

Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

## 2006 Income Statement Reconciliation to Deferral Balances

## 2006 Production Revenue for Deferral Purposes:

	2004-2007 Deferral Account Application	2008 Deferral Account Application	2009 Deferral Account Application	2010-2011 Deferral Account Application	2012 Deferral Account Application	2017-2018 Deferral Account Application
1 Transmission Revenue	\$ 946.3	\$ 946.3	\$ 946.3	\$ 946.3	\$ 946.3	\$ 946.3
2 Transmission Interest Income	0.8	0.8	0.8	0.8	0.8	0.8
3 Sub-total	\$ 947.1	\$ 947.1	\$ 947.1	\$ 947.1	\$ 947.1	\$ 947.1
4 2006 Deferral Balance	(7.0)	(7.0)	(7.0)	(7.0)	(7.0)	(7.0)
5 2006 Rider Refunds (Collections)	10.2	10.2	10.2	10.2	10.2	10.2
6 2006 Deferral Adjustments	0.5	0.5	0.5	0.6	0.6	0.6
7 Less: Losses Revenue	(250.1)	(250.1)	(250.1)	(250.1)	(250.1)	(250.1)
8 <b>2006 Deferral Revenue</b>	<b>\$ 700.6</b>	<b>\$ 700.6</b>	<b>\$ 700.6</b>	<b>\$ 700.7</b>	<b>\$ 700.7</b>	<b>\$ 700.7</b>

## Notes:

- 1 Agrees to the 2006 AESO Annual Report - Management Discussion & Analysis page 37.  
2 Agrees to the 2006 AESO Annual Report - Management Discussion & Analysis page 37.  
4 Agrees to the 2006 AESO Annual Report - Note 7 AESO Deferral Accounts Payable page 58.  
This is a required deduction to the reconciliation to reverse the 2006 year end revenue adjustment that was made to deferred revenue for net income to have a zero balance.  
5 Agrees to the 2004-2007 Deferral Account Application, Appendix E-2.  
Agrees to the 2008 Deferral Account Application, Appendix E-2.  
Agrees to the 2009 Deferral Account Application, Appendix E-2.  
Agrees to the 2010-2011 Deferral Account Application, Appendix D-2.  
Agrees to the 2012 Deferral Account Application, Appendix D-2.  
Agrees to the 2017-2018 Deferral Account Application, Appendix D-2.  
This is a required adjustment to the reconciliation to reverse the 2005 Rider refunds that have reduced the 2006 collected revenues: (\$10.6) million relates to 2005 and \$20.7 million relates to 2006 (Appendix D-2).  
6 Miscellaneous adjustments to create production year revenue from income statement revenue:

	2004-2007 Deferral Account Application	2008 Deferral Account Application	2009 Deferral Account Application	2010-2011 Deferral Account Application	2012 Deferral Account Application	2017-2018 Deferral Account Application
Remove 2005 true-ups of prior year actuals from year end accruals	0.0	0.0	0.0	0.0	0.0	0.0
Add 2006 true-ups of prior year actuals from year end accruals	0.0	0.0	0.0	0.0	0.0	0.0
Remove 2001 revenue recorded in 2006	0.0	0.0	0.0	0.0	0.0	0.0
Remove 2002 revenue recorded in 2006	0.1	0.1	0.1	0.1	0.1	0.1
Remove 2003 revenue recorded in 2006	0.6	0.6	0.6	0.6	0.6	0.6
Remove 2004 revenue recorded in 2006	0.0	0.0	0.0	0.0	0.0	0.0
Remove 2005 revenue recorded in 2006	0.3	0.3	0.3	0.3	0.3	0.3
Include 2006 revenue recorded in 2007	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
Include 2006 revenue recorded in 2008	-	0.0	0.0	0.0	0.0	0.0
Include 2006 revenue recorded in 2009	-	-	0.0	0.0	0.0	0.0
Include 2006 revenue recorded in 2010	-	-	-	0.0	0.0	0.0
Include 2006 revenue recorded in 2012	-	-	-	-	0.0	0.0
Include 2006 revenue recorded in 2017	-	-	-	-	-	-
Include 2006 revenue recorded in 2018	-	-	-	-	-	(0.0)
Total adjustments to determine production year revenue	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.6	\$ 0.6	\$ 0.6

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- 8 Agrees to the 2004-2007 Deferral Account Reconciliation Application, Table 2-4, Table 4-2 and Table 4-3.  
Agrees to the 2008 Deferral Account Reconciliation Application, Table 2-5, Table 5-2 and Table 5-3.  
Agrees to the 2009 Deferral Account Reconciliation Application, Table 2-2, Table 6-2 and Table 6-3.  
Agrees to the 2010-2011 Deferral Account Reconciliation Application, Table 2-3, Table 8-2 and Table 8-3.  
Agrees to the 2012 Deferral Account Reconciliation Application, Table 2-3, Table 9-2 and Table 9-3.  
Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3 and Table 8-25.

*Numbers may not add due to rounding*

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## 2006 Income Statement Reconciliation to Deferral Balances

## 2006 Production Costs for Deferral Purposes:

	2004-2007 Deferral Account Application	2008 Deferral Account Application	2009 Deferral Account Application	2010-2011 Deferral Account Application	2012 Deferral Account Application	2017-2018 Deferral Account Application
Transmission Costs						
1 Wires	\$ 444.9	\$ 444.9	\$ 444.9	\$ 444.9	\$ 444.9	\$ 444.9
2 Ancillary Services	235.2	235.2	235.2	235.2	235.2	235.2
3 Line Loss	231.9	231.9	231.9	231.9	231.9	231.9
4 Other Industry Costs	3.6	3.6	3.6	3.6	3.6	3.6
5 G&A, Depreciation, Interest	31.5	31.5	31.5	31.5	31.5	31.5
6 Sub-total	\$ 947.1	\$ 947.1	\$ 947.1	\$ 947.1	\$ 947.1	\$ 947.1
7 2006 Deferral Adjustments	(23.6)	(25.6)	(27.8)	(28.5)	(28.5)	(28.5)
8 Less: Losses Costs	(219.1)	(219.1)	(218.4)	(218.0)	(218.0)	(218.0)
9 <b>2006 Deferral Costs</b>	<b>\$ 704.3</b>	<b>\$ 702.3</b>	<b>\$ 700.9</b>	<b>\$ 700.6</b>	<b>\$ 700.6</b>	<b>\$ 700.6</b>

## Notes:

- 1 Agrees to the 2006 AESO Annual Report - Management Discussion & Analysis page 41.  
2 Agrees to the 2006 AESO Annual Report - Management Discussion & Analysis page 41.  
3 Agrees to the 2006 AESO Annual Report - Management Discussion & Analysis page 41.  
4 Agrees to the 2006 AESO Annual Report - Management Discussion & Analysis page 41.  
5 Agrees to the 2006 AESO Annual Report - Management Discussion & Analysis page 45.  
7 Miscellaneous adjustments to create production year expenses from income statement expenses:

	2004-2007 Deferral Account Application	2008 Deferral Account Application	2009 Deferral Account Application	2010-2011 Deferral Account Application	2012 Deferral Account Application	2017-2018 Deferral Account Application
Amortization of Rent Free Period (expense not included in deferrals)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)
Remove 2005 true-ups of prior year actuals from year end accruals	(1.5)	(1.5)	(1.5)	(1.5)	(1.5)	(1.5)
Add 2006 true-ups of prior year actuals from year end accruals	0.0	0.0	0.0	(0.0)	(0.0)	(0.0)
Remove 2000 costs recorded in 2006	0.0	0.0	0.0	0.0	0.0	0.0
Remove 2001 costs recorded in 2006	0.0	0.0	0.0	0.0	0.0	0.0
Remove 2002 costs recorded in 2006	0.0	0.0	0.0	0.0	0.0	0.0
Remove 2003 costs recorded in 2006	0.0	0.0	0.0	0.0	0.0	0.0
Remove 2004 costs recorded in 2006	2.9	2.9	2.9	2.9	2.9	2.9
Remove 2005 costs recorded in 2006	(7.6)	(7.6)	(7.6)	(7.6)	(7.6)	(7.6)
Include 2006 costs recorded in 2007	(16.0)	(16.0)	(16.0)	(16.0)	(16.0)	(16.0)
Include 2006 costs recorded in 2008	(1.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)
Include 2006 costs recorded in 2009	-	-	(2.2)	(2.2)	(2.2)	(2.2)
Include 2006 costs recorded in 2010	-	-	-	(0.3)	(0.3)	(0.3)
Include 2006 costs recorded in 2011	-	-	-	(0.4)	(0.4)	(0.4)
Include 2006 costs recorded in 2012	-	-	-	-	-	-
Include 2006 costs recorded in 2017	-	-	-	-	-	-
Include 2006 costs recorded in 2018	-	-	-	-	-	-
Total adjustments to determine production year costs	\$ (23.6)	\$ (25.6)	\$ (27.8)	\$ (28.5)	\$ (28.5)	\$ (28.5)

- 9 Agrees to the 2004-2007 Deferral Account Reconciliation Application, Table 2-4, Table 4-1 and Table 4-3.  
Agrees to the 2008 Deferral Account Reconciliation Application, Table 2-5, Table 5-1 and Table 5-3.  
Agrees to the 2009 Deferral Account Reconciliation Application, Table 2-2, Table 6-1 and Table 6-3.  
Agrees to the 2010-2011 Deferral Account Reconciliation Application, Table 2-3, Table 8-1 and Table 8-3.  
Agrees to the 2012 Deferral Account Reconciliation Application, Table 2-3, Table 9-1 and Table 9-3.  
Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3, Table 8-23 and Table 8-25.

Numbers may not add due to rounding

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2007 Income Statement Reconciliation to Deferral Balances

2007 Production Revenue for Deferral Purposes:

	2004-2007 Deferral Account Application	2008 Deferral Account Application	2009 Deferral Account Application	2010-2011 Deferral Account Application	2012 Deferral Account Application	2013-2014 Deferral Account Application	2017-2018 Deferral Account Application
1	Transmission Revenue	\$ 905.1	\$ 905.1	\$ 905.1	\$ 905.1	\$ 905.1	\$ 905.1
2	Transmission Interest Income	4.9	4.9	4.9	4.9	4.9	4.9
3	Sub-total	\$ 910.0	\$ 910.0	\$ 910.0	\$ 910.0	\$ 910.0	\$ 910.0
4	2007 Deferral Balance	46.4	46.4	46.4	46.4	46.4	46.4
5	2007 Rider Collections (Riders C and E)	(66.5)	(66.5)	(66.5)	(66.5)	(66.5)	(66.5)
6	2007 Deferral Adjustments	0.7	0.6	0.3	0.4	0.4	0.4
7	Less: Losses	(205.0)	(205.0)	(205.0)	(205.0)	(205.0)	(205.0)
8	<b>2007 Deferral Revenue</b>	<b>\$ 685.6</b>	<b>\$ 685.5</b>	<b>\$ 685.2</b>	<b>\$ 685.2</b>	<b>\$ 685.3</b>	<b>\$ 685.2</b>

Notes:

- 1,2 Agrees to the 2007 AESO Annual Report - Management Discussion & Analysis page 48.  
4 Agrees to the 2007 AESO Annual Report - Note 8 AESO Deferral Accounts Payable page 68.  
5 Agrees to the 2004-2007 Deferral Account Application, Appendix E-2.  
Agrees to the 2008 Deferral Account Application, Appendix E-2.  
Agrees to the 2009 Deferral Account Application, Appendix E-2.  
Agrees to the 2010-2011 Deferral Account Application, Appendix D-2.  
Agrees to the 2012 Deferral Account Application, Appendix D-2.  
Agrees to the 2013-2014 Deferral Account Application, Appendix D-2.  
Agrees to the 2017-2018 Deferral Account Application, Appendix D-2.  
This is a required adjustment to the reconciliation to reverse the 2007 Rider collections that have increased the 2007 collected revenues: (\$13.6) million relates to 2006 and (\$53.0) million relates to 2007 (Appendix D-2).  
6 Miscellaneous adjustments to create production year revenue from income statement revenue:

	2004-2007 Deferral Account Application	2008 Deferral Account Application	2009 Deferral Account Application	2010-2011 Deferral Account Application	2012 Deferral Account Application	2013-2014 Deferral Account Application	2017-2018 Deferral Account Application
	Remove 2005 revenue adjustments recorded in 2007	0.1	0.1	0.1	0.1	0.1	0.1
	Remove 2006 revenue adjustments recorded in 2007	0.5	0.5	0.5	0.5	0.5	0.5
	Include 2007 revenue adjustments recorded in 2008	0.2	0.0	0.0	0.0	0.0	0.0
	Include 2007 revenue adjustments recorded in 2009	-	-	(0.3)	(0.3)	(0.3)	(0.3)
	Include 2007 revenue adjustments recorded in 2010	-	-	-	0.1	0.1	0.1
	Include 2007 revenue adjustments recorded in 2011	-	-	-	(0.0)	(0.0)	(0.0)
	Include 2007 revenue adjustments recorded in 2012	-	-	-	0.0	0.0	0.0
	Include 2007 revenue adjustments recorded in 2013	-	-	-	-	-	-
	Include 2007 revenue adjustments recorded in 2014	-	-	-	-	-	-
	Include 2007 revenue adjustments recorded in 2017	-	-	-	-	-	-
	Include 2007 revenue adjustments recorded in 2018	-	-	-	-	-	(0.1)
	Total adjustments to determine production year revenue	\$ 0.7	\$ 0.6	\$ 0.3	\$ 0.4	\$ 0.4	\$ 0.4

- 8 Agrees to the 2004-2007 Deferral Account Reconciliation Application, Table 2-4, Table 3-2 and Table 3-3.  
Agrees to the 2008 Deferral Account Reconciliation Application, Table 2-5, Table 4-2 and Table 4-3.  
Agrees to the 2009 Deferral Account Reconciliation Application, Table 2-2, Table 5-2 and Table 5-3.  
Agrees to the 2010-2011 Deferral Account Reconciliation Application, Table 2-3, Table 7-2 and Table 7-3.  
Agrees to the 2012 Deferral Account Reconciliation Application, Table 2-3, Table 8-2 and Table 8-3.  
Agrees to the 2013-2014 Deferral Account Reconciliation Application, Table 2-3, Table 10-2 and Table 10-3.  
Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3 and Table 8-22.

