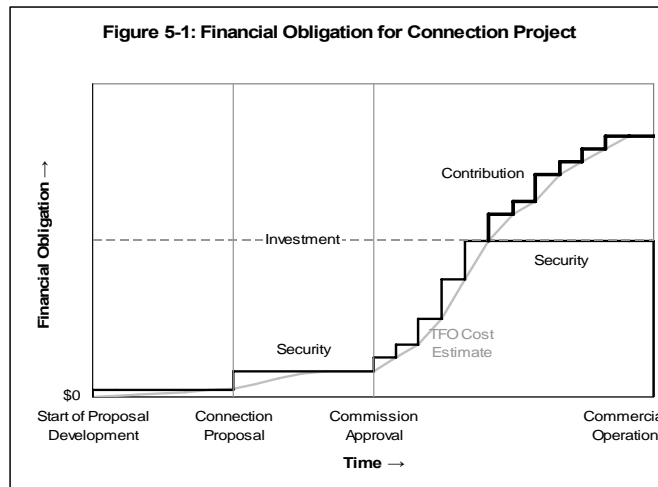
Section 5: Financial Obligations for Connection Projects



- Proposal consists of a staged approach to payment of security and customer contribution
- The financial obligation amount is initially equal to the costs (estimated) to be incurred by the TFO in preparation of the connection proposal
- Upon acceptance of the proposal, the financial obligation increases by the amount of all subsequent costs (estimated) to be incurred by the TFO to prepare applications
- After AUC approval, the financial obligation increases by monthly amounts equal to the subsequent incurred costs to construct the project
- DFOs do not provide financial security for projects

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Section 5: Financial Obligations for Connection Projects (cont'd)



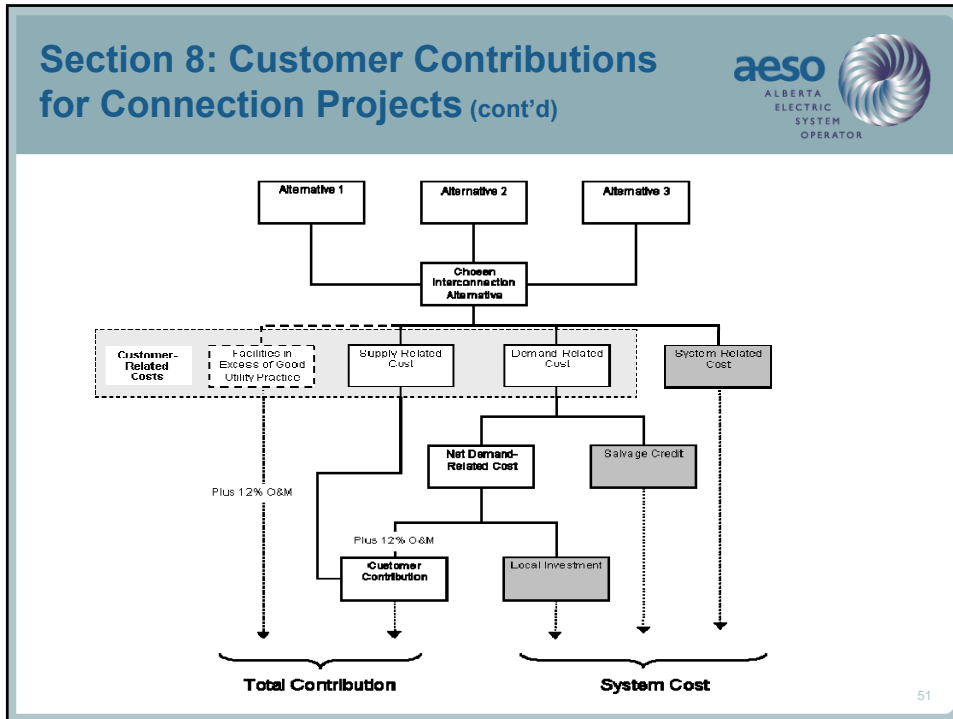
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Section 8: Customer Contributions for Connection Projects



- Changes to reflect several accountabilities being transferred to TFOs (for requests that require construction)
- Transaction for customer contribution takes place between customer and TFO
- Facility requirements are determined as those that meet the demand and supply forecast of the customer and reliability and operating requirements

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- ### Section 8: Customer Contributions for Connection Projects (cont'd)
-
- Significantly more detail to aid in the classification of customer-related and system-related costs
 - Aligned customer-related costs for both POD and POS customers
 - Detailed list of those costs that are considered customer-related
 - RAS
 - Shared Facilities
 - More detail around classifying system-related costs
 - Revised definition of “looped”
 - Cap banks, shunt reactors
 - Any facilities identified in the transmission plan or a NID
 - TFOs will be making this determination under the new model
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Section 8: Customer Contributions for Connection Projects (cont'd)



