

October 13, 2016

Dear Stakeholders:

**Re: Notice – AESO’s 2017 Business Plan and Budget Proposal – Written Consultation Process and Request for Stakeholder Comments**

As noted in previous correspondence, the AESO is temporarily amending our annual Budget Review Process (BRP) to allow additional time for more details on the government’s policy to become available. With this in mind, we are preparing an interim budget along with a more concise Business Plan and Budget Proposal (Business Plan) that is intended to cover the AESO’s Own Costs for the first six months (i.e. January through June) and the Transmission Operating Forecasts for all twelve months of 2017.

The interim budget and Business Plan will be prepared by rolling forward the AESO’s 2016 business initiatives and budgets. We value stakeholders’ feedback and remain committed to implementing a transparent process that considers this input. We welcome all stakeholders to share their thoughts on the proposed 2017 interim budget through the submission of written comments. The AESO Board will consider this input in its final Board decision in December of this year.

We have prepared a [summary presentation](#) outlining the 2017 interim budget and Business Plan considerations, [a supplementary forecast and budget reference document](#) and a [comments matrix](#) for stakeholders as part of this consultation.

The summary presentation is intended to outline the key elements that will be used to prepare the interim budget and Business Plan. This includes: the list of 2016 business initiatives to be advanced in 2017, the Ancillary Service and Transmission Line Losses costs forecasts (i.e. Transmission Operating Costs) for 2017, and the AESO’s Own Costs (i.e. General & Administrative and Capital) budget requirements for the first six months of 2017. The reference document provides additional supporting forecast and budget information to the summary presentation.

Stakeholders are requested to forward their feedback on the summary presentation in the comments matrix to my attention on or before Monday, October 24. We plan to respond to these comments on October 31, 2017. Please do not hesitate to contact me if you have any questions.

Yours truly,

[original signed by]

Greg Spence  
Director, Business Planning

cc: Todd Fior – Vice President, Finance  
Carol Moline – Director, Accounting and Treasury