

**AESO 2016 Deferral Account Reconciliation Application
Inter-Year Adjustments Reconciliation (2010 to 2017)**

The following tables show the transfer of revenues and costs between various years in the 'production month' deferral account reconciliation. As evidenced by the 'Total' column in each table, the transfers between years net to zero.

Table 1.0 provides a summary of the net transfers into and out of the various accounting years to show revenues and costs in the appropriate production years.

To explain how the tables work, using Table 1.2 for Connection charge costs, during 2016 a cost reduction of \$18.9 million occurred that related to 2011. To show this cost reduction in the correct year (2011) a negative amount is shown in the 2011 column and the offset of a positive \$18.9 million is included in the 2016 total of \$157.3 million, which is in combination with other transactions that occurred in 2016 that related to 2015 and prior years. The impact of the transfers between years nets to zero shown in the Total column.

As shown in Appendix A with the reconciliation of the financial statements to the annual deferral balances, the transfers between years have been fully accounted for (refer to Tables 1.1 to 1.8 below).

TABLE 1.0

All Years Combined (\$ millions)	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	Total
Revenue														
Connection charge	(1.7)	0.9	0.3	(0.4)	0.7	(0.7)	0.5	1.2	(0.8)	(0.1)	(0.1)	(0.1)	0.0	(0.0)
Operating reserve charge	(0.1)	0.0	(0.0)	(0.0)	0.3	(0.2)	0.2	0.0	(0.0)	(0.1)	(0.0)	(0.0)	(0.0)	0.0
Transmission constraint rebalancing charge	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Voltage control charge	0.0	(0.0)	(0.0)	(0.0)	0.0	0.0	(0.0)	0.0	(0.0)	(0.0)	(0.0)	(0.0)	-	0.0
Other system support services charge	(0.0)	(0.0)	(0.0)	(0.0)	0.0	0.0	0.0	(0.0)	0.0	(0.0)	(0.0)	0.0	(0.0)	(0.0)
Losses charge	(0.0)	0.0	(0.0)	(0.4)	0.3	0.2	0.0	(0.1)	(0.0)	0.0	0.0	0.0	-	0.0
Total Revenue	(1.7)	1.0	0.3	(0.8)	1.4	(0.6)	0.7	1.2	(0.9)	(0.2)	(0.1)	(0.1)	(0.0)	(0.0)
Costs														
Connection charge	45.8	170.3	79.5	(66.0)	(90.8)	(81.5)	(43.6)	(11.4)	11.9	(9.8)	(3.9)	(0.3)	-	0.0
Operating reserve charge	0.1	(0.0)	(0.0)	0.1	(0.0)	(0.1)	0.1	0.1	(0.1)	-	-	-	-	-
Transmission constraint rebalancing charge	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Voltage control charge	(0.1)	(8.3)	7.6	(9.0)	(15.4)	18.4	3.4	1.1	2.1	0.1	-	-	-	(0.0)
Other system support services charge	-	-	-	0.0	(0.0)	(0.0)	0.0	0.0	-	-	-	-	-	0.0
Losses charge	(0.2)	(2.2)	(0.9)	1.5	4.9	6.8	(7.1)	0.6	(0.1)	(1.4)	(1.0)	(0.4)	(0.3)	(0.0)
Total Costs	45.6	159.7	86.2	(73.4)	(101.4)	(56.5)	(47.3)	(9.6)	13.7	(11.1)	(5.0)	(0.7)	(0.3)	(0.0)
Total Adjustments	43.9	160.7	86.4	(74.3)	(100.0)	(57.1)	(46.6)	(8.5)	12.8	(11.2)	(5.1)	(0.7)	(0.3)	(0.0)

TABLE 1.1

2017 Adjustments (\$ millions)	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	Total
Revenue														
Connection charge	(1.7)	1.0	0.5	0.1	-	-	-	-	-	-	-	-	-	(0.0)
Operating reserve charge	(0.1)	0.1	0.0	(0.0)	-	-	-	-	-	-	-	-	-	0.0
Transmission constraint rebalancing charge	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Voltage control charge	0.0	(0.0)	(0.0)	-	-	-	-	-	-	-	-	-	-	0.0
Other system support services charge	(0.0)	0.0	0.0	-	-	-	-	-	-	-	-	-	-	(0.0)
Losses charge	(0.0)	0.0	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	(1.7)	1.1	0.5	0.1	-	-	-	-	-	-	-	-	-	(0.0)
Costs														
Connection charge	45.8	13.0	8.5	(7.6)	(7.5)	(38.0)	(11.1)	(3.1)	(0.0)	-	-	-	-	(0.0)
Operating reserve charge	0.1	(0.1)	-	-	-	-	-	-	-	-	-	-	-	-
Transmission constraint rebalancing charge	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Voltage control charge	(0.1)	0.1	-	-	-	-	-	-	-	-	-	-	-	-
Other system support services charge	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Losses charge	(0.2)	0.2	-	-	-	-	-	-	-	-	-	-	-	-
Total Costs	45.6	13.3	8.5	(7.6)	(7.5)	(38.0)	(11.1)	(3.1)	(0.0)	-	-	-	-	(0.0)
Total Adjustments for 2017	43.9	14.4	9.0	(7.5)	(7.5)	(38.0)	(11.1)	(3.1)	(0.0)	-	-	-	-	(0.0)