- Elimination of concept of “standard facilities”
 - The “standard facilities” were implemented when the AESO’s tariff did not align particularly well with the cost of facilities, however, under current tariff there is better alignment between costs and investment levels (as well as POD charge)
 - Inconsistent with historical practice to consider one transformer and one line to be the standard, based on existing connections, half of PODs have more than one transformer, and two-thirds are connected through two or more lines
 - Significant resources are expended by the AESO, TFO, and customer on determining, evaluating, and estimating costs for standard facilities which will never be constructed or pursued

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Section 8: Customer Contributions for Connection Projects (cont'd)



- Under 2010 proposed terms and conditions:
 - The customer may choose among alternatives, whatever the customer considers necessary for to meet their own reliability, protection, and operating criteria and standards
 - All connection projects that require the construction of new TFO-owned facilities and are contracting for new MWs will be eligible for investment
 - The chosen alternative is eligible for investment based on contracted MWs

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Section 8: Customer Contributions for Connection Projects (cont'd)



- Facilities in excess of “good utility practice”
 - ...means any of the practices, methods, and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods, and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety, and expedition. Good utility practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region and consistently adhered to by the transmission facility owner
- 12% operations and maintenance added to the amount of demand-related costs which exceed the local investment (as well as facilities in excess of good utility practice)

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Section 8: Customer Contributions for Connection Projects (cont'd)



- Equipment used for a connection project will generally be valued at replacement cost new.
- A transformer removed from service at a substation will provide an RCN credit when it is either
 - deemed re-deployable for use at another substation,
 - deemed suitable for use as an operating spare, or
 - treated as a capital maintenance cost
- in all other cases, including when the transformer is scrapped without being treated as a capital maintenance cost, there will be no RCN credit
- This reflects current AESO business practice

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Section 8: Customer Contributions for Connection Projects (cont'd)



- “**Substation fraction**” is calculated, for each contract capacity at a substation, as the individual contract capacity divided by the sum of all contract capacities (under both Rate DTS and Rate STS) for all customers with points of connection at the same substation
- To allocate costs among multiple customers at one substation, the customer-related costs are multiplied by the substation fraction for each customer

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Section 8: Customer Contributions for Connection Projects (cont'd)



- New investment table, specifies calculation for new connections, as well as capacity increases for existing connections
 - New proposed investment level represents cost function of total facility costs multiplied by 1.06
 - Includes investment tiers for service under PSC
 - Removal of present value calculation for connection projects identifying staged loads at outset of project

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Section 8: Customer Contributions for Connection Projects (cont'd)



Column A	Column B	Column C
Tier	Investment for Service Under Rate DTS	Investment for Service Under Rate PSC
Substation fraction (for new points of delivery only)	\$53,350.00/year	\$11,740.00/year
First (7.5 × substation fraction) MW of contract capacity	\$37,370.00/MW/year	\$8,220.00/MW/year
Next (9.5 × substation fraction) MW of contract capacity	\$13,960.00/MW/year	\$3,070.00/MW/year
Next (23 × substation fraction) MW of contract capacity	\$8,490.00/MW/year	\$1,870.00/MW/year
All remaining MW of contract capacity	\$4,650.00/MW/year	\$0.00/MW/year

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Section 9: Changes to System Access Service After Energization



- Intended to address requests for service which do not require the construction of new facilities
- Incorporates provisions from previous articles
 - Article 9 customer and system contribution policy
 - Article 13 contract capacity increases & allocation
 - Article 14 reductions or termination of contract capacity

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Section 9: Changes to System Access Service After Energization (cont'd)



- List of events that will lead to an adjustment (recalculation) of a customer contribution
 - Reclassification of facilities as system or customer
 - Variances between cost estimates and actuals
 - Increase or decrease of contract capacity
- Customer, AESO, or TFO may initiate an adjustment
- Calculates payment due to TFO from customer, or vice versa
- Determination of contributions based on contract changes since any prior contribution calculation

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Section 9: Changes to System Access Service After Energization (cont'd)



