



Effective October 1, 2011
FortisAlberta Inc.
2011 Q4 QTAR

**FortisAlberta Quarterly Transmission Adjustment Rider (QTAR)
For Q4 2011
('\$ 000)**

Line No.	Description	A	B	C	D	E
		Jan - July 2011	Aug - Sept 2011	Q4 2011	Total Estimated YTD Deferral Balance at Q4 2011	
		(Costs Paid) / Credited [Note 1]	(Estimated Costs) / Credit [Note 2]	(Estimated Costs) / Credit [Note 2]	[Col A+B+C]	
1	DTS - Interconnection Charge [Sch 2 & 3, Line 28]	(114,904)	(45,367)	(71,133)	(231,404)	
2	DTS - Operating Reserve Charge [Sch 2 & 3, Line 29]	(35,540)	(5,694)	(5,279)	(46,513)	
3	DTS - Voltage Control Charge [Sch 2 & 3, Line 30]	(6,157)	(1,369)	(2,262)	(9,788)	
4	DTS - Other System Support Services Charge [Sch 2 & 3, Line 31]	(1,069)	(331)	(508)	(1,908)	
5	Under-Frequency Load Shedding Credits [Sch 2, Line 33]	568	163	244	975	
6	Interchange Charge [Sch 3, Line 33]	(2,213)	(569)	(874)	(3,656)	
7	Rider C (Charge) / Credit [Sch 2 & 3, Line 43] [Note 3]	(41,466)	(14,173)	(133)	(55,772)	
8	Total Cost	(200,781)	(67,340)	(79,945)	(348,066)	
9	Total Revenue [Sch 4, Line 49] [Notes 1 & 2]	150,668	42,485	65,700	258,853	
10	Variance Over / (Under) Collected [8 + 9]	(50,113)	(24,855)	(14,245)	(89,213)	
11	Total QTAR Collected / (Refunded) [Note 4]	29,551	15,851	-	45,403	
12	Total Variance Over / (Under) Collected [10 + 11]	(20,562)	(9,004)	(14,245)	(43,810)	
13			Q1	Q2	Q3	Q4
14	Quarterly Adjustment % (to be added to 2011 Base TAR %):		14.62%	18.71%	37.31%	66.68%
			Charge / (Refund)			

Rate Class Description	Rate Code	2011 Base TAR [Note 5]	2011 Quarterly Transmission Adjustment Rider (QTAR) Charge / (Credit)			
			Q1 Jan 1, 2011	Q2 April 1, 2011	Q3 Jul 1, 2011	[Note 6] Q4 Oct 1, 2011
15 Residential	Rate 11	10.73%	25.35%	29.44%	48.04%	77.41%
16 FortisAlberta Farm	Rates 21, 23	9.81%	24.43%	28.52%	47.12%	76.49%
17 REA Farm	Rates 24	9.56%	24.18%	28.27%	46.87%	76.24%
18 FortisAlberta Irrigation	Rate 26	-1.28%	13.34%	17.43%	36.03%	65.40%
19 REA Irrigation	Rate 29	9.56%	24.18%	28.27%	46.87%	76.24%
20 Exterior Lighting	Rates 31, 33, 38	10.53%	25.15%	29.24%	47.84%	77.21%
21 Small General Service	Rate 41	9.14%	23.76%	27.85%	46.45%	75.82%
22 Oil & Gas Service	Rates 44,45	7.24%	21.86%	25.95%	44.55%	73.92%
23 General Service	Rate 61	6.76%	21.38%	25.47%	44.07%	73.44%
24 Large General Service	Rate 63	6.74%	21.36%	25.45%	44.05%	73.42%

Notes:

- Actual costs are taken from the AESO, Interchange and Option M invoices. At the time of filing, July's actual Interchange charges, Option M charges and Revenue were not available or finalized, therefore the amounts are estimates.
- Estimated revenue is calculated based on forecast volumes multiplied by FortisAlberta's Rates as per the 2010 Phase II Compliance Filing (as approved in Decision 2010-576). Estimated costs (including Option M) are calculated based on Distribution-Connected load forecast volumes multiplied by the AESO's approved Tariff (as per the AESO's 2010 ISO Tariff Compliance Filing). Interchange charges are calculated based on forecast Interchange volumes multiplied by the other utilities' distribution rates. The forecasted volumes used are those approved in the 2010-2011 Phase I Compliance Filing, Decision 2010-560.
- Rider C is calculated based on forecasted volumes multiplied by the AESO's quarterly updated Rider C estimate.
- Column A, Line 11 - collection of \$29.551 M is calculated using QTAR collected from January to June and forecasted July revenue multiplied by the Q3 Quarterly Adjustment. Column B, Line 11 - collection of \$15.851 M is calculated by multiplying the forecasted revenue for Aug - Sept 2011 by the Q3 Quarterly Adjustment. Column C, Line 11 is 0 because the Quarterly Adjustment amount will not be collected until Oct 2011, therefore collections/(refunds) are not incorporated in the calculation.
- Base TAR is from the 2009 AESO Charges Deferral Account and 2011 Quarterly Transmission Adjustment Rider Application (as per Decision 2010-558 on December 7, 2010).
- The Quarterly Adjustment % is determined based on the Total Variance Over / (Under) Collected (Column D, Line 12) divided by Q4 Estimated Revenue (Column C, Line 9). The Quarterly Adjustment of 66.68% is added to the base 2011 TAR by rate class (Column A, Lines 15 through 24) to derive the Q4 QTAR % (Col E, Lines 15 through 24). The QTAR applies as a percentage of base Distribution Tariff Transmission Component charges.