Numbers may not add due to rounding

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2007 Income Statement Reconciliation to Deferral Balances

2007 Production Costs for Deferral Purposes:

	2004-2007 Deferral Account Application	2008 Deferral Account Application	2009 Deferral Account Application	2010-2011 Deferral Account Application	2012 Deferral Account Application	2013-2014 Deferral Account Application	2017-2018 Deferral Account Application
Transmission Costs							
1 Wires	\$ 441.2	\$ 441.2	\$ 441.2	\$ 441.2	\$ 441.2	\$ 441.2	\$ 441.2
2 Ancillary Services	235.8	235.8	235.8	235.8	235.8	235.8	235.8
3 Line Loss	183.8	183.8	183.8	183.8	183.8	183.8	183.8
4 Other Industry Costs	4.8	4.8	4.8	4.8	4.8	4.8	4.8
5 G&A, Amortization, Interest	44.4	44.4	44.4	44.4	44.4	44.4	44.4
6 Sub-total	\$ 910.0	\$ 910.0	\$ 910.0	\$ 910.0	\$ 910.0	\$ 910.0	\$ 910.0
7 2007 Deferral Adjustments	21.9	21.7	18.0	12.9	12.9	13.0	13.0
8 Less: Losses	(190.2)	(188.6)	(188.7)	(187.7)	(187.7)	(187.7)	(187.7)
9 2007 Deferral Costs	\$ 741.7	\$ 743.0	\$ 739.3	\$ 735.3	\$ 735.3	\$ 735.4	\$ 735.4

Notes:

- 1,2,3, 4 Agrees to the 2007 AESO Annual Report - Management Discussion & Analysis page 51.  
5 Agrees to the 2007 AESO Annual Report - Management Discussion & Analysis page 54.  
7 Miscellaneous adjustments to create production year costs from income statement expenses:

	2004-2007 Deferral Account Application	2008 Deferral Account Application	2009 Deferral Account Application	2010-2011 Deferral Account Application	2012 Deferral Account Application	2013-2014 Deferral Account Application	2017-2018 Deferral Account Application
Amortization of Rent Free Period (expense not included in deferrals)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)
Remove 2007 true-ups of prior year actuals from year end accruals	(4.7)	(4.7)	(4.7)	(4.7)	(4.7)	(4.7)	(4.7)
Remove 2003 costs adjustments recorded in 2007	10.8	10.8	10.8	10.8	10.8	10.8	10.8
Remove 2004 costs adjustments recorded in 2007	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
Remove 2005 costs adjustments recorded in 2007	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Remove 2006 costs adjustments recorded in 2007	16.0	16.0	16.0	16.0	16.0	16.0	16.0
Include 2007 costs adjustments recorded in 2008	(0.0)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Include 2007 costs adjustments recorded in 2009	-	-	(3.7)	(3.7)	(3.7)	(3.7)	(3.7)
Include 2007 costs adjustments recorded in 2010	-	-	-	(5.5)	(5.5)	(5.5)	(5.5)
Include 2007 costs adjustments recorded in 2011	-	-	-	0.4	0.4	0.4	0.4
Include 2007 costs adjustments recorded in 2012	-	-	-	-	-	-	-
Include 2007 costs adjustments recorded in 2013	-	-	-	-	-	-	-
Include 2007 costs adjustments recorded in 2014	-	-	-	-	-	0.1	0.1
Include 2007 costs adjustments recorded in 2017	-	-	-	-	-	-	-
Include 2007 costs adjustments recorded in 2018	-	-	-	-	-	-	-
Total adjustments to determine production year costs	\$ 21.9	\$ 21.7	\$ 18.0	\$ 12.9	\$ 12.9	\$ 13.0	\$ 13.0

- 9 Agrees to the 2004-2007 Deferral Account Reconciliation Application, Table 2-4, Table 3-1 and Table 3-3.  
Agrees to the 2008 Deferral Account Reconciliation Application, Table 2-5, Table 4-1 and Table 4-3.  
Agrees to the 2009 Deferral Account Reconciliation Application, Table 2-2, Table 5-1 and Table 5-3.  
Agrees to the 2010-2011 Deferral Account Reconciliation Application, Table 2-3, Table 7-1 and Table 7-3.  
Agrees to the 2012 Deferral Account Reconciliation Application, Table 2-3, Table 8-1 and Table 8-3.  
Agrees to the 2013-2014 Deferral Account Reconciliation Application, Table 2-3, Table 10-1 and Table 10-3.  
Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3, Table 8-20 and Table 8-22.

Numbers may not add due to rounding

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## 2008 Income Statement Reconciliation to Deferral Balances

## 2008 Production Revenue for Deferral Purposes:

	2008 Deferral Account Application	2009 Deferral Account Application	2010-2011 Deferral Account Application	2012 Deferral Account Application	2013-2014 Deferral Account Application	2017-2018 Deferral Account Application
1 Transmission Revenue	\$ 1,091.6	\$ 1,091.6	\$ 1,091.6	\$ 1,091.6	\$ 1,091.6	\$ 1,091.6
2 Transmission Interest Income	2.5	2.5	2.5	2.5	2.5	2.5
3 Sub-total	\$ 1,094.1	\$ 1,094.1	\$ 1,094.1	\$ 1,094.1	\$ 1,094.1	\$ 1,094.1
4 2008 Deferral Balance	(10.2)	(10.2)	(10.2)	(10.2)	(10.2)	(10.2)
5 2008 Rider Collections (Riders C and E)	(107.7)	(107.7)	(107.7)	(107.7)	(107.7)	(107.7)
6 2008 Deferral Adjustments	(0.5)	(1.3)	(1.2)	(1.1)	(1.1)	(1.2)
7 Less: Losses	(237.6)	(237.6)	(237.6)	(237.6)	(237.6)	(237.6)
8 <b>2008 Deferral Revenue</b>	<b>\$ 738.1</b>	<b>\$ 737.2</b>	<b>\$ 737.3</b>	<b>\$ 737.4</b>	<b>\$ 737.4</b>	<b>\$ 737.3</b>

## Notes:

- 1,2 Agrees to the 2008 AESO Annual Report - Management Discussion & Analysis page 66.  
4 Agrees to the 2008 AESO Annual Report - Management Discussion & Analysis page 67.  
Agrees to the 2009 AESO Annual Report - page 53 Note 9 of the Audited Financial Statements.  
5 Agrees to the 2008 Deferral Account Application, Appendix E-2.  
Agrees to the 2009 Deferral Account Application, Appendix E-2.  
Agrees to the 2010-2011 Deferral Account Application, Appendix D-2.  
Agrees to the 2012 Deferral Account Application, Appendix D-2.  
Agrees to the 2013-2014 Deferral Account Application, Appendix D-2.  
Agrees to the 2017-2018 Deferral Account Application, Appendix D-2.  
This is a required adjustment to the reconciliation to reverse the 2008 Rider collections that have increased the 2008 collected revenues: \$12.1 million relates to 2007 and (\$119.8) million relates to 2008 (Appendix D-2).  
6 Miscellaneous adjustments to create production year revenue from income statement revenue:

	2008 Deferral Account Application	2009 Deferral Account Application	2010-2011 Deferral Account Application	2012 Deferral Account Application	2013-2014 Deferral Account Application	2017-2018 Deferral Account Application
Remove 2001 revenue adjustments recorded in 2008	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Remove 2002 revenue adjustments recorded in 2008	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Remove 2003 revenue adjustments recorded in 2008	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Remove 2004 revenue adjustments recorded in 2008	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Remove 2005 revenue adjustments recorded in 2008	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Remove 2006 revenue adjustments recorded in 2008	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Remove 2007 revenue adjustments recorded in 2008	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Include 2008 revenue adjustments recorded in 2009	-	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)
Include 2008 revenue adjustments recorded in 2010	-	-	0.1	0.1	0.1	0.1
Include 2008 revenue adjustments recorded in 2011	-	-	(0.0)	(0.0)	(0.0)	(0.0)
Include 2008 revenue adjustments recorded in 2012	-	-	-	0.1	0.1	0.1
Include 2008 revenue adjustments recorded in 2013	-	-	-	-	-	-
Include 2008 revenue adjustments recorded in 2014	-	-	-	-	-	-
Include 2008 revenue adjustments recorded in 2017	-	-	-	-	-	-
Include 2008 revenue adjustments recorded in 2018	-	-	-	-	-	(0.1)
Total adjustments to determine production year revenue	\$ (0.5)	\$ (1.3)	\$ (1.2)	\$ (1.1)	\$ (1.1)	\$ (1.2)

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- 8 Agrees to the 2008 Deferral Account Reconciliation Application, Table 2-5, Table 3-2 and Table 3-3.  
Agrees to the 2009 Deferral Account Reconciliation Application, Table 2-2, Table 4-2 and Table 4-3.  
Agrees to the 2010-2011 Deferral Account Reconciliation Application, Table 2-3, Table 6-2 and Table 6-3.  
Agrees to the 2012 Deferral Account Reconciliation Application, Table 2-3, Table 7-2 and Table 7-3.  
Agrees to the 2013-2014 Deferral Account Reconciliation Application, Table 2-3, Table 9-2 and Table 9-3.  
Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3 and Table 8-19.

*Numbers may not add due to rounding*

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2008 Income Statement Reconciliation to Deferral Balances

2008 Production Costs for Deferral Purposes:

	2008 Deferral Account Application	2009 Deferral Account Application	2010-2011 Deferral Account Application	2012 Deferral Account Application	2013-2014 Deferral Account Application	2017-2018 Deferral Account Application
Transmission Costs						
1 Wires	\$ 499.0	\$ 499.0	\$ 499.0	\$ 499.0	\$ 499.0	\$ 499.0
2 Ancillary Services	311.9	311.9	311.9	311.9	311.9	311.9
3 Line Loss	220.6	220.6	220.6	220.6	220.6	220.6
4 Other Industry Costs	11.5	11.5	11.5	11.5	11.5	11.5
5 G&A, Amortization, Interest	51.1	51.1	51.1	51.1	51.1	51.1
6 Sub-total	\$ 1,094.1	\$ 1,094.1	\$ 1,094.1	\$ 1,094.1	\$ 1,094.1	\$ 1,094.1
7 2008 Deferral Adjustments	16.6	22.2	10.8	10.8	10.9	10.9
8 Less: Losses	(234.5)	(236.2)	(234.6)	(234.6)	(234.6)	(234.6)
9 <b>2008 Deferral Costs</b>	<b>\$ 876.3</b>	<b>\$ 880.2</b>	<b>\$ 870.3</b>	<b>\$ 870.3</b>	<b>\$ 870.5</b>	<b>\$ 870.5</b>

Notes:

- 1,2,3 Agrees to the 2008 AESO Annual Report - Management Discussion & Analysis page 69.  
4 Agrees to the 2008 AESO Annual Report - Management Discussion & Analysis page 71.  
5 Agrees to the 2008 AESO Annual Report - Management Discussion & Analysis page 73.  
7 Miscellaneous adjustments to create production year costs from income statement expenses:

	2008 Deferral Account Application	2009 Deferral Account Application	2010-2011 Deferral Account Application	2012 Deferral Account Application	2013-2014 Deferral Account Application	2017-2018 Deferral Account Application
Amortization of Rent Free Period (expense not included in deferrals)	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1
Remove 2007 true-ups of prior year actuals from year end accruals	4.7	4.7	4.7	4.7	4.7	4.7
Remove 2008 true-ups of prior year actuals from year end accruals	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)
Remove 2001 costs adjustments recorded in 2008	2.0	2.0	2.0	2.0	2.0	2.0
Remove 2002 costs adjustments recorded in 2008	1.0	1.0	1.0	1.0	1.0	1.0
Remove 2003 costs adjustments recorded in 2008	0.5	0.5	0.5	0.5	0.5	0.5
Remove 2004 costs adjustments recorded in 2008	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)
Remove 2005 costs adjustments recorded in 2008	6.1	6.1	6.1	6.1	6.1	6.1
Remove 2006 costs adjustments recorded in 2008	3.4	3.4	3.4	3.4	3.4	3.4
Remove 2007 costs adjustments recorded in 2008	0.3	0.3	0.3	0.3	0.3	0.3
Include 2008 costs adjustments recorded in 2009	-	5.6	5.6	5.6	5.6	5.6
Include 2008 costs adjustments recorded in 2010	-	-	(12.9)	(12.9)	(12.9)	(12.9)
Include 2008 costs adjustments recorded in 2011	-	-	1.4	1.4	1.4	1.4
Include 2008 costs adjustments recorded in 2012	-	-	-	-	-	-
Include 2008 costs adjustments recorded in 2013	-	-	-	-	(0.0)	(0.0)
Include 2008 costs adjustments recorded in 2014	-	-	-	-	0.2	0.2
Include 2008 costs adjustments recorded in 2017	-	-	-	-	-	-
Include 2008 costs adjustments recorded in 2018	-	-	-	-	-	-
Total 2008 Deferral Adjustments	\$ 16.6	\$ 22.2	\$ 10.8	\$ 10.8	\$ 10.9	\$ 10.9

- 9 Agrees to the 2008 Deferral Account Reconciliation Application, Table 2-5, Table 3-1 and Table 3-3.  
Agrees to the 2009 Deferral Account Reconciliation Application, Table 2-2, Table 4-1 and Table 4-3.  
Agrees to the 2010-2011 Deferral Account Reconciliation Application, Table 2-3, Table 6-1 and Table 6-3.  
Agrees to the 2012 Deferral Account Reconciliation Application, Table 2-3, Table 7-1 and Table 7-3.  
Agrees to the 2013-2014 Deferral Account Reconciliation Application, Table 2-3, Table 9-1 and Table 9-3.  
Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3, Table 8-17 and Table 8-19.

