Prepared For: Alberta Electric System Operator

Rider E Calibration Factor Calculation for the First Quarter of 2017

Prepared by:

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2016 December 16

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December 16, 2016

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CURRENT YEAR MONTHLY DETAIL

2017 First Quarter Calibration Factor % = $\dfrac{\text{Carryforward }_{Dec\ 31,\ 2016} + [(\text{Cost of Losses} - \text{Loss Revenues}) - \text{Rider E Revenues}]_{Jan\ 1\ -\ Dec\ 31,\ 2017}}{[\text{Hourly Loss Factor Customer Volumes} \times \text{Hourly Pool Price}]_{Jan\ 1\ -\ Dec\ 31,\ 2017}}$

The following table provides a summary of the AESO's projected year-end losses account balance for Rider E for January to December 2017.

Period	Data Source	Calibration Factor Calculation Inputs					Denominator Value	Other Information		
		Numerator Values								
		Cost of Losses	Revenues Collected Loss Factors	Costs Less Revenue (Over Collected) / Under Collected	Rider E Refunded/ (Collected)	Outstanding Variance (Over Collected) / Under Collected	Monthly Loss Factor Customer Volumes × Pool Price	Average Monthly Pool Price	Monthly Loss Factor Customer Volumes	Monthly Loss Volumes
		$ millions	$ millions	$ millions	$ millions	$ millions	$ millions	$/MWh	millions MWh	millions MWh
Carryforward Dec 31, 2016						0.6				
January 2017	Forecast	7.7	7.8	(0.1)	0.0	(0.1)	207.26	35.85	5.65	0.21
February 2017	Forecast	5.3	5.3	0.0	0.0	0.0	140.56	28.62	4.87	0.18
March 2017	Forecast	4.6	4.4	0.2	0.0	0.2	125.48	24.25	5.13	0.19
April 2017	Forecast	4.9	5.0	(0.0)	0.0	(0.0)	137.06	28.90	4.66	0.17
May 2017	Forecast	5.1	5.2	(0.1)	0.0	(0.1)	147.61	30.67	4.72	0.16
June 2017	Forecast	4.7	5.1	(0.4)	0.0	(0.4)	136.68	27.80	4.80	0.17
July 2017	Forecast	5.6	6.1	(0.5)	0.0	(0.5)	162.08	30.62	5.25	0.18
August 2017	Forecast	9.8	10.7	(0.9)	0.0	(0.9)	290.38	51.14	5.45	0.18
September 2017	Forecast	7.1	7.5	(0.4)	0.0	(0.4)	203.74	38.44	5.18	0.18
October 2017	Forecast	4.5	4.6	(0.1)	0.0	(0.1)	121.82	22.88	5.27	0.19
November 2017	Forecast	6.3	6.4	(0.2)	0.0	(0.2)	170.84	31.34	5.31	0.20
December 2017	Forecast	6.8	6.8	0.0	0.0	0.0	178.10	31.01	5.63	0.22
Annual 2017		72.3	74.7	(2.4)	0.0	(2.4)	2021.61	31.79	61.92	2.23
Total Balance						(1.8)	2,021.61			
Calibration Factor Calculation Outputs: Rider E Calibration Factor Q1 2017						**(0.09%)**	**(Refund)/Charge**			

Notes:
1. The Rider E Calibration Factor will apply to all loss factor customers receiving service under Rates STS, DOS, XOS, and IOS as provided on the Rider E rate sheet.
2. If the Rider E Calibration Factor for Q1 remained in place during Q1, Q2, Q3, Q4, it would collect the variance between cost of losses and revenues by the end of 2017, as currently forecasted.
3. Forecast amounts in the above table and calculation reflect the AESO's best estimates at the time of preparation. The values represent forecasts and estimates only, and final values will differ.
4. Actual amounts in the above table are subject to revision in future periods due to interim and final settlement and to other adjustments.
5. The calibration factor calculation itself is based on summing hourly costs, revenues, and loss factor customer volumes x pool price, and the same result will not be obtained by using the monthly values presented.
6. Numbers may not add due to rounding.
7. "NA" means "not applicable".
8. The revenue, cost and Rider E amounts are shown on a production month basis.

The following table provides a summary of the AESO's losses account balance for Rider E for the period 2006 to 2016.