**AESO 2016 Deferral Account Reconciliation Application
Inter-Year Adjustments Reconciliation (2010 to 2017)**

The following tables show the transfer of revenues and costs between various years in the 'production month' deferral account reconciliation. As evidenced by the 'Total' column in each table, the transfers between years net to zero.

Table 1.0 provides a summary of the net transfers into and out of the various accounting years to show revenues and costs in the appropriate production years.

To explain how the tables work, using Table 1.2 for Connection charge costs, during 2016 a cost reduction of \$18.9 million occurred that related to 2011. To show this cost reduction in the correct year (2011) a negative amount is shown in the 2011 column and the offset of a positive \$18.9 million is included in the 2016 total of \$157.3 million, which is in combination with other transactions that occurred in 2016 that related to 2015 and prior years. The impact of the transfers between years nets to zero shown in the Total column.

As shown in Appendix A with the reconciliation of the financial statements to the annual deferral balances, the transfers between years have been fully accounted for (refer to Tables 1.1 to 1.8 below).

TABLE 1.2

2016 Adjustments (\$ millions)	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	Total
Revenue														
Connection charge		(0.1)	0.1	0.0	-	-	-	-	-	-	-	-	-	0.0
Operating reserve charge		(0.1)	0.1	(0.0)	-	-	-	-	-	-	-	-	-	0.0
Transmission constraint rebalancing charge		-	-	-	-	-	-	-	-	-	-	-	-	-
Voltage control charge		(0.0)	0.0	0.0	-	-	-	-	-	-	-	-	-	(0.0)
Other system support services charge		(0.0)	0.0	0.0	-	-	-	-	-	-	-	-	-	0.0
Losses charge		0.0	(0.0)	(0.0)	-	-	-	-	-	-	-	-	-	0.0
Total Revenue		(0.2)	0.2	0.0	-	-	-	-	-	-	-	-	-	0.0
Costs														
Connection charge		157.3	46.1	(78.9)	(85.0)	(23.0)	(18.9)	2.4	-	-	0.0	-	-	0.0
Operating reserve charge		0.0	(0.0)	-	-	-	-	-	-	-	-	-	-	-
Transmission constraint rebalancing charge		-	-	-	-	-	-	-	-	-	-	-	-	-
Voltage control charge		(8.4)	8.3	0.1	-	-	-	-	-	-	-	-	-	0.0
Other system support services charge		-	-	-	-	-	-	-	-	-	-	-	-	-
Losses charge		(2.5)	(0.6)	1.0	1.1	0.2	0.1	0.2	0.3	0.2	-	-	-	(0.0)
Total Costs		146.5	53.7	(77.8)	(83.9)	(22.8)	(18.8)	2.6	0.3	0.2	0.0	-	-	0.0
Total Adjustments for 2016		146.3	53.9	(77.8)	(83.9)	(22.8)	(18.8)	2.6	0.3	0.2	0.0	-	-	0.0

TABLE 1.3

2015 Adjustments (\$ millions)	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	Total
Revenue														
Connection charge			(0.3)	0.2	0.1	-	-	-	-	-	-	-	-	-
Operating reserve charge			(0.1)	0.1	0.0	-	-	-	-	-	-	-	-	0.0
Transmission constraint rebalancing charge			-	-	-	-	-	-	-	-	-	-	-	-
Voltage control charge			(0.0)	0.0	0.0	-	-	-	-	-	-	-	-	(0.0)
Other system support services charge			(0.0)	0.0	0.0	-	-	-	-	-	-	-	-	0.0
Losses charge			0.0	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-	0.0
Total Revenue			(0.4)	0.3	0.1	0.0	0.0	0.0	0.0	0.0	-	-	-	0.0
Costs														
Connection charge			24.9	(11.4)	(12.4)	(4.7)	4.7	(1.0)	-	-	-	-	-	(0.0)
Operating reserve charge			0.0	(0.0)	-	-	-	-	-	-	-	-	-	-
Transmission constraint rebalancing charge			-	-	-	-	-	-	-	-	-	-	-	-
Voltage control charge			(0.6)	0.2	0.1	0.2	-	-	-	-	-	-	-	0.0
Other system support services charge			-	-	-	-	-	-	-	-	-	-	-	-
Losses charge			(0.3)	0.3	0.0	-	-	-	-	-	-	-	-	(0.0)
Total Costs			24.0	(10.8)	(12.2)	(4.5)	4.7	(1.0)	-	-	-	-	-	0.0
Total Adjustments for 2015			23.6	(10.5)	(12.2)	(4.5)	4.7	(1.0)	0.0	0.0	-	-	-	0.0