Clarification of the allocation of costs of shared facilities

Year	Customer A		Customer B		Maximum MW			Share %	
	DTS	STS	DTS	STS	MW A	MW B	Total	MW A	MW B
1	5	10	0	0	10	0	10	100.0%	0.0%
2	20	15	0	0	20	0	20	100.0%	0.0%
3	20	100	0	0	100	0	100	100.0%	0.0%
4	20	100	0	0	100	0	100	100.0%	0.0%
5	20	100	75	0	100	75	175	57.1%	42.9%
6	20	100	125	0	100	125	225	44.4%	55.6%
7	20	100	125	0	100	125	225	44.4%	55.6%
8	20	100	125	0	100	125	225	44.4%	55.6%
9	20	100	125	0	100	125	225	44.4%	55.6%
10	20	100	125	0	100	125	225	44.4%	55.6%
11	20	100	125	0	100	125	225	44.4%	55.6%
12	20	100	125	0	100	125	225	44.4%	55.6%
13	20	100	125	0	100	125	225	44.4%	55.6%
14	20	100	125	0	100	125	225	44.4%	55.6%
15	20	100	125	0	100	125	225	44.4%	55.6%
16	20	100	125	0	100	125	225	44.4%	55.6%
17	20	100	125	0	100	125	225	44.4%	55.6%
18	20	100	125	0	100	125	225	44.4%	55.6%
19	20	100	125	0	100	125	225	44.4%	55.6%
20	20	100	125	0	100	125	225	44.4%	55.6%
					Average			56.2%	43.8%
								Customer A Share	Customer B Share
								\$1,376,667	\$1,073,333
					Costs of shared facilities		\$2,450,000		

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Section 9: Changes to System Access Service After Energization

(cont'd)



- Clarification of the treatment of reductions or terminations of contract capacity
 - Effective 5 years after date of request
 - Payment in lieu of 5 years' notice
 - More clarity around calculation of PILON
 - PILON payment is **in addition to** a customer contribution adjustment, where applicable

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Section 10: Generating Unit Owner's Contribution



- Removed reference to “system” in term, to avoid confusion (customer is not responsible for system costs), now aligned with terminology used in legislation
 - 2007 T-Reg uses “generating unit owner's contribution”
- Separated into its own section
- Payment made to AESO by customer, and refunded to customer by AESO
- Revised ISO Rule 9.5 to incorporate contracted AS energy amounts for capacity factor calculation

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Section 1: Applicability and Interpretation



- Interpretation provisions consistent with other AESO authoritative documents
- Incorporation of defined terms contained in Authoritative Documents Glossary
 - Terms used in tariff will be submitted for approval as appendix to application
- Incorporates content from Article 2 of current tariff

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Section 2: Provision of and Limitations to Service



- Covers both conditions under which service is provided and possible limitations to that service
- Incorporates content from Articles 3 and 17 of current tariff

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Section 3: Customer Connection Requirements



- Removal of information already addressed in technical requirements
- Incorporates remaining content from Article 4 of current tariff

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Section 6: Metering



- Removal of information already addressed in AESO Measurement System Standard
- Incorporates remaining content from Article 7 of current tariff
- Appendix A of current terms and conditions removed in its entirety
 - Appendix A contains metering equipment information already covered in AESO Measurement System Standard

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Section 7: Provision of Information



- Removal of information already addressed in technical requirements
- Incorporates remaining content from Article 8 of current tariff

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Section 11: Ancillary Services (TMR)



- No changes other than formatting to TOAD conventions

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Section 12: Demand Opportunity Service (DOS)



- Will incorporate all rights and obligation which currently existing in Operating Policies and Procedures or in Business Practice document
 - Still being worked on
- Other content in those documents will move to an information document

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Under-Frequency Load Shedding (Previously Article 12)



- Content consolidated onto rate sheet

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Section 13: Financial Security, Billing, and Payment Terms



- Proposed to no longer require security from regulated DFOs
 - Consistent with not requiring security from regulated DFOs for connection projects
- Incorporates remaining content from Article 15 of current tariff

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Section 14: Peak Demand Waiver



- Incorporates content from Article 16 of current tariff
 - Some content from Operating Policies and Procedures

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Section 15: Limitation of Liability



- Incorporates content from Article 18 of current tariff

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Section 16: Confidential Information



- Incorporates, by reference, proposed ISO Rule on confidential information
- Currently in consultation process

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Section 17: Dispute Resolution



- Incorporates, by reference, proposed ISO Rule on dispute resolution
- Currently in consultation process

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Section 18: Miscellaneous



- Incorporates remaining content from Article 21 in current tariff

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Appendix A: Agreement Proformas



- Being reviewed to better address needs of AESO and customers
- Will align with redesigned interconnection process
- Currently Appendix B to terms and conditions

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Appendix B: Procedure for TMR Procurement



- No material changes contemplated

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<h2>Next Steps</h2> <p>John Martin Director, Tariff Applications, AESO Regulatory</p>	
	
	

<h2>Next Steps</h2>	
<ul style="list-style-type: none">• Some consultation wrap-up on outstanding matters• Finalization of remaining tariff detail during November• Tariff application filed on November 30• Effective date of 2010 tariff likely to be early 2011	
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Discussion and Questions



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For More Information



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Tariff ► Current Consultations ► 2010 Tariff

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