

April 1, 2021

To: AUC administration fee participants

RE: 2021-2022 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. The cost assessment model uses a two-step approach in determining individual administration fee amounts. 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 March 1, 2021.

As in prior years, the 2021-2022 administration fee will be determined in two portions. The first determination occurs in April and represents the AUC's estimated net expenditures from April to December. The second determination, representing the remaining three months of the AUC's fiscal year, will occur in December.

The AUC's budgeted administration fee for the 2021-2022 fiscal year is \$31.377 million. This represents a decrease of \$0.719 million when compared to the budgeted administration fee of \$32.096 million for 2020-2021. The decrease is a result of identified operational savings for 2021-2022 due to increased efficiencies.

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, or alternatively, AUC Financial Analyst Tony Rosgen at 403-592-4409, or by email at tony.rosgen@auc.ab.ca.

Yours truly,

(original signed by)

Robert D. Heggie
Chief Executive