

September 30, 2005

Mr. Todd Fior, CA
Director, Risk & Settlement
Finance and Accounting
Alberta Electric System Operator
2500, 330-5th Avenue S.W.
Calgary, Alberta T2P 0L4

Dear Mr. Fior:

RE: Directive 012 (Alberta Tariff Billing Code)

With respect to the ISO's compliance timeline with the Tariff Billing Code transmission tariff billing requirements, the EUB understood the ISO and their customers intended on working towards a November 30, 2005 cutover and would prepare for this cutover through an EUB led consultative process. This consultative process was to focus on defining transmission tariff billing requirements, mapping ISO tariffs into the transmission tariff bill file format, deriving market integration test cases and market integration test plan. Further, the EUB process would coordinate market integration testing and other pre-transition activities between the ISO and their customers. At a status update meeting that was held on September 27, 2005 between the EUB's program team and ISO's transmission billing team, it became apparent that despite the best efforts on the part of the ISO and their customers, progress is not yet to a stage where a smooth transition to Tariff Billing Code compliant transmission tariff billing processes is possible for the proposed November 30th cutover date.

Consequently, EUB is advising the ISO that the proposed November 30th cutover date is no longer achievable and a revised transition timeline is to be developed. In addition, the filing of a compliance plan outlining the timing for compliance with the requirements defined in Appendix J of Version 1.2 of the Tariff Billing Code will be required as soon as practical.. This will assist the market participants and ISO customers in understanding and planning for the revised timelines. Section 6.1 of the Tariff Billing Code provides instructions regarding the information to be contained in the compliance plan.

In considering this alternate transition timeline, the EUB respectfully request the ISO consider, among other criteria, the impact to their customers of multiple changes to the ISO output file leading up to the release of transmission tariff billing compliant transactions contemplated under the Tariff Billing Code. The EUB encourages the ISO to consider all reasonable options in terms of the count and frequency of modifications to their transmission billing output files necessitated by the development of a new transmission tariff billing system, 2006 tariffs and eventual compliance with transmission tariff billing compliant transactions contemplated under the Tariff Billing Code.

Should you have any questions, please contact myself by email at fino.tiberi@gov.ab.ca or by phone at 403-297-3542.

Yours truly,

<Original signed by>

Fino Tiberi
Senior Research and Policy Analyst
Alberta Energy and Utilities Board

cc. Nancy Cameron