Numbers may not add due to rounding



Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

2009 Income Statement Reconciliation to Deferral Balances

2009 Production Revenue for Deferral Purposes:

	2009 Deferral Account Application	2010-2011 Deferral Account Application	2012 Deferral Account Application	2013-2014 Deferral Account Application	2017-2018 Deferral Account Application
1 Transmission Revenue	\$ 900.9	\$ 900.9	\$ 900.9	\$ 900.9	\$ 900.9
2 2009 Transmission Deferred Revenue	(4.4)	(4.4)	(4.4)	(4.4)	(4.4)
3 Sub-total	\$ 896.5	\$ 896.5	\$ 896.5	\$ 896.5	\$ 896.5
4 2009 Deferral Balance	4.4	4.4	4.4	4.4	4.4
5 2009 Rider Collections (Riders C and E)	(95.5)	(95.5)	(95.5)	(95.5)	(95.5)
6 2009 Deferral Adjustments	1.1	2.0	2.1	2.1	1.9
7 Less: Losses	(126.2)	(126.2)	(126.3)	(126.3)	(126.3)
8 <b>2009 Deferral Revenue</b>	<b>\$ 680.3</b>	<b>\$ 681.2</b>	<b>\$ 681.2</b>	<b>\$ 681.2</b>	<b>\$ 681.0</b>

Notes:

- Agrees to the 2009 AESO Annual Report - Management Discussion & Analysis pages 36 & 37.
- Agrees to the 2009 AESO Annual Report - Management Discussion & Analysis page 37.
- Agrees to the 2009 AESO Annual Report - Management Discussion & Analysis page 37 and page 53 Note 9 of the Audited Financial Statements.
- Agrees to the 2009 Deferral Account Application, Appendix E-2.  
Agrees to the 2010-2011 Deferral Account Application, Appendix D-2.  
Agrees to the 2012 Deferral Account Application, Appendix D-2.  
Agrees to the 2013-2014 Deferral Account Application, Appendix D-2.  
Agrees to the 2017-2018 Deferral Account Application, Appendix D-2.
- This is a required adjustment to the reconciliation to reverse the 2009 Rider collections that have increased the 2009 collected revenues.
- Miscellaneous adjustments to create production year revenue from income statement revenue:

	2009 Deferral Account Application	2010-2011 Deferral Account Application	2012 Deferral Account Application	2013-2014 Deferral Account Application	2017-2018 Deferral Account Application
Remove 2006 revenue adjustments recorded in 2009	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Remove 2007 revenue adjustments recorded in 2009	0.3	0.3	0.3	0.3	0.3
Remove 2008 revenue adjustments recorded in 2009	0.8	0.8	0.8	0.8	0.8
Include 2009 revenue adjustments recorded in 2010	-	0.9	0.9	0.9	0.9
Include 2009 revenue adjustments recorded in 2011	-	0.0	0.0	0.0	0.0
Include 2009 revenue adjustments recorded in 2012	-	-	0.0	0.0	0.0
Include 2009 revenue adjustments recorded in 2013	-	-	-	-	-
Include 2009 revenue adjustments recorded in 2014	-	-	-	-	-
Include 2009 revenue adjustments recorded in 2017	-	-	-	-	-
Include 2009 revenue adjustments recorded in 2018	-	-	-	-	(0.2)
Total adjustments to determine production year revenue	\$ 1.1	\$ 2.0	\$ 2.1	\$ 2.1	\$ 1.9

- Agrees to the 2009 Deferral Account Reconciliation Application, Table 2-2, Table 3-2 and Table 3-3.  
Agrees to the 2010-2011 Deferral Account Reconciliation Application, Table 2-3, Table 5-2 and Table 5-3.  
Agrees to the 2012 Deferral Account Reconciliation Application, Table 2-3, Table 6-2 and Table 6-3.  
Agrees to the 2013-2014 Deferral Account Reconciliation Application, Table 2-3, Table 8-2 and Table 8-3.  
Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3 and Table 8-16.

Numbers may not add due to rounding

Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

## 2009 Income Statement Reconciliation to Deferral Balances

## 2009 Production Costs for Deferral Purposes:

	2009 Deferral Account Application	2010-2011 Deferral Account Application	2012 Deferral Account Application	2013-2014 Deferral Account Application	2017-2018 Deferral Account Application
Transmission Costs					
1 Wires	\$ 566.8	\$ 566.8	\$ 566.8	\$ 566.8	\$ 566.8
2 Ancillary Services	134.3	134.3	134.3	134.3	134.3
3 Line Loss	123.1	123.1	123.1	123.1	123.1
4 Other Industry Costs	14.3	14.3	14.3	14.3	14.3
5 G&A, Amortization, Interest	58.0	58.0	58.0	58.0	58.0
6 Sub-total	\$ 896.5	\$ 896.5	\$ 896.5	\$ 896.5	\$ 896.5
7 2009 Deferral Adjustments	0.6	13.6	13.6	14.0	14.0
8 Less: Losses	(122.0)	(121.6)	(121.6)	(121.6)	(121.6)
9 <b>2009 Deferral Costs</b>	<b>\$ 775.1</b>	<b>\$ 788.5</b>	<b>\$ 788.5</b>	<b>\$ 788.9</b>	<b>\$ 788.9</b>

## Notes:

1,2,3 Agrees to the 2009 AESO Annual Report - Audited Financial Statements page 46.

4 Agrees to the 2009 AESO Annual Report - Management Discussion & Analysis page 31 (\$10.5 million + \$3.6 million + \$0.2 million = \$14.3 million for transmission

5 Agrees to the 2009 AESO Annual Report - Management Discussion & Analysis page 35.

7 Miscellaneous adjustments to create production year costs from income statement expenses:

	2009 Deferral Account Application	2010-2011 Deferral Account Application	2012 Deferral Account Application	2013-2014 Deferral Account Application	2017-2018 Deferral Account Application
Amortization of Rent Free Period (expense not included in deferrals)	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1
Remove 2008 true-ups of prior year actuals from year end accruals	0.7	0.7	0.7	0.7	0.7
Remove 2004 costs adjustments recorded in 2009	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Remove 2005 costs adjustments recorded in 2009	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Remove 2006 costs adjustments recorded in 2009	2.2	2.2	2.2	2.2	2.2
Remove 2007 costs adjustments recorded in 2009	3.7	3.7	3.7	3.7	3.7
Remove 2008 costs adjustments recorded in 2009	(5.6)	(5.6)	(5.6)	(5.6)	(5.6)
Include 2009 costs adjustments recorded in 2010	-	11.4	11.4	11.4	11.4
Include 2009 costs adjustments recorded in 2011	-	1.6	1.6	1.6	1.6
Include 2009 costs adjustments recorded in 2012	-	-	-	-	-
Include 2009 costs adjustments recorded in 2013	-	-	-	(0.1)	(0.1)
Include 2009 costs adjustments recorded in 2014	-	-	-	0.5	0.5
Include 2009 costs adjustments recorded in 2017	-	-	-	-	-
Include 2009 costs adjustments recorded in 2018	-	-	-	-	-
Total 2009 Deferral Adjustments	\$ 0.6	\$ 13.6	\$ 13.6	\$ 14.0	\$ 14.0

9 Agrees to the 2009 Deferral Account Reconciliation Application, Table 2-2, Table 3-1 and Table 3-3.

Agrees to the 2010-2011 Deferral Account Reconciliation Application, Table 2-3, Table 5-1 and Table 5-3.

Agrees to the 2012 Deferral Account Reconciliation Application, Table 2-3, Table 6-1 and Table 6-3.

Agrees to the 2013-2014 Deferral Account Reconciliation Application, Table 2-3, Table 8-1 and Table 8-3.

Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3, Table 8-14 and Table 8-16.

Numbers may not add due to rounding

Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

## 2010 Income Statement Reconciliation to Deferral Balances

## 2010 Production Revenue for Deferral Purposes:

	2010-2011 Deferral Account Application	2012 Deferral Account Application	2013-2014 Deferral Account Application	2015 Deferral Account Application	2016 Deferral Account Application	2017-2018 Deferral Account Application
1 Transmission Revenue	\$ 1,011.1	\$ 1,011.1	\$ 1,011.1	\$ 1,011.1	\$ 1,011.1	\$ 1,011.1
2 2010 Transmission Deferred Revenue	9.3	9.3	9.3	9.3	9.3	9.3
3 Sub-total	\$ 1,020.4	\$ 1,020.4	\$ 1,020.4	\$ 1,020.4	\$ 1,020.4	\$ 1,020.4
4 2010 Deferral Balance	(9.3)	(9.3)	(9.3)	(9.3)	(9.3)	(9.3)
5 2010 Rider Collections (Riders C and E)	(108.3)	(108.3)	(108.3)	(108.3)	(108.3)	(108.3)
6 2010 Deferral Adjustments	(1.0)	(1.1)	(1.2)	(1.2)	(1.2)	(1.4)
7 Less: Losses	(129.5)	(129.6)	(129.6)	(129.6)	(129.6)	(129.6)
8 <b>2010 Deferral Revenue</b>	<b>\$ 772.4</b>	<b>\$ 772.2</b>	<b>\$ 772.1</b>	<b>\$ 772.1</b>	<b>\$ 772.1</b>	<b>\$ 771.9</b>

## Notes:

- 1 Agrees to the 2010 AESO Annual Report - Management Discussion & Analysis pages 32 & 33.  
2 Agrees to the 2010 AESO Annual Report - Management Discussion & Analysis page 33.  
4 Agrees to the 2010 AESO Annual Report - Management Discussion & Analysis page 33 and page 50 Note 8 of the Audited Financial Statements.  
5 Agrees to the 2010-2011 Deferral Account Application, Appendix D-2.  
Agrees to the 2012 Deferral Account Application, Appendix D-2.  
Agrees to the 2013-2014 Deferral Account Application, Appendix D-2.  
Agrees to the 2015 Deferral Account Application, Appendix D-2.  
Agrees to the 2016 Deferral Account Application, Appendix D-2.  
Agrees to the 2017-2018 Deferral Account Application, Appendix D-2.

This is a required adjustment to the reconciliation to reverse the 2010 Rider collections that have increased the 2010 collected revenues.

- 6 Miscellaneous adjustments to create production year revenue from income statement revenue:

	2010-2011 Deferral Account Application	2012 Deferral Account Application	2013-2014 Deferral Account Application	2015 Deferral Account Application	2016 Deferral Account Application	2017-2018 Deferral Account Application
Remove 2004 revenue adjustments recorded in 2010	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
Remove 2006 revenue adjustments recorded in 2010	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Remove 2007 revenue adjustments recorded in 2010	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Remove 2008 revenue adjustments recorded in 2010	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Remove 2009 revenue adjustments recorded in 2010	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)
Include 2010 revenue adjustments recorded in 2011	0.1	0.1	0.1	0.1	0.1	0.1
Include 2010 revenue adjustments recorded in 2012	-	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Include 2010 revenue adjustments recorded in 2013	-	-	-	-	-	-
Include 2010 revenue adjustments recorded in 2014	-	-	(0.0)	(0.0)	(0.0)	(0.0)
Include 2010 revenue adjustments recorded in 2015	-	-	-	(0.0)	(0.0)	(0.0)
Include 2010 revenue adjustments recorded in 2016	-	-	-	-	-	-
Include 2010 revenue adjustments recorded in 2017	-	-	-	-	-	-
Include 2010 revenue adjustments recorded in 2018	-	-	-	-	-	(0.2)
Total adjustments to determine production year revenue	\$ (1.0)	\$ (1.1)	\$ (1.2)	\$ (1.2)	\$ (1.2)	\$ (1.4)

- 8 Agrees to the 2010-2011 Deferral Account Reconciliation Application, Table 2-3, Table 4-3 and Table 4-4.  
Agrees to the 2012 Deferral Account Reconciliation Application, Table 2-3, Table 5-2 and Table 5-3.  
Agrees to the 2013-2014 Deferral Account Reconciliation Application, Table 2-3, Table 7-2 and Table 7-3.  
Agrees to the 2015 Deferral Account Reconciliation Application, Table 2-2 and Table 6-1.  
Agrees to the 2016 Deferral Account Reconciliation Application, Table 2-2 and Table 5-1.  
Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3 and Table 8-13.

