March 9, 2010

Interested Parties and Stakeholders
AESO 2010 ISO Tariff Application

Dear Stakeholder:

Re: Technical Meeting for AESO 2010 ISO Tariff Application
Application No. 1605961 and Proceeding ID 530

The AESO filed its 2010 ISO tariff application with the Alberta Utilities Commission on March 5, 2010, and posted it on the AESO website on March 8, 2010. As participants in previous AESO proceedings have found technical meetings to be worthwhile, the AESO has scheduled a technical meeting on the 2010 ISO tariff application for the afternoon of March 23, 2010, at the Metropolitan Conference Centre in downtown Calgary. You are invited to participate in this meeting.

Details of the meeting are as follows:

Time: 1:00 to 4:30 PM
Date: Tuesday, March 23, 2010
Location: Strand/Tivoli Room, 2nd Floor, Metropolitan Conference Centre
333 – 4th Avenue SW, Calgary, Alberta
Refreshments: Beverages and snacks will be provided
Registration: Please register your attendance at this meeting with Ghaz Marinho by email to ghaz.marinho@aeso.ca or by phone to 403-539-2474, by 5:00 PM on Friday, March 19, 2010, to ensure space is available

Please note that this meeting is intended primarily for participants who will be registering in the AESO’s 2010 ISO tariff application proceeding, although other interested parties may attend.

At the technical meeting the AESO will summarize the changes proposed for the ISO tariff in the 2010 application, which include:

- updating all rate levels for 2010 forecast costs and 2010 forecast billing determinants, resulting in an average 6.8% increase in Rate DTS;
- updating the Rate DTS rate design to incorporate findings from a detailed study of causation of transmission operation and maintenance costs;
- allocating operating reserve costs on an hourly basis to eliminate operating reserve deferral account balances;
allocating transmission must-run and future transmission capital costs on an incremental basis to Fort Nelson, BC;

• offering an amortized construction contribution rider to address concerns with construction contribution requirements in the current tariff;

• implementing a wind forecasting service cost recovery rider;

• revising the system access service request process to align with the new connection model;

• requiring financial security and construction contributions in alignment with the stages of costs incurred for connection projects;

• clarifying and standardizing the determination of construction contributions, including removal of the concept of "standard facilities";

• updating maximum investment levels to reflect inflationary increases to connection project costs since 2007;

• deleting tariff sections on dispute resolution and confidentiality in favour of addressing those matters in ISO rules;

• incorporating authoritative content from other documents to consolidate in the tariff all rights and obligations related to demand opportunity service and to peak metered demand waivers;

• improving and updating system access service agreement pro formas;

• updating all tariff definitions for use in the consolidated authoritative documents glossary and deleting a large number of obsolete and unused definitions; and

• rewriting the entire tariff to update structure, terminology, and language consistent with TOAD project guidelines for clarity, certainty, consistency, and transparency.

Attendees at the meeting are expected to have reviewed and be familiar with the contents of the AESO’s application.

The 2010 ISO tariff application and related information is posted on the AESO’s website at www.aeso.ca, and may be found by following the path Tariff ▶ Current Applications ▶ 2010 ISO Tariff Application.

If you have any questions on the tariff application or the technical meeting, please contact John Martin at 403-539-2465 or by email to john.martin@aeso.ca.

Yours truly,

[original signed by]

John Martin
Director, Tariff Applications

cc: Lee Ann Kerr, Manager, Tariff Applications
Raj Sharma, Senior Tariff Analyst
Arnie Reimer, PS Technologies, consultant to AESO
Ghaz Marinho, Administrative Assistant