						Calibration Factor Calculation Inputs					Other Information		
				Numerator Values					**Denominator Value**				
Period	Data Source	Cost of Losses	Revenues Collected Loss Factors	Costs Less Revenue (Over Collected) / Under Collected	Rider E Refunded/ (Collected)	Outstanding Variance (Over Collected) / Under Collected			Monthly Loss Factor Customer Volumes × Pool Price		Average Monthly Pool Price	Monthly Loss Factor Customer Volumes	Monthly Loss Volumes
		$ millions	$ millions	$ millions	$ millions	$ millions			$ millions		$/MWh	millions MWh	millions MWh
Annual 2006 to 2013		**1,410.4**	**1,472.4**	**(62.0)**	**63.6**	**1.6**			NA		68.12	402.07	18.12
January 2014	Actual	9.1	9.1	0.0	0.3	0.8			NA		45.23	5.60	0.21
February 2014	Actual	17.0	17.0	0.0	0.6	0.2			NA		96.33	5.14	0.18
March 2014	Actual	8.8	8.8	0.0	0.3	0.9			NA		43.68	5.50	0.22
April 2014	Actual	5.8	5.8	0.0	0.2	0.6			NA		30.67	4.94	0.20
May 2014	Actual	9.4	9.4	0.0	0.4	1.0			NA		54.05	4.78	0.18
June 2014	Actual	7.3	7.3	0.0	0.3	0.7			NA		42.18	4.66	0.18
July 2014	Actual	22.5	22.5	0.0	(1.0)	(0.1)			NA		122.54	5.16	0.19
August 2014	Actual	8.7	8.7	0.0	(0.4)	(0.0)			NA		45.20	5.19	0.20
September 2014	Actual	4.6	4.6	0.0	(0.2)	0.8			NA		23.98	4.92	0.22
October 2014	Actual	5.4	5.4	0.0	(1.0)	0.1			NA		27.04	5.27	0.23
November 2014	Actual	7.5	7.5	0.0	(1.4)	(0.4)			NA		37.70	5.41	0.22
December 2014	Actual	5.8	5.8	0.0	(1.0)	0.0			NA		26.90	5.71	0.24
Annual 2014		111.9	111.9	0.0	(2.9)	4.7			NA		49.63	62.28	2.46
January 2015	Actual	7.5	7.5	(0.1)	0.0	(0.1)			NA		33.95	5.67	0.21
February 2015	Actual	6.4	6.2	0.1	0.0	0.2			NA		32.83	4.97	0.19
March 2015	Actual	4.1	4.1	0.0	0.0	0.0			NA		20.65	5.26	0.20
April 2015	Actual	3.7	3.7	0.0	0.0	0.0			NA		20.52	4.87	0.18
May 2015	Actual	8.1	9.2	(1.1)	0.1	(1.0)			NA		53.93	4.86	0.16
June 2015	Actual	16.6	17.7	(1.2)	0.1	(1.1)			NA		97.31	4.95	0.18
July 2015	Actual	4.6	4.6	0.0	(0.2)	(0.2)			NA		23.15	5.20	0.20
August 2015	Actual	6.5	6.8	(0.3)	(0.3)	(0.6)			NA		34.11	5.13	0.18
September 2015	Actual	4.3	4.2	0.1	(0.2)	(0.0)			NA		20.85	5.13	0.20
October 2015	Actual	4.6	4.5	0.2	0.1	0.3			NA		21.47	5.42	0.21
November 2015	Actual	4.4	4.3	0.1	0.1	0.3			NA		21.17	5.93	0.20
December 2015	Actual	5.0	4.5	0.5	0.1	0.6			NA		20.93	6.20	0.24
Annual 2015		75.8	77.4	(1.6)	(0.1)	(1.6)			NA		33.41	63.61	2.36
January 2016	Actual	5.0	4.7	0.3	(0.1)	0.2			NA		22.25	5.63	0.21
February 2016	Actual	3.2	3.3	(0.1)	(0.1)	(0.1)			NA		17.22	5.03	0.18
March 2016	Actual	2.6	2.7	(0.1)	(0.1)	(0.1)			NA		14.79	5.11	0.17
April 2016	Actual	2.3	2.3	(0.1)	(0.3)	(0.3)			NA		13.63	4.65	0.16
May 2016	Actual	2.7	2.7	(0.0)	(0.3)	(0.4)			NA		15.89	4.70	0.16
June 2016	Actual	2.7	2.8	(0.1)	(0.3)	(0.4)			NA		15.44	4.80	0.17
July 2016	Actual	3.4	3.6	(0.2)	(0.5)	(0.7)			NA		18.21	5.24	0.18
August 2016	Actual	3.4	3.6	(0.2)	(0.5)	(0.8)			NA		17.90	5.45	0.18
September 2016	Actual	3.2	3.4	(0.3)	(0.5)	(0.8)			NA		17.70	5.17	0.17
October 2016	Actual	4.3	5.0	(0.8)	(0.4)	(1.1)			NA		25.37	5.26	0.16
November 2016	Forecast	4.3	3.3	1.0	(0.2)	0.7			NA		16.32	5.31	0.17
December 2016	Forecast	5.9	5.8	0.2	(0.4)	(0.3)			NA		26.42	5.62	0.22
Annual 2016		42.8	43.2	(0.3)	(3.7)	(4.0)			NA		18.43	61.96	2.13

Carryforward Dec 31, 2016   **0.6**