

Rule 005

Annual Reporting Requirements of Operational and Financial Results

The Alberta Utilities Commission (AUC/Commission) has approved an amendment to subsection 3 (7) of this rule on April 29, 2008.

Definitions

- 1** In these rules
 - (a) “Act” means the *Alberta Utilities Commission Act*,
 - (b) “Commission” means Alberta Utilities Commission,
 - (c) “utilities” include regulated service providers, and default service providers.

Application

- 2** These rules apply to regulated electric utilities, gas utilities, regulated service providers, and default service providers.

Filing Requirements

- 3(1)** Each utility must file an annual financial report with the Commission and any interested parties that request it.
- (2)** The financial report must be submitted electronically via the Electronic Application Systems (EAS) in Excel format.
- (3)** The financial report must be in the form and contain the financial and operating information set out in Schedules 1 through 11 of Appendix 1 for electric utilities and regulated service providers and Schedules 1 through 11 of Appendix 2 for gas utilities and default service providers.
- (4)** Each utility must file a complete set of schedules and supporting explanations with the Commission as soon possible after the end of each year, once the utility’s financial results are approved and publicly available, but no later than May 1 for electric utilities and regulated service providers and May 15 for gas utilities and default service providers of the year after the year for which the report is being submitted.
- (5)** In addition, each utility must file its audited financial statements, complete with notes and audit opinion letter and must reconcile financial results as reported in the audited statements to

utility results as reported in the required schedules, using Schedules 10 and 11 of Appendix 1 for electric utilities and regulated service providers or Schedules 10 or 11 in Appendix 2 for gas utilities and default service providers.

(6) Schedules 1 through 11 in Appendix 1 and Appendix 2 include generic categories and line items and each utility must assess this information and adapt the line item layout to best fit its business operations, keeping in mind the key objective of this exercise, which is to provide the Commission with a thorough and reasonable understanding of the utility’s operations.

(7) Although subsection (6) allows adaptation of the information in the Schedules, each utility, regulated service providers or default service providers report must be consistent with the column layout in each schedule and must provide detailed explanations of the variances within the parameters outlined below:

- (a) Variance explanations must be presented in a separate document, cross-referencing back to the specific schedule and line item being explained and must be sufficiently detailed so as to provide a reasonable understanding of the nature and cause of the variance.
- (b) For years for which there is an approved forecast for the year, actual results must be compared with the approved forecast, with explanations provided for significant variances as described below.
- (c) For years for which interim rates are in place pending a final decision by the Commission, actual results must be compared with the prior year’s actual results, with explanations provided for significant variances. Upon receipt of a final decision by the Commission, the utility must file updated schedules comparing actual results with the approved forecast.
- (d) For years for which there is a negotiated settlement in place and it is sufficiently detailed to allow meaningful comparisons; comparisons must be made to the negotiated settlement. If the negotiated settlement is a “black box” settlement, actual results must be compared to the prior year’s actual results.
- (e) If there is not an approved forecast for the year, actual results must be compared with the prior year’s actual results.
- (f) For utilities other than regulated service providers and default service providers explanations are required for variances based on the following criteria:

Utility Rate Base	Variance Limits
≥\$2 billion	\$5 million, or 10% and having a \$ amount greater than \$1 million
≥\$1 billion, <\$2 billion	\$2 million, or 10% and having a \$ amount greater than \$500K
≥\$500 million, <\$1 billion	\$1 million, or 10% and having a \$ amount greater than \$250K
≥\$100 million, <\$500 million	\$500K, or 10% and having a \$ amount greater than \$125K
≥\$25 million, <\$100 million	\$200K, or 10% and having a \$ amount greater than \$100K
<\$25 million	\$100K, or 10% and having a \$ amount greater than \$50K

- (g) For regulated service providers and default service providers, explanations are required for variances greater than \$500K, or 10% and having a \$ amount greater than \$125K.
- (h) For non-financial data, explanations are required for variances greater than or equal to 10%.

(8) The Commission may request any additional information or detail from the utility, regulated service provider, or default service provider considered necessary to supplement the information filed in the annual report, or require the filing of financial and other operating information for an interim period under defined circumstances in the same format as that required for annual reporting.

Interim Review

4 The Commission may initiate an interim review, in consultation with a utility, on the basis of criteria including

- (a) the existence of numerous or well-substantiated complaints from customers about the level of rates or the quality of service;
- (b) specific substantive concerns identified by representatives of consumer groups;
- (c) concerns identified by recipients of reports generated pursuant to the terms and conditions of a settlement; or
- (d) concerns identified by the Commission from a review of annual results that warrant follow-up before the next annual review.

Appendix 1 Schedules for Electric Utility and Regulated Service Providers Annual Financial and Operating Reporting

The following schedules must be filed each year in addition to the utility's or provider's audited financial statements.

Schedule 1	Summary of Revenue Requirement
Schedule 2	Summary of Return on Rate Base
Schedule 2.1	Summary of Mid-Year Rate Base
Schedule 2.2	Summary of Mid-Year Capital Structure
Schedule 2.3	Schedule of Debt Capital Employed
Schedule 2.4	Schedule of Preferred Share Capital Employed
Schedule 3	Summary of Operating and Maintenance Expense
Schedule 4	Summary of Depreciation Expense
Schedule 4.1	Capital Assets Continuity Schedule
Schedule 4.2	Summary of Capital Additions
Schedule 5	Summary of Utility Income Tax
Schedule 6	Summary of Customers, Energy and Revenue
Schedule 7	Explanation of Transactions with Affiliated Companies
Schedule 8	Summary of Payroll and Manpower Statistics
Schedule 9	Summary of Reserve/Deferral Accounts
Schedule 10	Reconciliation of Financial Reports to Audited Financial Statements – Income Statement Items
Schedule 11	Reconciliation of Financial Reports to Audited Financial Statements – Balance Sheet Items

Appendix 2 Schedules for Gas Utility and Default Service Providers Annual Financial and Operating Reporting

The following schedules must be filed each year in addition to the utility's or provider's audited financial statements.

Schedule 1	Summary of Revenue Requirement
Schedule 2	Summary of Return on Rate Base
Schedule 2.1	Summary of Mid-Year Rate Base
Schedule 2.2	Summary of Mid-Year Capital Structure
Schedule 2.3	Schedule of Debt Capital Employed
Schedule 2.4	Schedule of Preferred Share Capital Employed
Schedule 2.5	Schedule of Reconciliation
Schedule 2.6	Schedule of Degree Days and Transportation Units
Schedule 3	Summary of Operating and Maintenance Expense
Schedule 4	Summary of Depreciation Expense
Schedule 4.1	Capital Assets Continuity Schedule
Schedule 4.2	Summary of Capital Additions
Schedule 5	Summary of Utility Income Tax
Schedule 6	Summary of Customers, Energy and Revenue
Schedule 7	Explanation of Transactions with Affiliated Companies
Schedule 8	Summary of Payroll and Manpower Statistics
Schedule 9	Summary of Reserve/Deferral Accounts
Schedule 10	Reconciliation of Financial Reports to Audited Financial Statements – Income Statement Items
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Electric Utility and Regulated Service Provider Schedules 1 – 11 are available for download in Excel format.

Link to [Schedules 1 – 11 \(Excel\)](#)

Gas Utility and Default Service Providers Schedules 1-11 are available for download in Excel format.

Link to [Schedules 1-11 \(Excel\)](#)