**AESO 2016 Deferral Account Reconciliation Application
Inter-Year Adjustments Reconciliation (2010 to 2017)**

The following tables show the transfer of revenues and costs between various years in the 'production month' deferral account reconciliation. As evidenced by the 'Total' column in each table, the transfers between years net to zero.

Table 1.0 provides a summary of the net transfers into and out of the various accounting years to show revenues and costs in the appropriate production years.

To explain how the tables work, using Table 1.2 for Connection charge costs, during 2016 a cost reduction of \$18.9 million occurred that related to 2011. To show this cost reduction in the correct year (2011) a negative amount is shown in the 2011 column and the offset of a positive \$18.9 million is included in the 2016 total of \$157.3 million, which is in combination with other transactions that occurred in 2016 that related to 2015 and prior years. The impact of the transfers between years nets to zero shown in the Total column.

As shown in Appendix A with the reconciliation of the financial statements to the annual deferral balances, the transfers between years have been fully accounted for (refer to Tables 1.1 to 1.8 below).

TABLE 1.4

2014 Adjustments (\$ millions)	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	Total
Revenue														
Connection charge				(0.7)	0.4	0.1	0.1	0.0	-	-	-	-	-	0.0
Operating reserve charge				(0.1)	0.1	(0.0)	(0.0)	0.0	-	-	-	0.0	-	(0.0)
Voltage control charge				(0.0)	0.0	(0.0)	(0.0)	-	-	-	-	-	-	0.0
Other system support services charge				(0.0)	0.0	0.0	0.0	0.0	-	-	-	-	-	0.0
Losses charge				(0.4)	0.3	0.0	0.1	0.0	-	-	-	0.0	-	0.0
Total Revenue				(1.3)	0.9	0.1	0.2	0.0	-	-	-	0.0	-	0.0
Costs														
Connection charge				31.9	15.1	(23.5)	(11.5)	(12.7)	0.5	0.2	0.1	-	-	0.0
Operating reserve charge				0.1	(0.1)	-	-	-	-	-	-	-	-	-
Voltage control charge				(9.4)	7.1	0.6	1.7	-	-	-	-	-	-	0.0
Other system support services charge				0.0	(0.0)	-	-	-	-	-	-	-	-	-
Losses charge				0.2	0.1	(0.1)	(0.1)	-	(0.0)	-	-	0.0	-	0.0
Total Costs				22.8	22.2	(23.1)	(10.0)	(12.7)	0.5	0.2	0.1	0.0	-	0.0
Total Adjustments for 2014				21.6	23.1	(23.0)	(9.9)	(12.6)	0.5	0.2	0.1	0.0	-	0.0

TABLE 1.5

2013 Adjustments (\$ millions)	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	Total
Revenue														
Connection charge					0.2	(0.1)	(0.1)	-	-	-	-	-	-	(0.0)
Operating reserve charge					0.2	(0.1)	(0.1)	-	-	-	(0.0)	-	-	(0.0)
Voltage control charge					0.0	(0.0)	(0.0)	-	-	-	(0.0)	-	-	(0.0)
Other system support services charge					(0.0)	0.0	(0.0)	-	-	-	-	-	-	-
Losses charge					(0.1)	0.0	0.0	-	-	-	-	-	-	0.0
Total Revenue					0.4	(0.1)	(0.3)	-	-	-	(0.0)	-	-	(0.0)
Costs														
Connection charge					(1.1)	0.5	0.5	0.2	(0.1)	(0.0)	-	-	-	(0.0)
Operating reserve charge					0.1	(0.1)	-	-	-	-	-	-	-	-
Voltage control charge					(22.6)	22.1	0.5	-	-	-	-	-	-	(0.0)
Other system support services charge					0.0	(0.0)	-	-	-	-	-	-	-	-
Losses charge					3.7	(1.3)	(2.4)	-	-	-	-	-	-	(0.0)
Total Costs					(19.9)	21.3	(1.4)	0.2	(0.1)	(0.0)	-	-	-	(0.0)
Total Adjustments for 2013					(19.5)	21.1	(1.7)	0.2	(0.1)	(0.0)	(0.0)	-	-	(0.0)

**AESO 2016 Deferral Account Reconciliation Application
Inter-Year Adjustments Reconciliation (2010 to 2017)**

The following tables show the transfer of revenues and costs between various years in the 'production month' deferral account reconciliation. As evidenced by the 'Total' column in each table, the transfers between years net to zero.

