

Alberta Electric System Operator 2018 Balancing Pool Consumer Allocation Rider F Application

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1 Application

- 1 Pursuant to subsection 82(6) of the *Electric Utilities Act*, S. A. 2003, c. E-5.1 (“Act”), the Alberta Electric System Operator (“AESO”) applies to the Alberta Utilities Commission (“Commission”) for approval of the Independent System Operator (“ISO”) tariff Rider F, *Balancing Pool Consumer Allocation Rider* for 2018 (“Rider F”), providing a \$3.10 per megawatt hour (“MWh”) charge for all demand transmission service (“Rate DTS”) and demand opportunity service (“Rate DOS”) market participants, with the exception of the City of Medicine Hat and BC Hydro at Fort Nelson, for metered energy from January 1, 2018 through December 31, 2018 inclusive.

2 Background

- 2 Rider F provides a credit or charge applicable to all Rate DTS and Rate DOS market participants, with the exception of the City of Medicine Hat and BC Hydro at Fort Nelson.
- 3 Under subsection 82(4) of the Act, the Balancing Pool must notify the AESO of an annualized amount for each fiscal year.
- 4 Under subsections 82(5) and 30(2)(b) of the Act, the AESO must include the annualized amount in the ISO tariff, and has done so through Rider F. Rider F was first approved as a \$1.00/MWh credit for 2006 metered energy by the Alberta Energy and Utilities Board (“Board”), the predecessor of the Commission, through Board Order U2005-464. Rider F was revised in subsequent years and approved as follows:
- as a \$3.00/MWh credit for 2007 metered energy in Board Order U2006-332;
 - as a \$5.00/MWh credit for 2008 metered energy in Board Order U2007-309;
 - as a \$6.50/MWh credit for 2009 metered energy in Commission Order U2008-356;
 - as a \$4.00/MWh credit for 2010 metered energy in Commission Decision 2009-239, subsequently amended to a \$2.00/MWh credit for metered energy from July 1 through December 31, 2010, in Commission Decision 2010-257;
 - as a \$2.00/MWh credit for 2011 metered energy in Commission Decision 2010-564;
 - as a \$5.50/MWh credit for 2012 metered energy in Commission Decision 2011-476;
 - as a \$5.50/MWh credit for 2013 metered energy in Commission Decision 2012-306;
 - as a \$5.50/MWh credit for 2014 metered energy in Commission Decision 2013-425;
 - as a \$5.50/MWh credit for 2015 metered energy in Commission Decision 2014-317;
 - as a \$3.25/MWh credit for 2016 metered energy in Commission Decision 21031-D01-2015; and
 - as a \$1.10/MWh charge for 2017 metered energy in Commission Decision 22248-D01-2016.
- 5 In accordance with Board Order U2006-307, the City of Medicine Hat and BC Hydro at Fort Nelson are ineligible for Rider F.

3 2018 Rider F

- 6 On December 1, 2017 the Balancing Pool notified the AESO of a negative annualized amount of \$190,039,300 for 2018 and has recommended that the amount be charged to consumers as a \$3.10/MWh charge. A copy of the Balancing Pool’s notice to the AESO is included as Appendix A of this application.
- 7 The AESO has confirmed that the proposed \$3.10/MWh charge for Rider F for metered energy from January 1, 2018 to December 31, 2018 is expected to charge the annualized amount to all market participants receiving service under Rate DTS and Rate DOS, with the exception of the City of Medicine Hat and BC Hydro at Fort Nelson, on a forecast basis.

Table 1 – Rider F Calculation

[A]	[B]	[C]	[D = B ÷ C]
Period	Annualized Amount Refund (Charge)	Metered Energy MWh	Annual Credit (Charge) \$/MWh
January - December 2018	(\$190,039,300)	61,303,000	(\$3.10)

8 The AESO proposes that all substantive aspects of Rider F, including applicability criteria and use of a \$/MWh amount approach, continue unchanged from the Rider F that is currently in effect for 2017 metered energy.

9 The proposed Rider F is included as Appendix B of this application. The format and language of the proposed Rider F is the same as the currently approved Rider F.

4 Relief Requested

10 The AESO requests that the Commission approve the proposed Rider F for 2018 provided as Appendix B of this application to provide a \$3.10/MWh charge applicable to metered energy from January 1, 2018 through December 31, 2018 inclusive.

11 All of which is respectfully submitted this 4th day of December, 2017.

Alberta Electric System Operator

Per: "Miranda Keating Erickson"

Miranda Keating Erickson

Vice-President, Markets