Numbers may not add due to rounding

Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

## 2010 Income Statement Reconciliation to Deferral Balances

## 2010 Production Costs for Deferral Purposes:

	2010-2011 Deferral Account Application	2012 Deferral Account Application	2013-2014 Deferral Account Application	2015 Deferral Account Application	2016 Deferral Account Application	2017-2018 Deferral Account Application
Transmission Costs						
1 Wires	\$ 640.9	\$ 640.9	\$ 640.9	\$ 640.9	\$ 640.9	\$ 640.9
2 Ancillary Services	173.0	173.0	173.0	173.0	173.0	173.0
3 Line Loss	130.5	130.5	130.5	130.5	130.5	130.5
4 Other Industry Costs	15.1	15.1	15.1	15.1	15.1	15.1
5 G&A, Amortization, Interest	60.9	60.9	60.9	60.9	60.9	60.9
6 Sub-total	\$ 1,020.4	\$ 1,020.4	\$ 1,020.4	\$ 1,020.4	\$ 1,020.4	\$ 1,020.4
7 2010 Deferral Adjustments	4.8	4.5	(7.9)	(9.0)	(9.5)	(9.5)
8 Less: Wind Forecasting Costs	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
9 Less: Losses	(131.3)	(131.0)	(131.0)	(131.0)	(131.2)	(131.2)
<b>10 2010 Deferral Costs</b>	<b>\$ 893.7</b>	<b>\$ 893.7</b>	<b>\$ 881.2</b>	<b>\$ 880.2</b>	<b>\$ 879.5</b>	<b>\$ 879.5</b>

## Notes:

- 1,3 Agrees to the 2010 AESO Annual Report - Audited Financial Statements page 24.  
2 Agrees to the 2010 AESO Annual Report - Audited Financial Statements page 24 (\$135.7 million + \$28.3 million + \$9.0 million = \$173.0 million).  
4 Agrees to the 2010 AESO Annual Report - Management Discussion & Analysis page 26 (\$12.1 million + \$3.0 million = \$15.1 million for transmission related costs).  
5 Agrees to the 2010 AESO Annual Report - Management Discussion & Analysis page 31.  
7 Miscellaneous adjustments to create production year costs from income statement expenses:

	2010-2011 Deferral Account Application	2012 Deferral Account Application	2013-2014 Deferral Account Application	2015 Deferral Account Application	2016 Deferral Account Application	2017-2018 Deferral Account Application
Amortization of Rent Free Period (expense not included in deferrals)	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1
Remove 2006 costs adjustments recorded in 2010	0.3	0.3	0.3	0.3	0.3	0.3
Remove 2007 costs adjustments recorded in 2010	5.5	5.5	5.5	5.5	5.5	5.5
Remove 2008 costs adjustments recorded in 2010	12.9	12.9	12.9	12.9	12.9	12.9
Remove 2009 costs adjustments recorded in 2010	(11.4)	(11.4)	(11.4)	(11.4)	(11.4)	(11.4)
Include 2010 costs adjustments recorded in 2011	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)
Include 2010 costs adjustments recorded in 2012	-	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Include 2010 costs adjustments recorded in 2013	-	-	0.2	0.2	0.2	0.2
Include 2010 costs adjustments recorded in 2014	-	-	(12.7)	(12.7)	(12.7)	(12.7)
Include 2010 costs adjustments recorded in 2015	-	-	-	(1.0)	(1.0)	(1.0)
Include 2010 costs adjustments recorded in 2016	-	-	-	-	2.6	2.6
Include 2010 costs adjustments recorded in 2017	-	-	-	-	(3.1)	(3.1)
Include 2010 costs adjustments recorded in 2018	-	-	-	-	-	(0.0)
Total 2010 Deferral Adjustments	\$ 4.8	\$ 4.5	\$ (7.9)	\$ (9.0)	\$ (9.5)	\$ (9.5)

- 8 Costs incurred related to Wind Forecasting Services are recovered through Rider J of the AESO tariff and are reconciled in a separate deferral account.  
10 Agrees to the 2010-2011 Deferral Account Reconciliation Application, Table 2-3, Table 4-1 and Table 4-4.  
Agrees to the 2012 Deferral Account Reconciliation Application, Table 2-3, Table 5-1 and Table 5-3.  
Agrees to the 2013-2014 Deferral Account Reconciliation Application, Table 2-3, Table 7-1 and Table 7-3.  
Agrees to the 2015 Deferral Account Reconciliation Application, Table 2-2 and Table 6-1.  
Agrees to the 2016 Deferral Account Reconciliation Application, Table 2-2 and Table 5-1.  
Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3, Table 8-11 and Table 8-13.

Numbers may not add due to rounding

Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

## 2011 Income Statement Reconciliation to Deferral Balances

## 2011 Production Revenue for Deferral Purposes:

	2010-2011 Deferral Account Application	2012 Deferral Account Application	2013-2014 Deferral Account Application	2015 Deferral Account Application	2016 Deferral Account Application	2017-2018 Deferral Account Application
1 Transmission Revenue	\$ 1,451.5	\$ 1,451.5	\$ 1,451.5	\$ 1,451.5	\$ 1,451.5	\$ 1,451.5
2 2011 Transmission Deferred Revenue	(21.6)	(21.6)	(21.6)	(21.6)	(21.6)	(21.6)
3 Sub-total	\$ 1,429.9	\$ 1,429.9	\$ 1,429.9	\$ 1,429.9	\$ 1,429.9	\$ 1,429.9
4 2011 Deferral Balance	21.6	21.6	21.6	21.6	21.6	21.6
5 2011 Rider Collections (Riders C, E, and J)	(187.2)	(187.2)	(187.2)	(187.2)	(187.2)	(187.2)
6 2011 Deferral Adjustments	(0.1)	(0.8)	(0.7)	(0.7)	(0.7)	(1.0)
7 Less: Losses	(194.4)	(194.4)	(194.3)	(194.3)	(194.3)	(194.3)
8 <b>2011 Deferral Revenue</b>	<b>\$ 1,069.8</b>	<b>\$ 1,069.1</b>	<b>\$ 1,069.3</b>	<b>\$ 1,069.3</b>	<b>\$ 1,069.3</b>	<b>\$ 1,069.0</b>

## Notes:

- Agrees to the 2011 AESO Annual Report - Management Discussion & Analysis pages 32 & 33.
- Agrees to the 2011 AESO Annual Report - Management Discussion & Analysis page 33.
- Agrees to the 2011 AESO Annual Report - Management Discussion & Analysis page 33 and page 50 Note 8 of the Audited Financial Statements.
- Agrees to the 2010-2011 Deferral Account Application, Appendix D-2.  
Agrees to the 2012 Deferral Account Application, Appendix D-2.  
Agrees to the 2013-2014 Deferral Account Application, Appendix D-2.  
Agrees to the 2015 Deferral Account Application, Appendix D-2.  
Agrees to the 2016 Deferral Account Application, Appendix D-2.  
Agrees to the 2017-2018 Deferral Account Application, Appendix D-2.

This is a required adjustment to the reconciliation to reverse the 2011 Rider collections that have increased the 2011 collected revenues.

	2010-2011 Deferral Account Application	2012 Deferral Account Application	2013-2014 Deferral Account Application	2015 Deferral Account Application	2016 Deferral Account Application	2017-2018 Deferral Account Application
6 Miscellaneous adjustments to create production year revenue from income statement revenue:						
Remove 2007 revenue adjustments recorded in 2011	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
Remove 2008 revenue adjustments recorded in 2011	0.0	0.0	0.0	0.0	0.0	0.0
Remove 2009 revenue adjustments recorded in 2011	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Remove 2010 revenue adjustments recorded in 2011	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Include 2011 revenue adjustments recorded in 2012	-	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)
Include 2011 revenue adjustments recorded in 2013	-	-	0.3	0.3	0.3	0.3
Include 2011 revenue adjustments recorded in 2014	-	-	(0.2)	(0.2)	(0.2)	(0.2)
Include 2011 revenue adjustments recorded in 2015	-	-	-	(0.0)	(0.0)	(0.0)
Include 2011 revenue adjustments recorded in 2016	-	-	-	-	-	-
Include 2011 revenue adjustments recorded in 2017	-	-	-	-	-	-
Include 2011 revenue adjustments recorded in 2018	-	-	-	-	-	(0.3)
Total adjustments to determine production year revenue	\$ (0.1)	\$ (0.8)	\$ (0.7)	\$ (0.7)	\$ (0.7)	\$ (1.0)

- Agrees to the 2010-2011 Deferral Account Reconciliation Application, Table 2-3, Table 3-3 and Table 3-4.  
Agrees to the 2012 Deferral Account Reconciliation Application, Table 2-3, Table 4-2 and Table 4-3.  
Agrees to the 2013-2014 Deferral Account Table 2-3, Table 6-2 and Table 6-3.  
Agrees to the 2015 Deferral Account Reconciliation Application, Table 2-2 and Table 6-1.  
Agrees to the 2016 Deferral Account Reconciliation Application, Table 2-2 and Table 5-1.  
Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3 and Table 8-10.

Numbers may not add due to rounding

Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

## 2011 Income Statement Reconciliation to Deferral Balances

## 2011 Production Costs for Deferral Purposes:

	2010-2011 Deferral Account Application	2012 Deferral Account Application	2013-2014 Deferral Account Application	2015 Deferral Account Application	2016 Deferral Account Application	2017-2018 Deferral Account Application
Transmission Costs						
1 Wires	\$ 789.6	\$ 789.6	\$ 789.6	\$ 789.6	\$ 789.6	\$ 789.6
2 Ancillary Services	367.2	367.2	367.2	367.2	367.2	367.2
3 Line Loss	190.4	190.4	190.4	190.4	190.4	190.4
4 Other Industry Costs	15.5	15.5	15.5	15.5	15.5	15.5
5 G&A, Amortization, Interest	77.0	77.0	77.0	77.0	77.0	77.0
6 Sub-total	\$ 1,439.8	\$ 1,439.8	\$ 1,439.8	\$ 1,439.8	\$ 1,439.8	\$ 1,439.8
7 2011 Deferral Adjustments	(3.4)	(13.7)	(25.2)	(20.5)	(50.4)	(50.5)
8 Less: Wind Forecasting Costs	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
9 Less: Losses	(193.4)	(185.8)	(183.3)	(183.3)	(183.3)	(183.3)
<b>10 2011 Deferral Costs</b>	<b>\$ 1,242.7</b>	<b>\$ 1,240.0</b>	<b>\$ 1,231.1</b>	<b>\$ 1,235.7</b>	<b>\$ 1,205.8</b>	<b>\$ 1,205.7</b>

## Notes:

1	2011 AESO Annual Report - Management Discussion & Analysis page 25	\$ 779.7				
	AltaLink 2011 TFO tariff compliance filing before the Commission not yet paid to Altalink	9.9				
	Total Wires	\$ 789.6				
2	Agrees to the 2011 AESO Annual Report - Management Discussion & Analysis page 25 (\$324.9 million + \$32.8 million + \$9.5 million = \$367.2 million).					
3	Agrees to the 2011 AESO Annual Report - Management Discussion & Analysis page 25.					
4	Agrees to the 2011 AESO Annual Report - Management Discussion & Analysis page 26 (\$12.4 million + \$2.9 million + \$0.2 million = \$15.5 million for transmission related costs).					
5	Agrees to the 2011 AESO Annual Report - Management Discussion & Analysis page 31.					
7	Miscellaneous adjustments to create production year costs from income statement expenses:					
		2010-2011 Deferral Account Application	2012 Deferral Account Application	2013-2014 Deferral Account Application	2015 Deferral Account Application	2016 Deferral Account Application
	Amortization of Rent Free Period (expense not included in deferrals)	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2
	Remove 2005 costs adjustments recorded in 2011	0.3	0.3	0.3	0.3	0.3
	Remove 2006 costs adjustments recorded in 2011	0.4	0.4	0.4	0.4	0.4
	Remove 2007 costs adjustments recorded in 2011	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
	Remove 2008 costs adjustments recorded in 2011	(1.4)	(1.4)	(1.4)	(1.4)	(1.4)
	Remove 2009 costs adjustments recorded in 2011	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)
	Remove 2010 costs adjustments recorded in 2011	2.5	2.5	2.5	2.5	2.5
	Remove 2011 cost accruals	(3.3)	(3.3)	(3.3)	(3.3)	(3.3)
	Include 2011 costs adjustments recorded in 2012	-	(10.3)	(10.3)	(10.3)	(10.3)
	Include 2011 costs adjustments recorded in 2013	-	-	(1.4)	(1.4)	(1.4)
	Include 2011 costs adjustments recorded in 2014	-	-	(10.0)	(10.0)	(10.0)
	Include 2011 costs adjustments recorded in 2015	-	-	-	4.7	4.7
	Include 2011 costs adjustments recorded in 2016	-	-	-	-	(18.8)
	Include 2011 costs adjustments recorded in 2017	-	-	-	-	(11.1)
	Include 2011 costs adjustments recorded in 2018	-	-	-	-	(0.0)
	Total 2011 Deferral Adjustments	\$ (3.4)	\$ (13.7)	\$ (25.2)	\$ (20.5)	\$ (50.4)
8	Costs incurred related to Wind Forecasting Services are recovered through Rider J of the AESO tariff and are reconciled in a separate deferral account.					\$ (50.5)

**Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application**

**2011 Income Statement Reconciliation to Deferral Balances**

- 10 Agrees to the 2010-2011 Deferral Account Reconciliation Application, Table 2-3, Table 3-1 and Table 3-4.
- Agrees to the 2012 Deferral Account Reconciliation Application, Table 2-3, Table 4-1 and Table 4-3.
- Agrees to the 2013-2014 Deferral Account Reconciliation Application, Table 2-3, Table 6-1 and Table 6-3.
- Agrees to the 2015 Deferral Account Reconciliation Application, Table 2-2 and Table 6-1.
- Agrees to the 2016 Deferral Account Reconciliation Application, Table 2-2 and Table 5-1.
- Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3, Table 8-8 and Table 8-10.

