FortisAlberta Inc.
AESO Bulk and Regional Tariff Design Stakeholder Engagement

April 12, 2021

Analysis of AESO Preferred DTS Tariff Design (as presented @ AESO Session 5) and as flowed-through to FortisAlberta Distribution Tariff (DT) Rate Classes

Line No.	Rate Class Description	Rate Code	A **Total 2019 DTS** (On Currently Approved AESO Structure) ('000)	B **Total 2019 DTS** (On AESO Preferred Structure) ('000)	C **Estimated % Impact to Transmission Component of FortisAlberta DT** (if AESO Preferred Design were approved)	D **Typical Range of Estimated % Impact to Transmission Component of FortisAlberta DT** (for individual customers within a rate class) **Low** Load Factor / Usage Customer	E **Typical** Load Factor / Usage Customer	F **High** Load Factor / Usage Customer	G **Load Factor / kW of Capacity Assumptions** used in calculating Columns D through E **Low** Load Factor	H **Typical** Load Factor	I **High** Load Factor	J **Low** kW of Capacity	K **Typical** kW of Capacity	L **High** kW of Capacity
1	**Residential**	**11**	$ 139,040	$ 135,534	**-2.5%**	-2.5%	-2.5%	-2.5%						
2	**FortisAlberta Farm**	**21-23**	28,269	27,518	**-2.7%**	-2.7%	-2.7%	-2.7%	*Note: Given that all transmission costs are metered and recovered exclusively through an energy charge in Rates 11 through 26, and a wattage charge for Lighting 3X, the % bill impact is uniform across full range of load factors / kWs.*					
3	**REA Farm**	**24-29**	23,575	23,043	**-2.3%**	-2.3%	-2.3%	-2.3%						
4	**FortisAlberta Irrigation**	**26**	16,637	15,870	**-4.6%**	-4.6%	-4.6%	-4.6%						
5	**Exterior Lighting**	**3X**	1,956	1,925	**-1.6%**	-1.7%	-1.7%	-1.7%						
6	**Small General Service**	**41**	56,522	55,367	**-2.0%**	-17.9%	-6.4%	1.6%	10.0%	25.0%	37.0%	3	5	19
7	**Oil and Gas**	**44-45**	25,391	26,392	**3.9%**	-18.9%	-2.3%	5.0%	10.0%	37.0%	51.0%	3	8	31
8	**General Service**	**61**	230,570	230,433	**-0.1%**	-5.6%	-2.3%	2.7%	30.0%	35.5%	54.3%	106	433	1,500
9	**Large General Service**	**63**	113,876	116,038	**1.9%**	-1.7%	1.1%	3.7%	25.0%	30.0%	40.0%	2,000	3,458	8,805
10	**Total FortisAlberta D-connected PODs**	**—**	**635,836**	**632,121**	**-0.6%**									

Bill Impact Analysis Assumptions:

1. Analysis completed by FortisAlberta based on its Transmission Cost Allocation method and Rate Design to DT rate classes as currently approved by the Commission.
2. Transmission Cost Allocation and Rate Design uses AESO 2019 DTS rates (as presented in AESO Session 5) and the forecast DTS and DT rate class billing determinants (as approved in FortisAlberta's 2021 Annual PBR rate filing) as summed across all FortisAlberta D-connected PODs .
3. Range of Estimated % Impact to T component of FortisAlberta's DT will vary based on individual customer's load characteristics / billing determinants and were calculated using a modified version of the bill impact 4.2 series schedules as filed in FortisAlberta's 2021 PBR Rates Filing.
4. The underlying Low, Typical and High load factor and usage scenarios used to determine bill impacts in Columns D through L are for illustrative purposes only, and provide a reasonable range of potential impacts for the majority of customers in the DT rate class.
5. FortisAlberta Rate 65 - Transmission Connected Service customers that are served by a dedicated AESO POD and receive a direct flow-through of the AESO's DTS tariff can estimate their bill impacts using the AESO-provided bill impact tool.