



balancingpool

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The Balancing Pool is increasing the amount allocated to Alberta electricity consumers for 2008

An allocation of over \$250 million in surplus funds from the Balancing Pool will flow through to all electric consumers in Alberta during 2008.

Under provisions of the Electric Utilities Act, each year the Balancing Pool is required to forecast its revenues and expenses to determine any excess or shortfall of funds. There will be an increase in the current allocation to \$5.00 per Megawatt hour of consumption during 2008, which will result in over \$250 million being distributed to Alberta's electricity consumers. In 2007, \$3.00 per Megawatt hour is being distributed to electricity consumers, totalling over \$150 million.

"The Balancing Pool assets have generated strong cash flows during 2007, particularly from the Genesee and Hydro Power Purchase Arrangements and we forecast this to continue," said Gary Reynolds, President and CEO. The allocation amount will be reviewed for 2009 and each year thereafter to 2020.

The Balancing Pool's forecast is determined by current power prices, future price expectations, decommissioning costs and potential costs associated with the existing Power Purchase Arrangements.

The Balancing Pool was established in 1999 by the Government of Alberta to help manage certain assets, revenues and expenses arising from the transition to competition in Alberta's electric industry. In 2006, the Balancing Pool had revenues of some \$580 million and managed over \$1.9 billion in assets.

For further information:

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