

April 1, 2020

To: AUC administration fee participants

**RE: 2020-2021 AUC administration fee**

The Alberta Utilities Commission recovers its annual operating and capital costs through an assessment of natural gas and electricity sector participants that it regulates. Individual administration fee amounts are determined by a cost assessment model using a two-step approach. The initial step allocates costs to administration fee categories based on the AUC's services provided to the category. Where applicable, category costs are then allocated to individual participants based on their billable site count as of February 28, 2020.

As in prior years, the 2020-2021 administration fee will be determined in two portions. The first determination occurs in early April and represents the AUC's estimated net expenditures for April to December. The second determination, representing the remaining three months of the AUC's fiscal year, will occur in December.

This year, due to current circumstances, the first determination may be paid in two installments. Amounts payable and due dates are provided in the orders issued to participants.

For the 2020-2021 fiscal year the AUC's budgeted administration fee is \$32.096 million. The 2020-2021 budgeted administration fee represents a decrease of \$0.564 million when compared to the budgeted administration fee of \$32.660 million for 2019-2020. The decrease is a result of identified operational savings for 2020-2021.

For questions or concerns related to this year's administration fee, please contact AUC Director of Financial and Procurement Services Sabi Ghavami at 403-592-4473, or by email at [sabi.ghavami@auc.ab.ca](mailto:sabi.ghavami@auc.ab.ca), or alternatively, AUC Financial Analyst Tony Rosgen at 403-592-4409, or by email at [tony.rosgen@auc.ab.ca](mailto:tony.rosgen@auc.ab.ca).

Yours truly,

*(original signed by)*

Robert D. Heggie  
Chief Executive