



TransAlta Corporation

Refiling Pursuant to Decision 2009-151

February 26, 2010



ALBERTA UTILITIES COMMISSION

Decision 2010-087: TransAlta Corporation

Refiling Pursuant to Decision 2009-151

Application No. 1605773

Proceeding ID. 447

February 26, 2010

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1 INTRODUCTION

1. On January 5, 2010, TransAlta Corporation (TransAlta) filed an application (Refiling Application) reflecting the findings, conclusions and directions of the Alberta Utilities Commission (AUC or Commission) set out in [Decision 2009-151](#).¹
2. TransAlta also requested that, coincident with the Commission's approval of Transmission Facility Owner (TFO) terms and conditions of service to be filed pursuant to a refiling ordered in [Decision 2009-248](#),² TransAlta's current TFO terms and conditions of service be replaced with those so approved.
3. In [Order U2008-367](#),³ the Commission directed TransAlta to true up the difference in revenue requirement between its interim and final tariff for the period it is on interim rates after it receives a ruling on its final TFO tariff. TransAlta has continued to apply the interim approved rates pending approval of this Refiling Application.
4. Approval of TransAlta's final tariff for 2009 and 2010 in the amounts of \$3.848 million and \$4.079 million respectively, will establish the amount of the monthly charge to the Alberta Electric System Operator (AESO) and the terms and conditions of service for the AESO's use of TransAlta's transmission facilities.
5. Notice of the Refiling Application was issued on January 6, 2010. The Commission received Statements of Intention to Participate (SIPs) from the AESO, the Office of the Utilities Consumer Advocate (UCA) and the Consumers' Coalition of Alberta (CCA).
6. The Commission considers the close of record to be January 21, 2010.

¹ Decision 2009-151: AltaLink Management Ltd. and TransAlta Corporation, 2009 and 2010 Transmission Facility Owner Tariffs (Application No. 1587092 and 1594573, Proceeding ID. 102) (Released: October 2, 2009).

² Decision 2009-248: AltaLink Management Ltd Refiling of Transmission Facility Owner Terms and Conditions Pursuant to Decision 2008-108 (Application No. 1605040, Proceeding ID. 195) (Released: December 14, 2009).

³ Order U2008-367: TransAlta Utilities Corporation 2009 Interim Transmission Facility Owners Tariff and Terms and Conditions (Application No. 1595790, Proceeding ID 136) (Released: December 4, 2008).

2 SUMMARY OF REFILING APPLICATION

7. TransAlta's Refiling Application for the years 2009 and 2010 included:

- A discussion of Refiling Directions from Decision 2009-151 specific to TransAlta.
- Schedules showing a reconciliation of the monthly revenue collected on interim rates to the revised revenue requirement, including a summary of revenue requirement changes that resulted from its compliance with the Refiling Directions.

8. For the billing period from January 1, 2009 to December 31, 2009, TransAlta determined that a refund in the amount of \$367,170 as shown in [Appendix 2](#), should be paid to the AESO to reflect the difference between the interim tariff approved in Order U2008-367 and the revenue requirement for the same period as determined in the Refiling Application.

9. TransAlta determined that, effective January 1, 2010, the new transmission tariff net of GST to be paid to TransAlta should increase to \$339,889 per month subject to any additional true up of 2010 to reflect amounts collected under the interim tariff approved in Order U2008-367 after January 1, 2010. TransAlta has also determined the following refunds due to the AESO in the amount of \$470,105 comprised of the following (also shown in [Appendix 2](#)):

- Property tax deferral account in the amount of \$76,398.
- Annual Tower payment deferral account in the amount of \$388,306 and;
- Direct assign capital deferral account in the amount of \$5,401.

10. TransAlta further requested approval to collect amounts payable under its transmission tariff directly from the AESO as of January 1, 2010. AltaLink Management Ltd. was in agreement with this proposal.

11. The SIP received from the AESO indicated that it did not oppose the Refiling Application. Similarly, while the SIP of the CCA provided certain observations in respect of materials filed with the Refiling Application, the CCA indicated that TransAlta was in general compliance with Decision 2009-151 and did not object to TransAlta's proposed tariff charges of \$320,696/month for 2009 and \$339,889/month for 2010. Further, the CCA advised that it did not object to TransAlta's request to collect its transmission tariff directly from the AESO.

12. The UCA did not comment on the Refiling Application in its SIP.

3 COMMISSION FINDINGS

13. The Commission has reviewed TransAlta's responses to directions from Decision 2009-151 which relate to the Refiling Application and finds that TransAlta's responses comply with Decision 2009-151 in all material respects.

