

March 31, 2015

Dear Loss Factor Stakeholders,

Re: **2015 Q2 Rider E**

Please find the attached 2015 Q2 Rider E.

Yours truly,

John Kehler
Senior Technical Advisor

cc: Han Yu

Prepared For: Alberta Electric System Operator


Rider E Calibration Factor Calculation for the Second Quarter of 2015

Prepared by:

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PERMIT TO PRACTICE TESHMONT CONSULTANTS LP
Signature <u></u>
Date <u>March 31 2015.</u>
PERMIT NUMBER: P 03012
The Association of Professional Engineers, Geologists and Geophysicists of Alberta



March 31, 2015



CURRENT YEAR MONTHLY DETAIL

$$\text{2015 Second Quarter Calibration Factor \%} = \frac{\text{Carryforward}_{\text{Dec 31, 2014}} + [(\text{Cost of Losses} - \text{Loss Revenues}) - \text{Rider E Revenues}]_{\text{Jan 1 - Dec 31, 2015}}}{[\text{Hourly Loss Factor Customer Volumes} \times \text{Hourly Pool Price}]_{\text{Apr 1 - Dec 31, 2015}}}$$

The following table provides a summary of the AESO's projected year-end losses account balance for Rider E for January to December 2015.

		Calibration Factor Calculation Inputs					Other Information				
		Numerator Values			Denominator Value						
Period	Data Source	Cost of Losses \$ millions	Revenues Collected Loss Factors \$ millions	Revenue (Over Collected) / Under Collected \$ millions	Rider E Refunded/ (Collected) \$ millions	Outstanding Variance (Over Collected) / Under Collected \$ millions	Monthly Loss Factor Customer Volumes x Pool Price \$ millions	Average Monthly Pool Price \$/MWh	Monthly Loss Factor Customer Volumes millions MWh	Monthly Loss Volumes millions MWh	
Carryforward Dec 31, 2014		2.9									
January 2015	Actual	7.2	7.5	(0.3)	0.0	(0.3)	NA	33.95	5.66	0.20	
February 2015	Forecast	9.1	10.1	(1.0)	0.0	(1.0)	NA	50.70	5.49	0.18	
March 2015	Forecast	5.8	6.1	(0.3)	0.0	(0.3)	NA	27.77	5.85	0.21	
April 2015	Forecast	11.6	12.6	(1.0)	0.0	(1.0)	329.93	59.73	5.35	0.19	
May 2015	Forecast	4.3	4.4	(0.1)	0.0	(0.1)	119.89	23.26	5.09	0.18	
June 2015	Forecast	4.4	4.5	(0.1)	0.0	(0.1)	118.81	23.68	4.94	0.18	
July 2015	Forecast	6.9	7.1	(0.3)	0.0	(0.3)	196.94	35.27	5.47	0.19	
August 2015	Forecast	6.4	6.9	(0.5)	0.0	(0.5)	177.38	32.49	5.37	0.20	
September 2015	Forecast	7.4	7.6	(0.2)	0.0	(0.2)	189.92	37.08	5.07	0.20	
October 2015	Forecast	6.9	6.9	0.1	0.0	0.1	175.69	32.24	5.42	0.21	
November 2015	Forecast	7.8	7.5	0.3	0.0	0.3	191.81	34.63	5.49	0.23	
December 2015	Forecast	9.2	9.1	0.1	0.0	0.1	228.06	39.46	5.74	0.23	
Annual 2015		87.1	90.5	(3.3)	0.1	(3.3)	1728.43	35.85	64.95	2.41	
Total Balance		(0.4)					1,728.43				

Calibration Factor Calculation Outputs: Rider E Calibration Factor Q2 2015 **(0.02%)** (Refund)/Charge

Notes:

- 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.
- If the Rider E Calibration Factor for Q2 remained in place during Q2, Q3, Q4, it would collect the variance between cost of losses and revenues by the end of 2015, as currently forecasted.
- 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.
- Actual amounts in the above table are subject to revision in future periods due to interim and final settlement and to other adjustments.
- 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.
- Numbers may not add due to rounding.
- "NA" means "not applicable".
- The revenue, cost and Rider E amounts are shown on a production month basis.

PRIOR YEARS MONTHLY DETAIL

Prepared For: Alberta Electric System Operator
 Rider E Calibration Factor Calculation
 For the Second Quarter of 2015
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The following table provides a summary of the AESO's losses account balance for Rider E for the period 2006 to 2014.

