Dear sir or madam:

Re: **AESO 2013 Balancing Pool Consumer Allocation Rider F Application**

The AESO requests approval by the Commission, pursuant to subsection 82(6) of the Act, for a Balancing Pool Consumer Allocation Rider F to provide a $5.50/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 January 1 through December 31, 2013, inclusive.

On October 18, 2012 the Balancing Pool notified the Alberta Electric System Operator (AESO) of an estimated annualized positive amount of $334.8 million to be reflected in the AESO’s rates under sections 30 and 82 of the *Electric Utilities Act* (Act). The annualized amount is similar in nature to that which is currently being refunded to AESO customers through the Balancing Pool Consumer Allocation Rider F under the AESO’s tariff.

The Balancing Pool has requested that the amount be paid to AESO customers as a $5.50/MWh credit during 2013. A copy of the Balancing Pool’s letter providing the notice is attached. The Balancing Pool’s notice complies with the requirements of section 82(4) of the Act.

Rider F was first approved as a $1.00/MWh credit by the predecessor of the Alberta Utilities Commission (Commission), the Alberta Energy and Utilities Board (Board), in Order U2005-464 for 2006 consumption. Rider F was revised in subsequent years and approved at levels from $2.00/MWh credit to $6.50/MWh credit in various orders and decisions of the Board and the Commission. Rider F was most recently approved as a $5.50/MWh credit in Commission Decision 2011-476 for consumption from January 1 to December 31, 2012. No objections were received in any of the AESO’s previous Rider F applications.

The AESO accepts the Balancing Pool’s recommendation that the annualized amount continue to be refunded to AESO customers as a $/MWh amount, set at $5.50/MWh credit effective from January 1 to December 31, 2013. The AESO further proposes that other aspects of the 2013 Rider F, including applicability criteria, continue unchanged from the 2012 Rider F which is currently in effect. A proposed Rider F schedule is attached.

The AESO notes that the City of Medicine Hat and BC Hydro at Fort Nelson are ineligible for Rider F according to Board Order U2006-307.

As this application is a simple revision to the level of Rider F and complies with relevant legislation, the AESO requests that the Commission deal with this application through an expedited process.
8 Please direct all correspondence relating to this application to:

John Martin          Raj Sharma
Director, Tariff Applications         Senior Tariff Analyst
Alberta Electric System Operator     Alberta Electric System Operator
2500, 330 – 5th Avenue SW             2500, 330 – 5th Avenue SW
Calgary, Alberta T2P 0L4            Calgary, Alberta T2P 0L4
Phone: 403-539-2465                Phone: 403-539-2632
Fax: 403-539-2524                  Fax: 403-539-2524
Email: john.martin@aeso.ca         Email: raj.sharma@aeso.ca

April Walters
Executive Assistant, Regulatory
Alberta Electric System Operator
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Calgary, Alberta T2P 0L4
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Fax: 403-539-2524
Email: april.walters@aeso.ca

9 If you have any questions on this application or need additional information, please contact me at 403-539-2465 or by email to john.martin@aeso.ca.

Yours truly,

[original signed by]

John Martin
Director, Tariff Applications

attachments

cc: Heidi Kirmmaier, Vice-President, Regulatory, AESO
    Raj Sharma, Senior Tariff Analyst, AESO
Applicability

1(1) Rider F applies to system access service provided under:

(a) Demand transmission service Rate DTS; and

(b) Demand opportunity service Rate DOS.

(2) Notwithstanding subsection 1(1) above, Rider F does not apply to system access service provided to:

(a) the City of Medicine Hat; or

(b) BC Hydro at Fort Nelson, British Columbia.

(3) Rider F applies to all settlement periods from January 1, 2013 to December 31, 2013.

Rider

2(1) Rider F is a credit of $5.50/MWh of metered energy during the settlement period.

(2) For the market participants receiving system access service from the ISO under subsection 1 above, Rider F refunds or collects an annualized amount estimated by the Balancing Pool and transferred to the ISO under section 82 of the Act.

Terms

3 The terms and conditions of the ISO tariff form part of this rider.

Revision History

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