14. The Commission approves TransAlta's final revenue requirements for 2009 and 2010 in the amounts of \$3.848 million and \$4.079 million respectively. In addition, the Commission approves TransAlta's calculation of a refund to the AESO in the amount of \$470,105.

15. The Commission similarly approves TransAlta's calculation of a refund to the AESO in the amount of \$367,170 to reflect the difference between the interim tariff approved in Order U2008-367 and the approved revenue requirement for the period from January 1, 2009 to December 31, 2009.

16. The Commission understands that as at the date of this Decision, TransAlta has issued invoices to the AESO in respect of January and February 2010 at the approved interim rate of \$351,293, representing a surplus of \$11,404 over the approved 2010 revenue requirement expressed on a monthly basis. Accordingly, the Commission directs TransAlta to provide an additional refund to the AESO in the amount of \$22,808 as shown in Appendix 2.

17. The Commission further approves TransAlta's current terms and conditions of service, subject to any changes approved by the Commission as a consequence of the refiling ordered in Decision 2009-248. Such changes will come into effect on the date, if any, on which the Commission directs the changes to come into effect in relation to TransAlta or, in the absence of such a direction from the Commission, on the date those changes are approved by the Commission.

4 ORDER

18. For and subject to the reasons set out in this Decision, it is hereby ordered that

- (1) The transmission tariff of TransAlta Corporation shall be as set out in [Appendix 3](#) of this Order and will be in effect from March 1, 2010 to December 31, 2010.
- (2) TransAlta Corporation's current TFO terms and conditions of service are applicable subject to any changes that may be approved by the Commission as a consequence of the refiling ordered in Decision 2009-248. Such changes will come into effect on the date, if any, on which the Commission directs the changes to come into effect in relation to TransAlta or, in the absence of such a direction from the Commission, on the date those changes are approved by the Commission.
- (3) TransAlta shall make a payment to the AESO in the amount of \$860,084 on or before March 15, 2010.

Dated on February 26, 2010.

ALBERTA UTILITIES COMMISSION

(original signed by)

Anne Michaud
Commissioner

APPENDIX 1 – PROCEEDING PARTICIPANTS

Name of Organization (Abbreviation) Counsel or Representative
TransAlta Corporation B. Smith K. Perley
Consumers Coalition of Alberta (CCA) J. Wachowich
Alberta Electric System Operator (AESO) G. Marinho R. Sharma A. Walters J. Martin
Utilities Consumer Advocate (UCA) C. McCreary

Alberta Utilities Commission Commission Panel A. Michaud, Commissioner Commission Staff C. Wall (Commission Counsel) U. Pillai W. MacKenzie J. Halls

APPENDIX 2 – SUMMARY OF REFUND[\(return to text\)](#)

Approved interim monthly Transmission Tariff as per AUC Order 2008-367 for the period January 1 to December 31, 2009	\$351,293
Total revenue on interim rates for the period January 1- December 31, 2009	4,215,516
Monthly Refiled Revenue Requirement	320,696
Total Refiled Revenue Requirement for the period January 1- December 31, 2009	3,848,346
Refund owing on interim rates	(367,170)
Approved interim monthly Transmission Tariff as per AUC Order 2008-367 for the period January 1 to December 31, 2009	351,293
Total revenue on interim rates for the period January 1 to February 28, 2010	702,586
Monthly Refiled Revenue Requirement for January 1 to December 31, 2010	339,889
Total Refiled Revenue Requirement for the period January 1 to February 28, 2010	679,777
Refund owing on interim rates for 2010	(22,808)
<u>Add deferral account refund:</u>	
Property tax deferral account	(76,398)
Annual tower payment deferral account	(388,306)
Direct assign capital deferral account	(5,401)
Total	\$(470,105)
Total Refund Owing to the AESO	\$860,084

APPENDIX 3 - RATE SCHEDULE

[\(return to text\)](#)

Effective March 1, 2010

TransAlta Corporation
Final 2010 Rate Schedule
Transmission Tariff

Eligibility

To the Alberta Electric System Operator for use of TransAlta Corporation transmission facilities.

Rate

Effective March 1, 2010 the monthly transmission tariff charged to the Alberta Electric System Operator:

Monthly Charge: \$339,889

Terms and Conditions

The terms and conditions of TransAlta Corporation form part of this rate schedule and apply to service supplied under this tariff.