*Numbers may not add due to rounding*

Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

## 2012 Income Statement Reconciliation to Deferral Balances

## 2012 Production Revenue for Deferral Purposes:

	2012 Deferral Account Application	2013-2014 Deferral Account Application	2015 Deferral Account Application	2016 Deferral Account Application	2017-2018 Deferral Account Application
1 Transmission Revenue	\$ 1,530.8	\$ 1,530.8	\$ 1,530.8	\$ 1,530.8	\$ 1,530.8
2 2012 Transmission Deferred Revenue	(19.7)	(19.7)	(19.7)	(19.7)	(19.7)
3 Sub-total	\$ 1,511.1	\$ 1,511.1	\$ 1,511.1	\$ 1,511.1	\$ 1,511.1
4 2012 Deferral Balance	19.7	19.7	19.7	19.7	19.7
5 2012 Rider Collections (Riders C, E, and J)	(141.3)	(141.3)	(141.3)	(141.3)	(141.3)
6 2012 Deferral Adjustments	0.6	0.6	0.6	0.6	0.3
7 Less: Losses	(146.9)	(146.8)	(146.8)	(146.8)	(146.8)
8 <b>2012 Deferral Revenue</b>	<b>\$ 1,243.3</b>	<b>\$ 1,243.3</b>	<b>\$ 1,243.3</b>	<b>\$ 1,243.3</b>	<b>\$ 1,242.9</b>

## Notes:

- 1 Agrees to the 2012 AESO Annual Report - Management Discussion & Analysis pages 38 and 39.  
2 Agrees to the 2012 AESO Annual Report - Management Discussion & Analysis page 39.  
4 Agrees to the 2012 AESO Annual Report - Management Discussion & Analysis page 39 and page 58 Note 8 of the Audited Financial Statements.  
5 Agrees to the 2012 Deferral Account Application, Appendix D-2.  
Agrees to the 2013-2014 Deferral Account Application, Appendix D-2.  
Agrees to the 2015 Deferral Account Application, Appendix D-2.  
Agrees to the 2016 Deferral Account Application, Appendix D-2.  
Agrees to the 2017-2018 Deferral Account Application, Appendix D-2.  
This is a required adjustment to the reconciliation to reverse the 2012 Rider collections that have increased the 2012 collected revenues.

- 6 Miscellaneous adjustments to create production year revenue from income statement revenue:

	2012 Deferral Account Application	2013-2014 Deferral Account Application	2015 Deferral Account Application	2016 Deferral Account Application	2017-2018 Deferral Account Application
Remove 2005 revenue adjustments recorded in 2012	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)
Remove 2006 revenue adjustments recorded in 2012	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Remove 2007 revenue adjustments recorded in 2012	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Remove 2008 revenue adjustments recorded in 2012	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Remove 2009 revenue adjustments recorded in 2012	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Remove 2010 revenue adjustments recorded in 2012	0.2	0.2	0.2	0.2	0.2
Remove 2011 revenue adjustments recorded in 2012	0.7	0.7	0.7	0.7	0.7
Remove 2012 revenue accrual	0.0	0.0	0.0	0.0	0.0
Include 2012 revenue adjustments recorded in 2013	-	0.1	0.1	0.1	0.1
Include 2012 revenue adjustments recorded in 2014	-	(0.1)	(0.1)	(0.1)	(0.1)
Include 2012 revenue adjustments recorded in 2015	-	-	(0.0)	(0.0)	(0.0)
Include 2012 revenue adjustments recorded in 2016	-	-	-	-	-
Include 2012 revenue adjustments recorded in 2017	-	-	-	-	-
Include 2012 revenue adjustments recorded in 2018	-	-	-	-	(0.4)
Total adjustments to determine production year revenue	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.3

- 8 Agrees to the 2012 Deferral Account Reconciliation Application, Table 2-3, Table 3-3 and Table 3-4.  
Agrees to the 2013-2014 Deferral Account Reconciliation Application, Table 2-3, Table 5-2 and Table 5-3.  
Agrees to the 2015 Deferral Account Reconciliation Application, Table 2-2 and Table 6-1.  
Agrees to the 2016 Deferral Account Reconciliation Application, Table 2-2 and Table 5-1.  
Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3 and Table 8-7.

Numbers may not add due to rounding



Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

## 2012 Income Statement Reconciliation to Deferral Balances

## 2012 Production Costs for Deferral Purposes:

	2012 Deferral Account Application	2013-2014 Deferral Account Application	2015 Deferral Account Application	2016 Deferral Account Application	2017-2018 Deferral Account Application
Transmission Costs					
1 Wires	\$ 936.5	\$ 936.5	\$ 936.5	\$ 936.5	\$ 936.5
2 Ancillary Services	377.2	377.2	377.2	377.2	377.2
3 Line Loss	144.0	144.0	144.0	144.0	144.0
4 Other Industry Costs	18.6	18.6	18.6	18.6	18.6
5 G&A, Amortization, Interest	81.6	81.6	81.6	81.6	81.6
6 Sub-total	\$ 1,557.9	\$ 1,557.9	\$ 1,557.9	\$ 1,557.9	\$ 1,557.9
7 2012 Deferral Adjustments	(9.5)	(11.3)	(15.8)	(76.6)	(73.6)
8 Less: Wind Forecasting Costs	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
9 Less: Losses	(151.9)	(150.5)	(150.5)	(150.7)	(150.7)
10 2012 Deferral Costs	<u>\$ 1,396.1</u>	<u>\$ 1,395.7</u>	<u>\$ 1,391.2</u>	<u>\$ 1,330.2</u>	<u>\$ 1,333.2</u>

## Notes:

1 2012 AESO Annual Report - Management Discussion & Analysis page 29 \$ 889.8

Accruals are unpaid, forecasted wire costs based on applied for and interim applications:

AltaLink 2011 TFO tariff adjustment reversal	(9.9)
AltaLink 2011 and 2012 TFO tariff adjustment	50.2
EPCOR 2012 TFO tariff adjustment	5.9
City of Red Deer 2012 TFO tariff adjustment	0.6

Total Wires \$ 936.5

2 Agrees to the 2012 AESO Annual Report - Management Discussion & Analysis page 29 (\$320.6 million + \$29.9 million + \$26.6 million = \$377.2 million).

3 Agrees to the 2012 AESO Annual Report - Management Discussion & Analysis page 29.

4 Agrees to the 2012 AESO Annual Report - Management Discussion & Analysis page 37.

5 Agrees to the 2012 AESO Annual Report - Management Discussion & Analysis page 37 (\$68.8 million - \$0.5 million + \$13.3 million = \$81.6 million).

7 Miscellaneous adjustments to create production year costs from income statement expenses:

	2012 Deferral Account Application	2013-2014 Deferral Account Application	2015 Deferral Account Application	2016 Deferral Account Application	2017-2018 Deferral Account Application
Amortization of Rent Free Period (expense not included in deferrals)	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2
Remove 2011 true-ups of prior year actuals from year end accruals	3.3	3.3	3.3	3.3	3.3
Remove 2010 costs adjustments recorded in 2012	0.3	0.3	0.3	0.3	0.3
Remove 2011 costs adjustments recorded in 2012	10.4	10.4	10.4	10.4	10.4
Remove 2012 cost accruals	(23.7)	(23.7)	(23.7)	(23.7)	(23.7)
Include 2012 costs adjustments recorded in 2013	-	21.3	21.3	21.3	21.3
Include 2012 costs adjustments recorded in 2014	-	(23.1)	(23.1)	(23.1)	(23.1)
Include 2012 costs adjustments recorded in 2015	-	-	(4.5)	(4.5)	(4.5)
Include 2012 costs adjustments recorded in 2016	-	-	-	(22.8)	(22.8)
Include 2012 costs adjustments recorded in 2017	-	-	-	(38.0)	(38.0)
Include 2012 costs adjustments recorded in 2018	-	-	-	-	3.1
Total 2012 Deferral Adjustments	<u>\$ (9.5)</u>	<u>\$ (11.3)</u>	<u>\$ (15.8)</u>	<u>\$ (76.6)</u>	<u>\$ (73.6)</u>

8 Costs incurred related to Wind Forecasting Services are recovered through Rider J of the AESO tariff and are reconciled in a separate deferral account.

**Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application**

**2012 Income Statement Reconciliation to Deferral Balances**

- 10 Agrees to the 2012 Deferral Account Reconciliation Application, Table 2-3, Table 3-1 and Table 3-4.  
Agrees to the 2013-2014 Deferral Account Reconciliation Application, Table 2-3, Table 5-1 and Table 5-3.  
Agrees to the 2015 Deferral Account Reconciliation Application, Table 2-2 and Table 6-1.  
Agrees to the 2016 Deferral Account Reconciliation Application, Table 2-2 and Table 5-1  
Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3, Table 8-5 and Table 8-7  
*Numbers may not add due to rounding*

Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

## 2013 Income Statement Reconciliation to Deferral Balances

## 2013 Production Revenue for Deferral Purposes:

	2013-2014 Deferral Account Application	2015 Deferral Account Application	2016 Deferral Account Application	2017-2018 Deferral Account Application
1 Transmission Revenue	\$ 1,827.8	\$ 1,827.8	\$ 1,827.8	\$ 1,827.8
2 2013 Transmission Deferred Revenue	(25.4)	(25.4)	(25.4)	(25.4)
3 Sub-total	\$ 1,802.4	\$ 1,802.4	\$ 1,802.4	\$ 1,802.4
4 2013 Deferral Balance	25.4	25.4	25.4	25.4
5 2013 Rider Collections (Riders C, E, and J)	(251.8)	(251.8)	(251.8)	(251.8)
6 2013 Deferral Adjustments	(1.3)	(1.4)	(1.4)	(1.9)
7 Less: Losses	(182.8)	(182.8)	(182.8)	(182.8)
8 <b>2013 Deferral Revenue</b>	<b>\$ 1,391.9</b>	<b>\$ 1,391.8</b>	<b>\$ 1,391.8</b>	<b>\$ 1,391.3</b>

## Notes:

- Agrees to the 2013 AESO Annual Report - Management Discussion & Analysis pages 35 and 36.
- Agrees to the 2013 AESO Annual Report - Management Discussion & Analysis page 36.
- Agrees to the 2013 AESO Annual Report - Management Discussion & Analysis page 36 and page 54 Note 8 of the Audited Financial Statements.
- Agrees to the 2013-2014 Deferral Account Application, Appendix D-2.  
Agrees to the 2015 Deferral Account Application, Appendix D-2.  
Agrees to the 2016 Deferral Account Application, Appendix D-2.  
Agrees to the 2017-2018 Deferral Account Application, Appendix D-2.  
This is a required adjustment to the reconciliation to reverse the 2013 Rider collections that have increased the 2013 collected revenues.
- Miscellaneous adjustments to create production year revenue from income statement revenue:

	2013-2014 Deferral Account Application	2015 Deferral Account Application	2016 Deferral Account Application	2017-2018 Deferral Account Application
Remove 2012 true-ups of prior year actuals from year end accruals	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)
Remove 2011 revenue adjustments recorded in 2013	(0.3)	(0.3)	(0.3)	(0.3)
Remove 2012 revenue adjustments recorded in 2013	(0.1)	(0.1)	(0.1)	(0.1)
Include 2013 revenue adjustments recorded in 2014	(0.9)	(0.9)	(0.9)	(0.9)
Include 2013 revenue adjustments recorded in 2015	-	(0.1)	(0.1)	(0.1)
Include 2013 revenue adjustments recorded in 2016	-	-	-	-
Include 2013 revenue adjustments recorded in 2017	-	-	-	-
Include 2013 revenue adjustments recorded in 2018	-	-	-	(0.4)
Total adjustments to determine production year revenue	\$ (1.3)	\$ (1.4)	\$ (1.4)	\$ (1.9)

- Agrees to the 2013-2014 Deferral Account Reconciliation Application, Table 2-3, Table 4-3 and Table 4-4.  
Agrees to the 2015 Deferral Account Reconciliation Application, Table 2-2, Table 5-2 and Table 5-3.  
Agrees to the 2016 Deferral Account Reconciliation Application, Table 2-2, Table 5-1.  
Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3, Table 8-4.

Numbers may not add due to rounding

Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

2013 Income Statement Reconciliation to Deferral Balances

2013 Production Costs for Deferral Purposes:

	2013-2014 Deferral Account Application	2015 Deferral Account Application	2016 Deferral Account Application	2017-2018 Deferral Account Application
Transmission Costs				
1 Wires	\$ 1,109.8	\$ 1,109.8	\$ 1,109.8	\$ 1,109.8
2 Ancillary Services	398.2	398.2	398.2	398.2
3 Line Loss	178.0	178.0	178.0	178.0
4 Other Industry Costs	17.0	17.0	17.0	17.0
5 G&A, Amortization, Interest	82.8	82.8	82.8	82.8
6 Sub-total	<u>\$ 1,785.8</u>	<u>\$ 1,785.8</u>	<u>\$ 1,785.8</u>	<u>\$ 1,785.8</u>
7 2013 Deferral Adjustments	18.0	5.8	(85.6)	(89.9)
8 Less: Wind Forecasting Costs	(0.3)	(0.3)	(0.3)	(0.3)
9 Less: Losses	(181.7)	(181.8)	(182.8)	(182.8)
<b>10 2013 Deferral Costs</b>	<b><u>\$ 1,621.8</u></b>	<b><u>\$ 1,609.5</u></b>	<b><u>\$ 1,517.0</u></b>	<b><u>\$ 1,512.7</u></b>

Notes:

- |   |   |                   |
|---|---|-------------------|
| 1 | 2013 AESO Annual Report - Management Discussion & Analysis page 27                        | \$ 1,126.4        |
|   | Accruals are unpaid, forecasted wire costs based on applied for and interim applications: |                   |
|   | AltaLink 2011 and 2012 TFO tariff adjustment reversal                                     | (50.2)            |
|   | EPCOR 2012 TFO tariff adjustment reversal   | (5.9)             |
|   | City of Red Deer 2012 TFO tariff adjustment reversal                                      | (0.6)             |
|   | AltaLink 2013 TFO tariff adjustment   | 25.4              |
|   | ATCO 2013 TFO tariff adjustment   | 4.2               |
|   | ENMAX 2013 TFO tariff adjustment  | 7.6               |
|   | EPCOR 2013 TFO tariff adjustment  | 2.5               |
|   | TransAlta 2013 TFO tariff adjustment  | 0.4               |
|   | Total Wires   | <u>\$ 1,109.8</u> |
- 2 Agrees to the 2013 AESO Annual Report - Management Discussion & Analysis page 27 (\$362.3 million + \$11.2 million + \$24.7 million = \$398.2 million).
- 3 Agrees to the 2013 AESO Annual Report - Management Discussion & Analysis page 27.
- 4 Agrees to the 2013 AESO Annual Report - Management Discussion & Analysis page 34.
- 5 Agrees to the 2013 AESO Annual Report - Management Discussion & Analysis page 34 (\$69.9 million - \$0.5 million + \$13.4 million = \$82.8 million).

Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

2013 Income Statement Reconciliation to Deferral Balances

7	Miscellaneous adjustments to create production year costs from income statement expenses:	<b>2013-2014 Deferral Account Application</b>	<b>2015 Deferral Account Application</b>	<b>2016 Deferral Account Application</b>	<b>2017-2018 Deferral Account Application</b>
	Amortization of Rent Free Period (expense not included in deferrals)	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2
	Remove 2012 true-ups of prior year actuals from year end accruals	23.7	23.7	23.7	23.7
	Remove 2008 costs adjustments recorded in 2013	0.0	0.0	0.0	0.0
	Remove 2009 costs adjustments recorded in 2013	0.1	0.1	0.1	0.1
	Remove 2010 costs adjustments recorded in 2013	(0.2)	(0.2)	(0.2)	(0.2)
	Remove 2011 costs adjustments recorded in 2013	1.4	1.4	1.4	1.4
	Remove 2012 costs adjustments recorded in 2013	(21.3)	(21.3)	(21.3)	(21.3)
	Remove 2013 cost accruals	(8.2)	(8.2)	(8.2)	(8.2)
	Include 2013 cost recorded in 2014	22.2	22.2	22.2	22.2
	Include 2013 cost recorded in 2015	-	(12.2)	(12.2)	(12.2)
	Include 2013 cost recorded in 2016	-	-	(83.9)	(83.9)
	Include 2013 cost recorded in 2017	-	-	(7.5)	(7.5)
	Include 2013 cost recorded in 2018	-	-	-	(4.3)
	Total 2013 Deferral Adjustments	<u>\$ 18.0</u>	<u>\$ 5.8</u>	<u>\$ (85.6)</u>	<u>\$ (89.9)</u>
8	Costs incurred related to Wind Forecasting Services are recovered through Rider J of the AESO tariff and are reconciled in a separate deferral account.				
10	Agrees to the 2013-2014 Deferral Account Reconciliation Application, Table 2-3, Table 4-1 and Table 4-4. Agrees to the 2015 Deferral Account Reconciliation Application, Table 2-2, Table 5-1 and Table 5-3. Agrees to the 2016 Deferral Account Reconciliation Application, Table 2-2 and Table 5-1 Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3, Table 8-2 and Table 8-4 <i>Numbers may not add due to rounding</i>				

Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

## 2014 Income Statement Reconciliation to Deferral Balances

## 2014 Production Revenue for Deferral Purposes:

	2013-2014 Deferral Account Application	2015 Deferral Account Application	2016 Deferral Account Application	2017-2018 Deferral Account Application
1 Transmission Revenue	\$ 1,776.1	\$ 1,776.1	\$ 1,776.1	\$ 1,776.1
2 2014 Transmission Deferred Revenue	57.4	57.4	57.4	57.4
3 Sub-total	\$ 1,833.5	\$ 1,833.5	\$ 1,833.5	\$ 1,833.5
4 2014 Deferral Balance	(57.4)	(57.4)	(57.4)	(57.4)
5 2014 Rider Collections (Riders C, E, and J)	(189.0)	(189.0)	(189.0)	(189.0)
6 2014 Deferral Adjustments	1.3	1.0	0.8	0.3
7 Less: Losses	(111.9)	(111.9)	(111.9)	(111.9)
8 <b>2014 Deferral Revenue</b>	<b>\$ 1,476.4</b>	<b>\$ 1,476.1</b>	<b>\$ 1,476.0</b>	<b>\$ 1,475.4</b>

## Notes:

1 Agrees to the 2014 AESO Financial Results (Appendix C-1 of the 2013-2014 Deferral Account Reconciliation application) pages 13 and 14.

2,4 Agrees to the 2014 AESO Financial Results (Appendix C-1 of the 2013-2014 Deferral Account Reconciliation application) pages 14.

5 Agrees to the 2013-2014 Deferral Account Application, Appendix D-2.

Agrees to the 2015 Deferral Account Application, Appendix D-2.

Agrees to the 2016 Deferral Account Application, Appendix D-2.

Agrees to the 2017-2018 Deferral Account Application, Appendix D-2.

This is a required adjustment to the reconciliation to reverse the 2014 Rider collections that have increased the 2014 collected revenues.

6 Miscellaneous adjustments to create production year revenue from income statement revenue:

	2013-2014 Deferral Account Application	2015 Deferral Account Application	2016 Deferral Account Application	2017-2018 Deferral Account Application
Remove 2013 true-ups of prior year actuals from year end accruals	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)
Remove 2010 revenue adjustments recorded in 2014	0.0	0.0	0.0	0.0
Remove 2011 revenue adjustments recorded in 2014	0.2	0.2	0.2	0.2
Remove 2012 revenue adjustments recorded in 2014	0.1	0.1	0.1	0.1
Remove 2013 revenue adjustments recorded in 2014	0.9	0.9	0.9	0.9
Remove 2014 revenue accrual	0.0	0.0	0.0	0.0
Include 2014 revenue adjustments recorded in 2015	-	(0.3)	(0.3)	(0.3)
Include 2014 revenue adjustments recorded in 2016	-	-	(0.0)	(0.0)
Include 2014 revenue adjustments recorded in 2017	-	-	(0.1)	(0.1)
Include 2014 revenue adjustments recorded in 2018	-	-	-	(0.5)
Total adjustments to determine production year revenue	\$ 1.3	\$ 1.0	\$ 0.8	\$ 0.3

8 Agrees to the 2013-2014 Deferral Account Reconciliation Application, Table 2-3, Table 3-3 and Table 3-4.

Agrees to the 2015 Deferral Account Reconciliation Application, Table 2-2, Table 4-2 and Table 4-3.

Agrees to the 2016 Deferral Account Reconciliation Application, Table 2-2 and Table 5-1

Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3 and Table 7-3

Numbers may not add due to rounding

Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

2014 Income Statement Reconciliation to Deferral Balances

2014 Production Costs for Deferral Purposes:

	2013-2014 Deferral Account Application	2015 Deferral Account Application	2016 Deferral Account Application	2017-2018 Deferral Account Application
Transmission Costs				
1 Wires	\$ 1,376.3	\$ 1,376.3	\$ 1,376.3	\$ 1,376.3
2 Ancillary Services	214.5	214.5	214.5	214.5
3 Line Loss	118.0	118.0	118.0	118.0
4 Other Industry Costs	15.3	15.3	15.3	15.3
5 G&A, Amortization, Interest	85.8	85.8	85.8	85.8
6 Sub-total	<u>\$ 1,809.9</u>	<u>\$ 1,809.9</u>	<u>\$ 1,809.9</u>	<u>\$ 1,809.9</u>
7 2014 Deferral Adjustments	10.8	(0.1)	(85.5)	(56.8)
8 Less: Wind Forecasting Costs	(0.3)	(0.3)	(0.3)	(0.3)
9 Less: Losses	(118.2)	(118.5)	(119.5)	(119.5)
<b>10 2014 Deferral Costs</b>	<b><u>\$ 1,702.1</u></b>	<b><u>\$ 1,691.0</u></b>	<b><u>\$ 1,604.6</u></b>	<b><u>\$ 1,633.3</u></b>

Notes:

- 1 2014 AESO Financial Results (Appendix C-1 of the 2013-2014 Deferral Account Reconciliation application) page 3  
 Reconciliation application) page 3 \$ 1,399.9  
 Accruals are unpaid, forecasted wire costs based on applied for and interim applications:
- |   |                   |
|---|-------------------|
| AltaLink 2012 TFO tariff adjustment           | 0.1               |
| ATCO 2012 TFO tariff adjustment               | (31.0)            |
| AltaLink 2013 TFO tariff adjustment reversal  | (19.1)            |
| AltaLink 2013 TFO tariff adjustment           | 11.4              |
| TransAlta 2013 TFO tariff adjustment reversal | (0.4)             |
| AltaLink 2014 TFO tariff adjustment           | 10.3              |
| ENMAX 2014 TFO tariff adjustment              | 4.3               |
| TransAlta 2014 TFO tariff adjustment          | 0.6               |
| Total Wires                                   | <u>\$ 1,376.3</u> |
- 2 Agrees to the 2014 AESO Financial Results (Appendix C-1 of the 2013-2014 Deferral Account Reconciliation application) page 3 (\$180.8 million + \$5.4 million + \$28.2 million = \$214.5 million).
- 3 Agrees to the 2014 AESO Financial Results (Appendix C-1 of the 2013-2014 Deferral Account Reconciliation application) page 3.
- 4 Agrees to the 2014 AESO Financial Results (Appendix C-1 of the 2013-2014 Deferral Account Reconciliation application) page 11.
- 5 Agrees to the 2014 AESO Financial Results (Appendix C-1 of the 2013-2014 Deferral Account Reconciliation application) page 11 (\$70.7 million - \$0.7 million + \$15.8 million = \$85.8 million).

Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

2014 Income Statement Reconciliation to Deferral Balances

7	Miscellaneous adjustments to create production year costs from income statement expenses:	<b>2013-2014 Deferral Account Application</b>	<b>2015 Deferral Account Application</b>	<b>2016 Deferral Account Application</b>	<b>2017-2018 Deferral Account Application</b>
	Amortization of Rent Free Period (expense not included in deferrals)	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2
	Remove 2013 true-ups of prior year actuals from year end accruals	8.2	8.2	8.2	8.2
	Remove 2007 costs adjustments recorded in 2014	(0.1)	(0.1)	(0.1)	(0.1)
	Remove 2008 costs adjustments recorded in 2014	(0.2)	(0.2)	(0.2)	(0.2)
	Remove 2009 costs adjustments recorded in 2014	(0.5)	(0.5)	(0.5)	(0.5)
	Remove 2010 costs adjustments recorded in 2014	12.7	12.7	12.7	12.7
	Remove 2011 costs adjustments recorded in 2014	10.0	10.0	10.0	10.0
	Remove 2012 costs adjustments recorded in 2014	23.1	23.1	23.1	23.1
	Remove 2013 costs adjustments recorded in 2014	(22.2)	(22.2)	(22.2)	(22.2)
	Remove 2014 cost accruals	(20.4)	(20.4)	(20.4)	(20.4)
	Include 2014 cost recorded in 2015	-	(10.8)	(10.8)	(10.8)
	Include 2014 cost recorded in 2016	-	-	(77.8)	(77.8)
	Include 2014 cost recorded in 2017	-	-	(7.6)	(7.6)
	Include 2014 cost recorded in 2018	-	-	-	28.7
	<b>Total 2014 Deferral Adjustments</b>	<b>\$ 10.8</b>	<b>\$ (0.1)</b>	<b>\$ (85.5)</b>	<b>\$ (56.8)</b>
8	Costs incurred related to Wind Forecasting Services are recovered through Rider J of the AESO tariff and are reconciled in a separate deferral account.				
10	Agrees to the 2013-2014 Deferral Account Reconciliation Application, Table 2-3, Table 3-1 and Table 3-4. Agrees to the 2015 Deferral Account Reconciliation Application, Table 2-2, Table 4-1 and Table 4-3. Agrees to the 2016 Deferral Account Reconciliation Application, Table 2-2 and Table 5-1. Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3, Table 7-1 and Table 7-3.				

Numbers may not add due to rounding



Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

2015 Income Statement Reconciliation to Deferral Balances

2015 Production Revenue for Deferral Purposes:

	2015 Deferral Account Application	2016 Deferral Account Application	2017-2018 Deferral Account Application
1 Transmission Revenue	\$ 1,849.0	\$ 1,849.0	\$ 1,849.0
2 2015 Transmission Deferred Revenue	17.0	17.0	17.0
3 Sub-total	<u>\$ 1,866.0</u>	<u>\$ 1,866.0</u>	<u>\$ 1,866.0</u>
4 2015 Deferral Balance	(17.0)	(17.0)	(17.0)
5 2015 Rider Collections (Riders C, E, and J)	(220.7)	(220.7)	(220.7)
6 2015 Deferral Adjustments	0.4	(0.3)	(0.7)
7 Less: Losses	(77.4)	(77.4)	(77.4)
<b>8 2015 Deferral Revenue</b>	<b><u>\$ 1,551.4</u></b>	<b><u>\$ 1,550.7</u></b>	<b><u>\$ 1,550.3</u></b>

Notes:

- 1 Agrees to the 2015 AESO Financial Results (Appendix C-1 of the 2015 Deferral Account Reconciliation application) pages 13 and 14.  
 2,4 Agrees to the 2015 AESO Financial Results (Appendix C-1 of the 2015 Deferral Account Reconciliation application) pages 13 and 14.  
 5 Agrees to the 2015 Deferral Account Application, Appendix D-2.  
 Agrees to the 2016 Deferral Account Application, Appendix D-2.  
 Agrees to the 2017-2018 Deferral Account Application, Appendix D-2.  
 This is a required adjustment to the reconciliation to reverse the 2015 Rider collections that have increased the 2015 collected revenues.