Table 1.0 provides a summary of the net transfers into and out of the various accounting years to show revenues and costs in the appropriate production years.

To explain how the tables work, using Table 1.2 for Connection charge costs, during 2016 a cost reduction of \$18.9 million occurred that related to 2011. To show this cost reduction in the correct year (2011) a negative amount is shown in the 2011 column and the offset of a positive \$18.9 million is included in the 2016 total of \$157.3 million, which is in combination with other transactions that occurred in 2016 that related to 2015 and prior years. The impact of the transfers between years nets to zero shown in the Total column.

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TABLE 1.6

2012 Adjustments (\$ millions)	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	Total
Revenue														
Connection charge						(0.7)	0.5	0.2	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Operating reserve charge						(0.2)	0.2	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	0.0
Voltage control charge						0.0	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	-	0.0
Other system support services charge						(0.0)	0.0	0.0	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Losses charge						0.2	(0.1)	(0.1)	(0.0)	-	-	-	-	(0.0)
Total Revenue						(0.6)	0.7	0.2	(0.0)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)
Costs														
Connection charge						7.3	(7.3)	-	-	-	-	-	-	-
Operating reserve charge						(0.0)	0.0	-	-	-	-	-	-	-
Voltage control charge						(4.5)	4.5	-	-	-	-	-	-	-
Other system support services charge						(0.0)	0.0	-	-	-	-	-	-	-
Losses charge						8.0	(7.6)	(0.3)	-	-	-	-	-	0.0
Total Costs						10.7	(10.4)	(0.3)	-	-	-	-	-	0.0
Total Adjustments for 2012						10.0	(9.7)	(0.2)	(0.0)	(0.1)	(0.0)	(0.0)	(0.0)	0.0

TABLE 1.7

2011 Adjustments (\$ millions)	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	Total
Revenue														
Connection charge							0.0	(0.0)	(0.0)	0.0	0.0	-	-	(0.0)
Operating reserve charge							0.1	(0.1)	(0.0)	0.0	0.0	-	-	(0.0)
Voltage control charge							0.0	(0.0)	(0.0)	0.0	0.0	-	-	0.0
Other system support services charge							0.0	(0.0)	(0.0)	(0.0)	0.0	-	-	0.0
Losses charge							0.0	(0.0)	0.0	-	-	-	-	0.0
Total Revenue							0.1	(0.1)	(0.0)	0.0	0.0	-	-	(0.0)
Costs														
Connection charge							0.0	(4.4)	1.7	1.9	0.8	-	-	0.0
Operating reserve charge							0.0	(0.0)	-	-	-	-	-	-
Voltage control charge							(3.3)	3.3	-	-	-	-	-	-
Other system support services charge							(0.0)	0.0	-	-	-	-	-	-
Losses charge							3.0	(1.4)	(0.2)	(0.4)	(0.3)	(0.4)	(0.3)	(0.0)
Total Costs							(0.2)	(2.5)	1.6	1.4	0.4	(0.4)	(0.3)	0.0
Total Adjustments for 2011							(0.1)	(2.6)	1.6	1.4	0.4	(0.4)	(0.3)	0.0

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TABLE 1.8

2010 Adjustments (\$ millions)	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	Total
Revenue														
Connection charge								0.9	(0.8)	(0.0)	(0.0)	(0.0)	0.0	(0.0)
Operating reserve charge								0.1	(0.0)	(0.0)	(0.0)	(0.0)	-	(0.0)
Voltage control charge								0.0	(0.0)	(0.0)	(0.0)	(0.0)	-	(0.0)
Other system support services charge								(0.0)	0.0	(0.0)	(0.0)	0.0	-	(0.0)
Losses charge								(0.0)	(0.0)	-	0.0	0.0	-	-
Total Revenue								1.1	(0.9)	(0.1)	(0.1)	(0.0)	0.0	(0.0)
Costs														
Connection charge								7.2	9.8	(11.8)	(4.8)	(0.3)	-	(0.0)
Operating reserve charge								0.1	(0.1)	-	-	-	-	-
Voltage control charge								(2.2)	2.1	0.1	-	-	-	(0.0)
Other system support services charge								-	-	-	-	-	-	-
Losses charge								2.1	(0.3)	(1.1)	(0.7)	-	-	0.0
Total Costs								7.2	11.4	(12.9)	(5.5)	(0.3)	-	(0.0)
Total Adjustments for 2010								8.3	10.5	(13.0)	(5.6)	(0.3)	0.0	(0.0)

Numbers may not add due to rounding