Period	Data Source	Calibration Factor Calculation Inputs					Denominator Value	Other Information			
		Numerator Values						Monthly Loss Factor Customer Volumes × Pool Price	Average Monthly Pool Price	Monthly Loss Factor Customer Volumes	Monthly Loss Volumes
		Cost of Losses	Revenues Collected Loss Factors	Costs Less Revenue (Over Collected) / Under	Rider E Refunded/ (Collected)	Outstanding Variance (Over Collected) / Under Collected					
\$ millions	\$ millions	\$ millions	\$ millions	\$ millions	\$ millions						
Annual 2006 to 2011		1,076.1	1,142.9	(66.8)	49.5	(17.3)	NA	71.95	344.15	15.86	
January 2012	Actual	17.0	19.2	(2.2)	(0.0)	(2.2)	NA	84.54	5.16	0.20	
February 2012	Actual	8.7	8.8	(0.1)	(0.0)	(0.1)	NA	43.67	4.78	0.19	
March 2012	Actual	9.6	10.4	(0.8)	(0.0)	(0.8)	NA	51.08	4.91	0.19	
April 2012	Actual	6.8	7.7	(0.9)	0.7	(0.2)	NA	41.69	4.58	0.17	
May 2012	Actual	5.4	5.8	(0.4)	0.5	0.1	NA	29.46	4.58	0.18	
June 2012	Actual	8.3	9.0	(0.6)	0.8	0.2	NA	49.30	4.38	0.16	
July 2012	Actual	13.7	14.1	(0.3)	1.3	1.0	NA	68.39	4.86	0.19	
August 2012	Actual	12.3	10.5	1.8	2.7	4.5	NA	56.54	4.88	0.19	
September 2012	Actual	19.4	17.8	1.6	4.7	6.3	NA	110.39	4.54	0.18	
October 2012	Actual	17.9	16.6	1.3	2.6	3.9	NA	91.36	4.91	0.19	
November 2012	Actual	18.8	15.7	3.1	2.5	5.6	NA	87.41	4.98	0.20	
December 2012	Actual	12.5	11.3	1.3	1.8	3.0	NA	57.62	5.38	0.22	
Annual 2012		150.5	146.8	3.7	17.5	21.2	NA	64.29	57.92	2.26	
January 2013	Actual	11.8	12.2	(0.5)	0.1	(0.3)	NA	58.02	5.36	0.21	
February 2013	Actual	5.0	5.6	(0.6)	0.1	(0.6)	NA	28.71	4.75	0.20	
March 2013	Actual	19.5	20.3	(0.8)	0.2	(0.5)	NA	105.63	5.04	0.19	
April 2013	Actual	24.6	24.9	(0.3)	(1.1)	(1.4)	NA	137.66	4.81	0.18	
May 2013	Actual	23.2	22.9	0.2	(1.0)	(0.8)	NA	127.66	4.69	0.18	
June 2013	Actual	17.4	17.6	(0.3)	(0.8)	(1.0)	NA	104.77	4.44	0.16	
July 2013	Actual	10.7	11.0	(0.4)	(0.9)	(1.3)	NA	56.14	4.89	0.19	
August 2013	Actual	15.7	16.4	(0.7)	(1.3)	(2.0)	NA	83.64	4.85	0.17	
September 2013	Actual	22.5	21.2	1.4	(1.8)	(0.4)	NA	111.98	4.72	0.18	
October 2013	Actual	12.8	12.6	0.2	1.3	1.4	NA	64.56	4.99	0.21	
November 2013	Actual	6.8	6.1	0.6	0.6	1.2	NA	28.34	5.23	0.24	
December 2013	Actual	11.9	11.8	0.1	1.2	1.3	NA	52.26	5.67	0.23	
Annual 2013		181.7	182.8	(1.0)	(3.4)	(4.5)	NA	79.95	59.42	2.33	
January 2014	Actual	9.5	9.1	0.4	0.3	0.7	NA	45.23	5.60	0.21	
February 2014	Actual	16.2	17.0	(0.7)	0.6	(0.2)	NA	96.33	5.13	0.17	
March 2014	Actual	9.4	8.8	0.5	0.3	0.8	NA	43.68	5.50	0.21	
April 2014	Actual	6.1	5.8	0.3	0.2	0.6	NA	30.67	4.94	0.19	
May 2014	Actual	10.0	9.4	0.6	0.4	1.0	NA	54.05	4.78	0.18	
June 2014	Actual	7.6	7.3	0.4	0.3	0.7	NA	42.18	4.66	0.18	
July 2014	Actual	23.1	22.5	0.6	(1.0)	(0.4)	NA	122.54	5.16	0.19	
August 2014	Actual	9.0	8.7	0.3	(0.4)	(0.1)	NA	45.20	5.19	0.20	
September 2014	Actual	5.6	4.6	0.9	(0.2)	0.8	NA	23.98	4.92	0.22	
October 2014	Actual	6.4	5.4	1.0	(1.0)	0.0	NA	27.04	5.27	0.23	
November 2014	Actual	8.5	7.5	1.0	(1.4)	(0.4)	NA	37.70	5.41	0.22	
December 2014	Actual	6.9	5.8	1.0	(1.0)	(0.0)	NA	26.90	5.71	0.24	
Annual 2014		118.2	111.9	6.3	(2.9)	3.4	NA	49.63	62.27	2.46	