- 6 Miscellaneous adjustments to create production year revenue from income statement revenue:

	2015 Deferral Account Application	2016 Deferral Account Application	2017-2018 Deferral Account Application
Remove 2014 true-ups of prior year actuals from year end accruals	\$ (0.0)	\$ (0.0)	\$ (0.0)
Remove 2008 revenue adjustments recorded in 2015	0.0	0.0	0.0
Remove 2009 revenue adjustments recorded in 2015	0.0	0.0	0.0
Remove 2010 revenue adjustments recorded in 2015	0.0	0.0	0.0
Remove 2011 revenue adjustments recorded in 2015	0.0	0.0	0.0
Remove 2012 revenue adjustments recorded in 2015	0.0	0.0	0.0
Remove 2013 revenue adjustments recorded in 2015	0.1	0.1	0.1
Remove 2014 revenue adjustments recorded in 2015	0.3	0.3	0.3
Remove 2015 revenue accrual	0.0	0.0	0.0
Include 2015 revenue adjustments recorded in 2016	-	(0.2)	(0.2)
Include 2015 revenue adjustments recorded in 2017	-	(0.5)	(0.5)
Include 2015 revenue adjustments recorded in 2018	-	-	(0.4)
Total adjustments to determine production year revenue	<u>\$ 0.4</u>	<u>\$ (0.3)</u>	<u>\$ (0.7)</u>

- 8 Agrees to the 2015 Deferral Account Reconciliation Application, Table 2-2, Table 3-3 and Table 3-4.  
 Agrees to the 2016 Deferral Account Reconciliation Application, Table 2-2, Table 4-3.  
 Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3, Table 6-3.

Numbers may not add due to rounding

Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

2015 Income Statement Reconciliation to Deferral Balances

2015 Production Costs for Deferral Purposes:

	2015 Deferral Account Application	2016 Deferral Account Application	2017-2018 Deferral Account Application
Transmission Costs			
1 Wires	\$ 1,481.9	\$ 1,481.9	\$ 1,481.9
2 Ancillary Services	171.9	171.9	171.9
3 Line Loss	76.7	76.7	76.7
4 Other Industry Costs	14.8	14.8	14.8
5 G&A, Amortization, Interest	84.0	84.0	84.0
6 Sub-total	<u>\$ 1,829.3</u>	<u>\$ 1,829.3</u>	<u>\$ 1,829.3</u>
7 2015 Deferral Adjustments	36.1	98.3	110.3
8 Less: Wind Forecasting Costs	(0.3)	(0.3)	(0.3)
9 Less: Losses	(76.4)	(75.8)	(75.8)
10 <b>2015 Deferral Costs</b>	<u><b>\$ 1,788.8</b></u>	<u><b>\$ 1,851.6</b></u>	<u><b>\$ 1,863.5</b></u>

Notes:

- 1 2015 AESO Financial Results (Appendix C-1 of the 2015 Deferral Account Reconciliation application) page 3. \$ 1,518.5  
Accruals are unpaid, forecasted wire costs based on applied for and interim applications:
- |   |                   |        |  |
|---|-------------------|--------|--|
| Accrued in 2013                                   |                   |        |  |
| AltaLink 2013 TFO tariff adjustment reversal      | \$ (6.4)          |        |  |
| ATCO 2013 TFO tariff adjustment reversal          | (4.2)             |        |  |
| ENMAX 2013 TFO tariff adjustment reversal         | (7.6)             |        |  |
| EPCOR 2013 TFO tariff adjustment reversal         | <u>(2.5)</u>      | (20.6) |  |
| Accrued in 2014                                   |                   |        |  |
| AltaLink 2012-2014 TFO tariff adjustment reversal | (21.8)            |        |  |
| ATCO 2012 TFO tariff adjustment reversal          | 31.0              |        |  |
| ENMAX 2014 TFO tariff adjustment reversal         | (4.3)             |        |  |
| TransAlta 2014 TFO tariff adjustment reversal     | <u>(0.6)</u>      | 4.2    |  |
| Accrued in 2015                                   |                   |        |  |
| AltaLink 2012-2014 TFO tariff adjustment          | 20.0              |        |  |
| AltaLink 2015 TFO tariff adjustment               | (68.6)            |        |  |
| ATCO 2011-2014 TFO tariff adjustment              | (23.0)            |        |  |
| ATCO 2015 TFO tariff adjustment                   | 51.6              |        |  |
| City of Lethbridge 2015 TFO tariff adjustment     | (0.4)             |        |  |
| ENMAX 2015 TFO tariff adjustment                  | (0.2)             |        |  |
| EPCOR 2015 TFO tariff adjustment                  | (0.2)             |        |  |
| TransAlta 2015 TFO tariff adjustment              | <u>0.5</u>        | (20.2) |  |
| Total Wires                                       | <u>\$ 1,481.9</u> |        |  |
- 2 Agrees to the 2015 AESO Financial Results (Appendix C-1 of the 2015 Deferral Account Reconciliation application) page 3 (\$137.3 million + \$34.6 million = \$171.9 million).
- 3 Agrees to the 2015 AESO Financial Results (Appendix C-1 of the 2015 Deferral Account Reconciliation application) page 3.
- 4 Agrees to the 2015 AESO Financial Results (Appendix C-1 of the 2015 Deferral Account Reconciliation application) page 11.
- 5 Agrees to the 2015 AESO Financial Results (Appendix C-1 of the 2015 Deferral Account Reconciliation application) page 11 (\$67.8 million - \$0.0 million + \$16.3 million = \$84.0 million).

Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

2015 Income Statement Reconciliation to Deferral Balances

7	Miscellaneous adjustments to create production year costs from income statement expenses:	<b>2015 Deferral Account Application</b>	<b>2016 Deferral Account Application</b>	<b>2017-2018 Deferral Account Application</b>
	Amortization of Rent Free Period (expense not included in deferrals)	\$ (0.0)	\$ (0.0)	\$ (0.0)
	Remove 2014 true-ups of prior year actuals from year end accruals	20.4	20.4	20.4
	Remove 2007 costs adjustments recorded in 2015	0.0	0.0	0.0
	Remove 2008 costs adjustments recorded in 2015	-	-	-
	Remove 2009 costs adjustments recorded in 2015	-	-	-
	Remove 2010 costs adjustments recorded in 2015	1.0	1.0	1.0
	Remove 2011 costs adjustments recorded in 2015	(4.7)	(4.7)	(4.7)
	Remove 2012 costs adjustments recorded in 2015	4.5	4.5	4.5
	Remove 2013 costs adjustments recorded in 2015	12.2	12.2	12.2
	Remove 2014 costs adjustments recorded in 2015	10.8	10.8	10.8
	Remove 2015 cost accruals	(8.2)	(8.2)	(8.2)
	Include 2015 cost recorded in 2016	-	53.7	53.7
	Include 2015 cost recorded in 2017	-	8.5	8.5
	Include 2015 cost recorded in 2018	-	-	12.0
	Total 2015 Deferral Adjustments	<u>\$ 36.1</u>	<u>\$ 98.3</u>	<u>\$ 110.3</u>

8 Costs incurred related to Wind Forecasting Services are recovered through Rider J of the AESO tariff and are reconciled in a separate deferral account.

10 Agrees to the 2015 Deferral Account Reconciliation Application, Table 2-2, Table 3-1 and Table 3-4.

Agrees to the 2016 Deferral Account Reconciliation Application, Table 2-2, Table 4-1

Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3, Table 6-1, Table 6-3

*Numbers may not add due to rounding*

Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

2016 Income Statement Reconciliation to Deferral Balances

2016 Production Revenue for Deferral Purposes:

	2016 Deferral Account Application	2017-2018 Deferral Account Application
1 Transmission Revenue	\$ 1,784.9	\$ 1,784.9
2 2016 Transmission Deferred Revenue	(49.2)	(49.2)
3 Sub-total	<u>\$ 1,735.7</u>	<u>\$ 1,735.7</u>
4 2016 Deferral Balance	49.2	49.2
5 2016 Rider Refunds (Riders C, E, and J)	66.3	66.3
6 2016 Deferral Adjustments	(1.0)	(1.3)
7 Less: Losses	(42.8)	(42.8)
<b>8 2016 Deferral Revenue</b>	<b><u>\$ 1,807.3</u></b>	<b><u>\$ 1,807.0</u></b>

Notes:

- 1 Agrees to the 2016 AESO Financial Results (Appendix C-2 of the 2016 Deferral Account Reconciliation application) pages 13 and 14.  
2,4 Agrees to the 2016 AESO Financial Results (Appendix C-2 of the 2016 Deferral Account Reconciliation application) pages 13 and 14.  
5 Agrees to the 2016 Deferral Account Application, Appendix D-2.  
Agrees to the 2017-2018 Deferral Account Application, Appendix D-2.  
This is a required adjustment to the reconciliation to reverse the 2016 Rider refunds that have decreased the 2016 collected revenues.  
6 Miscellaneous adjustments to create production year revenue from income statement revenue:

	2016 Deferral Account Application	2017-2018 Deferral Account Application
Remove 2015 true-ups of prior year actuals from year end accruals	\$ (0.0)	\$ (0.0)
Remove 2008 revenue adjustments recorded in 2016	-	-
Remove 2009 revenue adjustments recorded in 2016	-	-
Remove 2010 revenue adjustments recorded in 2016	-	-
Remove 2011 revenue adjustments recorded in 2016	-	-
Remove 2012 revenue adjustments recorded in 2016	-	-
Remove 2013 revenue adjustments recorded in 2016	-	-
Remove 2014 revenue adjustments recorded in 2016	0.0	0.0
Remove 2015 revenue adjustments recorded in 2016	0.2	0.2
Remove 2016 revenue accrual	-	-
Include 2016 revenue adjustments recorded in 2017	(1.1)	(1.1)
Include 2016 revenue adjustments recorded in 2018	-	(0.3)
Total adjustments to determine production year revenue	<u>\$ (1.0)</u>	<u>\$ (1.3)</u>

- 8 Agrees to the 2016 Deferral Account Reconciliation Application, Table 2-2 and Table 3-4.  
Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3 and Table 5-3.

Numbers may not add due to rounding

Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

2016 Income Statement Reconciliation to Deferral Balances

2016 Production Costs for Deferral Purposes:

	2016 Deferral Account Application	2017-2018 Deferral Account Application
Transmission Costs		
1 Wires	\$ 1,554.1	\$ 1,554.1
2 Ancillary Services	93.8	93.8
3 Line Loss	43.5	43.5
4 Other Industry Costs	14.9	14.9
5 G&A, Amortization, Interest	85.8	85.8
6 Sub-total	<u>\$ 1,792.2</u>	<u>\$ 1,792.2</u>
7 2016 Deferral Adjustments	167.5	164.1
8 Less: Wind Forecasting Costs	(0.3)	(0.3)
9 Less: Losses	(41.3)	(41.3)
<b>10 2016 Deferral Costs</b>	<b><u>\$ 1,918.0</u></b>	<b><u>\$ 1,914.7</u></b>

Notes:

- 1 2016 AESO Financial Results (Appendix C-2 of the 2016 Deferral Account Reconciliation application) page 3. \$ 1,497.6  
Accruals are unpaid, forecasted wire costs based on applied for and interim applications:
- [a] Accrued in 2015
- |  |        |      |
|--|--------|------|
| AltaLink 2012-2014 TFO tariff adjustment reversal      | (20.0) |      |
| AltaLink 2015 TFO tariff adjustment reversal           | 68.6   |      |
| ATCO 2011-2014 TFO tariff adjustment reversal          | 23.0   |      |
| ATCO 2015 TFO tariff adjustment reversal               | (51.6) |      |
| City of Lethbridge 2015 TFO tariff adjustment reversal | 0.4    |      |
| ENMAX 2015 TFO tariff adjustment reversal              | 0.2    |      |
| EPCOR 2015 TFO tariff adjustment reversal              | 0.2    |      |
| TransAlta 2015 TFO tariff adjustment reversal          | (0.5)  | 20.2 |
- [b] Accrued in 2016
- |  |         |      |
|--|---------|------|
| AltaLink 2011-2015 TFO tariff adjustment | (268.7) |      |
| AltaLink 2016 TFO tariff adjustment      | 337.3   |      |
| ATCO 2010-2015 TFO tariff adjustment     | 34.4    |      |
| ATCO 2016 TFO tariff adjustment          | (67.6)  |      |
| ENMAX 2016 TFO tariff adjustment         | 0.9     | 36.2 |
- Total Wires \$ 1,554.1
- 2 Agrees to the 2016 AESO Financial Results (Appendix C-2 of the 2016 Deferral Account Reconciliation application) page 3 (\$66.4 million + \$27.4 million = \$93.8 million).
- 3 Agrees to the 2016 AESO Financial Results (Appendix C-2 of the 2016 Deferral Account Reconciliation application) page 3.
- 4 Agrees to the 2016 AESO Financial Results (Appendix C-2 of the 2016 Deferral Account Reconciliation application) page 12.
- 5 Agrees to the 2016 AESO Financial Results (Appendix C-2 of the 2016 Deferral Account Reconciliation application) page 12 (\$70.2 million + 15.5 million + \$0.1 million = \$85.8 million).

**Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application**

**2016 Income Statement Reconciliation to Deferral Balances**

7	Miscellaneous adjustments to create production year costs from income statement expenses:	<b>2016 Deferral Account Application</b>	<b>2017-2018 Deferral Account Application</b>
	Remove 2015 true-ups of prior year actuals from year end accruals	8.2	8.2
	Remove 2008 costs adjustments recorded in 2016	(0.2)	(0.2)
	Remove 2009 costs adjustments recorded in 2016	(0.3)	(0.3)
	Remove 2010 costs adjustments recorded in 2016	(2.6)	(2.6)
	Remove 2011 costs adjustments recorded in 2016	18.8	18.8
	Remove 2012 costs adjustments recorded in 2016	22.8	22.8
	Remove 2013 costs adjustments recorded in 2016	83.9	83.9
	Remove 2014 costs adjustments recorded in 2016	77.8	77.8
	Remove 2015 costs adjustments recorded in 2016	(53.7)	(53.7)
	Remove 2016 cost accruals	(0.5)	(0.5)
	Include 2016 costs adjustments recorded in 2017	13.3	13.3
	Include 2016 costs adjustments recorded in 2018	-	(3.4)
	Total 2016 Deferral Adjustments	<u>\$ 167.5</u>	<u>\$ 164.1</u>
8	Costs incurred related to Wind Forecasting Services are recovered through Rider J of the AESO tariff and are reconciled in a separate deferral account.		
10	Agrees to the 2016 Deferral Account Reconciliation Application, Table 2-2, Table 3-1 and Table 3-4. Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3, Table 5-1 and Table 5-3.		

*Numbers may not add due to rounding*

Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

## 2017 Income Statement Reconciliation to Deferral Balances

## 2017 Production Revenue for Deferral Purposes:

	2016 Deferral Account Application	2017-2018 Deferral Account Application
1 Transmission Revenue	\$ 1,966.8	\$ 1,966.8
2 2017 Transmission Deferred Revenue	(16.8)	(16.8)
3 Sub-total	<u>\$ 1,950.0</u>	<u>\$ 1,950.0</u>
4 2017 Deferral Balance	16.8	16.8
5 2017 Rider Refunds (Riders C, E, and J)	52.5	52.5
6 2017 Deferral Adjustments	1.7	1.3
7 Less: Losses	(49.3)	(49.3)
<b>8 2017 Deferral Revenue</b>	<b><u>\$ 1,971.7</u></b>	<b><u>\$ 1,971.3</u></b>

## Notes:

- 1 Agrees to the 2017 AESO Financial Results (Appendix C-1 of the 2016 Deferral Account Reconciliation application) pages 13 and 14.
- 5 Agrees to the 2017-2018 Deferral Account Application, Appendix D-2.  
This is a required adjustment to the reconciliation to reverse the 2017 Rider refunds that have decreased the 2017 collected revenues.
- 6 Miscellaneous adjustments to create production year revenue from income statement revenue:

	2016 Deferral Account Application	2017-2018 Deferral Account Application
Remove 2016 true-ups of prior year actuals from year end accruals	\$ -	\$ -
Remove 2010 revenue adjustments recorded in 2017	-	-
Remove 2011 revenue adjustments recorded in 2017	-	-
Remove 2012 revenue adjustments recorded in 2017	-	-
Remove 2013 revenue adjustments recorded in 2017	-	-
Remove 2014 revenue adjustments recorded in 2017	0.1	0.1
Remove 2015 revenue adjustments recorded in 2017	0.5	0.5
Remove 2016 revenue adjustments recorded in 2017	1.1	1.1
Remove 2017 revenue accrual	-	-
Include 2017 revenue adjustments recorded in 2018	-	(0.5)
Total adjustments to determine production year revenue	<u>\$ 1.7</u>	<u>\$ 1.3</u>

- 8 Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3 and Table 4-4.

*Numbers may not add due to rounding*

Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

## 2017 Income Statement Reconciliation to Deferral Balances

## 2017 Production Costs for Deferral Purposes:

	2016 Deferral Account Application	2017-2018 Deferral Account Application
Transmission Costs		
1 Wires	\$ 1,689.3	\$ 1,689.3
2 Ancillary Services	115.0	115.0
3 Line Loss	50.7	50.7
4 Other Industry Costs	14.8	14.8
5 G&A, Amortization, Interest	<u>84.4</u>	<u>84.4</u>
6 Sub-total	\$ 1,954.2	\$ 1,954.2
7 2017 Deferral Adjustments	45.6	54.1
8 Less: Wind Forecasting Costs	(0.3)	(0.3)
9 Less: Losses	<u>(50.4)</u>	<u>(50.4)</u>
<b>10 2017 Deferral Costs</b>	<b><u>\$ 1,949.1</u></b>	<b><u>\$ 1,957.6</u></b>

## Notes:

- 1 2017 AESO Financial Results (Appendix C-1 of the 2016 Deferral Account Reconciliation application) page 3 (Wires Costs).  
Accruals are unpaid, forecasted wires costs based on applied for and interim applications.
- |   |                   |             |
|---|-------------------|-------------|
| [c] Accrued in 2016                                 |                   |             |
| AltaLink 2011-2015 TFO tariff adjustment - reversal | 268.7             |             |
| AltaLink 2016 TFO tariff adjustment - reversal      | (337.3)           |             |
| ATCO 2010-2015 TFO tariff adjustment - reversal     | (34.4)            |             |
| ATCO 2016 TFO tariff adjustment - reversal          | 67.6              |             |
| ENMAX 2016 TFO tariff adjustment - reversal         | <u>(0.9)</u>      | \$ (36.2)   |
| [d] Accrued in 2017                                 |                   |             |
| AltaLink 2014-2015 TFO tariff adjustment            | 80.6              |             |
| ATCO 2010-2016 TFO tariff adjustment                | (41.1)            |             |
| ENMAX 2016 TFO tariff adjustment                    | 0.9               | <u>40.4</u> |
| Total Wires   | <u>\$ 1,689.3</u> |             |
- 2 Agrees to the 2017 AESO Financial Results (Appendix C-1 of the 2016 Deferral Account Reconciliation application) page 3 (\$80.7 million + \$34.2 million = \$115.0 million).  
3 Agrees to the 2017 AESO Financial Results (Appendix C-1 of the 2016 Deferral Account Reconciliation application) page 3.  
4 Agrees to the 2017 AESO Financial Results (Appendix C-1 of the 2016 Deferral Account Reconciliation application) page 12.  
5 Agrees to the 2017 AESO Financial Results (Appendix C-1 of the 2016 Deferral Account Reconciliation application) page 12 (\$70.4 million + 14.1 million - \$0.1 million = \$84.4 million).



Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

2017 Income Statement Reconciliation to Deferral Balances

7	Miscellaneous adjustments to create production year costs from income statement expenses:	<b>2016 Deferral Account Application</b>	<b>2017-2018 Deferral Account Application</b>
	Remove 2016 true-ups of prior year actuals from year end accruals	0.5	0.5
	Remove 2010 costs adjustments recorded in 2017	3.1	3.1
	Remove 2011 costs adjustments recorded in 2017	11.1	11.1
	Remove 2012 costs adjustments recorded in 2017	38.0	38.0
	Remove 2013 costs adjustments recorded in 2017	7.5	7.5
	Remove 2014 costs adjustments recorded in 2017	7.6	7.6
	Remove 2015 costs adjustments recorded in 2017	(8.5)	(8.5)
	Remove 2016 costs adjustments recorded in 2017	(13.3)	(13.3)
	Remove 2017 accruals	(0.5)	(0.5)
	Include 2017 costs recorded in 2018	-	8.4
	Total 2017 Deferral Adjustments	<u>\$ 45.6</u>	<u>\$ 54.1</u>
8	Costs incurred related to Wind Forecasting Services are recovered through Rider J of the AESO tariff and are reconciled in a separate deferral account.		
10	Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3, Table 4-1 and Table 4-4.		

Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

2018 Income Statement Reconciliation to Deferral Balances

**2018 Production Revenue for Deferral Purposes:**

	<b>2017-2018 Deferral Account Application</b>
1 Transmission Revenue	\$ 2,185.1
2 2018 Transmission Deferred Revenue	19.1
3 Sub-total	\$ 2,204.2
4 2018 Deferral Balance	(19.1)
5 2018 Rider Refunds (Riders C, E, and J)	3.9
6 2018 Deferral Adjustments	2.8
7 Less: Losses	(107.8)
<b>8 2018 Deferral Revenue</b>	<b>\$ 2,084.1</b>

**Notes:**

- 1 Agrees to the 2018 AESO Financial Results (Appendix C-1 of the 2017-2018 Deferral Account Reconciliation application) pages 13 and 14.
- 2,4 Agrees to the 2018 AESO Financial Results (Appendix C-2 of the 2017-2018 Deferral Account Reconciliation application) pages 13 and 14; may differ due to rounding.
- 5 Agrees to the 2017-2018 Deferral Account Application, Appendix D-2.  
This is a required adjustment to the reconciliation to reverse the 2018 Rider refunds that have reduced the 2018 collected revenues.
- 6 Miscellaneous adjustments to create production year revenue from income statement revenue:

	<b>2017-2018 Deferral Account Application</b>
Remove 2006 revenue adjustments recorded in 2018	\$ 0.0
Remove 2007 revenue adjustments recorded in 2018	\$ 0.1
Remove 2008 revenue adjustments recorded in 2018	\$ 0.1
Remove 2009 revenue adjustments recorded in 2018	\$ 0.2
Remove 2010 revenue adjustments recorded in 2018	\$ 0.2
Remove 2011 revenue adjustments recorded in 2018	\$ 0.3
Remove 2012 revenue adjustments recorded in 2018	\$ 0.4
Remove 2013 revenue adjustments recorded in 2018	\$ 0.4
Remove 2014 revenue adjustments recorded in 2018	\$ 0.5
Remove 2015 revenue adjustments recorded in 2018	\$ 0.4
Remove 2016 revenue adjustments recorded in 2018	\$ 0.3
Remove 2017 revenue adjustments recorded in 2018	\$ 0.5
Remove 2018 revenue accrual	(0.6)
Total adjustments to determine production year revenue	\$ 2.8

- 8 Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3 and Table 3-4.

*Numbers may not add due to rounding*

Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

2018 Income Statement Reconciliation to Deferral Balances

2018 Production Costs for Deferral Purposes:

	2017-2018 Deferral Account Application
Transmission Costs	
1 Wires	\$ 1,826.8
2 Ancillary Services	277.9
3 Line Loss	96.7
4 Other Industry Costs	15.4
5 G&A, Amortization, Interest	89.4
6 Sub-total	<u>\$ 2,306.2</u>
7 2018 Deferral Adjustments	(44.4)
8 Less: Wind Forecasting Costs	(0.3)
9 Less: Losses	(96.7)
<b>10 2018 Deferral Costs</b>	<b><u>\$ 2,164.8</u></b>

Notes:

- 1 2018 AESO Financial Results (Appendix C-1 of the 2017-2018 Deferral Account Reconciliation application) page 3 (Wires Costs). \$ 1,724.8  
 Accruals are unpaid, forecasted wires costs based on applied for and interim applications:  
 Accrued in 2017  
     AltaLink 2014-2015 TFO tariff adjustment - reversal (80.6)  
     ATCO 2010-2016 TFO tariff adjustment - reversal 41.1  
     ENMAX 2016 TFO tariff adjustment - reversal (0.9) \$ (40.4)  
 Accrued in 2018  
     AltaLink 2014-2015 TFO tariff adjustment 120.3  
     ATCO 2012 TFO tariff adjustment 3.1  
     ATCO 2018 TFO tariff adjustment 13.1  
     TransAlta 2017 TFO tariff adjustment 1.9  
     TransAlta 2018 TFO tariff adjustment 0.6  
     ENMAX 2018 TFO tariff adjustment 3.3  
     City of Red Deer 2018 TFO tariff adjustment 0.4  
     Epcor 2018 TFO tariff adjustment (0.1) 142.5  
 Total Wires \$ 1,826.8
- 2 Agrees to the 2018 AESO Financial Results (Appendix C-1 of the 2016 Deferral Account Reconciliation application) page 3 (\$236.0 million + \$41.9 million = \$277.9 million).  
 3 Agrees to the 2018 AESO Financial Results (Appendix C-1 of the 2016 Deferral Account Reconciliation application) page 3.  
 4 Agrees to the 2018 AESO Financial Results (Appendix C-1 of the 2016 Deferral Account Reconciliation application) page 12; may differ due to rounding.  
 5 Agrees to the 2018 AESO Financial Results (Appendix C-1 of the 2016 Deferral Account Reconciliation application) page 12 (\$70.4 million + 18.5 million + \$0.5 million = \$89.4 million); may differ due to rounding.

Alberta Electric System Operator  
2017-2018 Deferral Account Reconciliation Application

2018 Income Statement Reconciliation to Deferral Balances

7	Miscellaneous adjustments to create production year costs from income statement expenses:	<b>2017-2018 Deferral Account Application</b>
	Remove 2017 true-ups of prior year actuals from year end accruals	0.5
	Remove 2010 costs adjustments recorded in 2018	0.0
	Remove 2011 costs adjustments recorded in 2018	0.0
	Remove 2012 costs adjustments recorded in 2018	(3.1)
	Remove 2013 costs adjustments recorded in 2018	4.3
	Remove 2014 costs adjustments recorded in 2018	(28.7)
	Remove 2015 costs adjustments recorded in 2018	(12.0)
	Remove 2016 costs adjustments recorded in 2018	3.4
	Remove 2017 costs adjustments recorded in 2018	(8.4)
	Remove 2018 accruals	(0.3)
	Total 2018 Deferral Adjustments	<u>\$ (44.4)</u>
8	Costs incurred related to Wind Forecasting Services are recovered through Rider J of the AESO tariff and are reconciled in a separate deferral account.	
10	Agrees to the 2017-2018 Deferral Account Reconciliation Application, Table 2-3, Table 3-1 and Table 3-4.	
	<i>Numbers may not add due to rounding</i>	