



Alberta Electric System Operator

2010 Rider F Amendment

June 4, 2010



ALBERTA UTILITIES COMMISSION

Decision 2010-257: Alberta Electric System Operator
2010 Rider F Amendment
Application No. 1606214
Proceeding ID. 643

June 4, 2010

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1 INTRODUCTION

1. On May 19, 2010, the Alberta Utilities Commission (Commission) received an application (Application) from the Alberta Electric System Operator (AESO) for approval, pursuant to subsection 82(6) of the *Electric Utilities Act* S.A. 2003, c. E-5.1 (*Electric Utilities Act*), for an amendment to the 2010 Balancing Pool Consumer Allocation Rider F to provide a \$2.00/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 July 1, 2010 through December 31, 2010 inclusive.

2. The Commission issued Notice of Application (Notice) on May 20, 2010 to the standard electric utility mailing list. The Notice advised that any interested parties must submit a Statement of Intent to Participate (SIP) by June 3, 2010. On May 21, 2010, the Commission issued an Application Process Letter. The letter requested that parties identify in their SIPs whether they oppose the Application and reasons for the position taken as well as any process or scheduling recommendations. A SIP was received from the ATCO Electric Ltd. on June 3, 2010, which indicated that ATCO Electric Ltd. supported the AESO's requested amendment. Accordingly, no further process was conducted and the Commission considers the record of this proceeding to have closed on June 3, 2010.

2 DISCUSSION

3. Rider F was first approved as a \$1.00/MWh credit for 2006 by the Alberta Energy and Utilities Board (Board) through Board Order [U2005-464](#).¹ Rider F was revised in subsequent years to a \$3.00/MWh credit for 2007 consumption in Board Order [U2006-332](#),² to a \$5.00/MWh credit in respect of 2008 consumption through Board Order [U2007-309](#),³ and to a \$6.50/MWh credit for 2009 consumption through Commission Order [U2008-356](#).⁴ In Decision [2009-239](#),⁵ the Commission approved Rider F as a \$4.00/MWh credit during 2010.

¹ Order U2005-464: Alberta Electric System Operator (AESO), 2nd Refiling of 2005/2006 GTA (Application No. 1434708) (Released: December 20, 2005).

² Order U2006-332: Alberta Electric System Operator (AESO), AESO 2007 Rider F (Application No. 1484951) (Released: December 19, 2006).

³ Order U2007-309: Alberta Electric System Operator, 2008 Rider F (Application No. 1530909) (Released: November 16, 2007).

⁴ Order U2008-356: Alberta Electric System Operator, 2009 Rider F (Application No. 1592737, Proceeding ID. 118) (Released: November 24, 2008).

⁵ Decision 2009-239: Alberta Electric System Operator (AESO) AESO 2010 Rider F (Application No. 1605636) (Released December 1, 2009).

4. On May 11, 2010, the AESO received notification from the Balancing Pool of an amended annualized positive amount of \$165.0 million to be incorporated into the AESO's rates, pursuant to sections 30 and 82 of the *Electric Utilities Act*.

5. The AESO indicated that it accepted the Balancing Pool's recommendation that the annualized amount should continue to be provided to AESO customers as a \$/MWh amount, set at \$2.00/MWh credit effective from July 1, 2010 to December 31, 2010. The AESO noted that in accordance with Board Order U2006-307,⁶ the City of Medicine Hat and BC Hydro at Fort Nelson are ineligible for Rider F.

6. The AESO requested that the Commission process the Application on an expedited basis as it reflects a simple revision to the level of Rider F and complies with the relevant legislation.

3 COMMISSION FINDINGS

7. Decision 2009-239 approved Rider F as a \$4.00/MWh credit during 2010 based on the Balancing Pool's annualized estimate of \$227.0 million. That amount has now been revised by the Balancing Pool to \$165.0 million.

8. The Commission further notes that, pursuant to the *Electric Utilities Act*, the Balancing Pool may make distributions from its revenues which are allocated to eligible consumers. These distributions are made through the AESO tariff pursuant to subsection 82(6)(b) of the *Electric Utilities Act*, through Rider F. The period for which this Application was made, from July 1 to December 31, 2010, is part of the fifth year that such a distribution has been made.

9. Having received no objections, the Commission has considered the Application without further notice or process as indicated in the Notice. Rider F provides a mechanism whereby AESO may pass on refunds or collections from the Balancing Pool. The Commission approves the Application for a 2010 Balancing Pool Rider F amendment to provide a \$2.00/MWh credit to all DTS and DOS customers, with the exceptions of the City of Medicine Hat and BC Hydro at Fort Nelson, for consumption from July 1 through December 31, 2010 inclusive, pursuant to subsection 82(6)(a) of the *Electric Utilities Act*.

⁶ Order U2006-307: Alberta Electric System Operator, Amendments to AESO 2006 Rider F and Rate FDS (Application No. 1482458) (Released: December 14, 2006).

4 DECISION

10. IT IS HEREBY ORDERED THAT the applied for Rider F Amendment, as included in [Appendix 2](#) of this Decision, is approved, effective July 1, 2010 to December 31, 2010.

Dated on June 4, 2010.

ALBERTA UTILITIES COMMISSION

(original signed by)

Carolyn Dahl Rees
Vice-Chair

APPENDIX 1 – PROCEEDING PARTICIPANTS

Name of Organization (Abbreviation) Counsel or Representative
Alberta Electric System Operator (AESO) J. Martin R. Sharma A Walters
ATCO Electric Ltd. (AE) L. Keough D. DeChamplain N. Palladino

Alberta Utilities Commission
Commission Panel C. Dahl Rees, Vice-Chair
Commission Staff S. Ramdin (Commission Counsel) K. Schultz J. Halls

APPENDIX 2 – ALBERTA ELECTRIC SYSTEM OPERATOR RIDER F

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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*.
- 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
- Effective:** The rider is effective for all Billing Periods from January 1, 2010 to December 31, 2010.
- Rate:**
- (a) For Billing Periods from January 1, 2010 to June 30, 2010, a credit of **\$4.00/MWh** of Metered Energy during the Billing Period, and
 - (b) For Billing Periods from July 1, 2010 to December 31, 2010, a credit of **\$2.00/MWh** of Metered Energy during the Billing Period.
- Terms:** The Terms and Conditions form part of this Rate Schedule.