

May 30, 2019

Decision 24603-D01-2019

EPCOR Energy Alberta GP Inc.
2000, 10423 101 St.
Edmonton, Alta. T5H 0E8

Attention: Ms. Helen Luk Luong
Manager, RRO & Default Operations

EPCOR Energy Alberta GP Inc.
Regulated Rate Tariff
Electric Energy Charges – June 2019
Proceeding 24603

1. On May 27, 2019, EPCOR Energy Alberta GP Inc.¹ (EEA) filed its energy charges applicable to its regulated rate tariff (RRT) for the month of June 2019 with the Alberta Utilities Commission. The RRT energy charges apply to the EPCOR Distribution & Transmission Inc. (EDTI) and FortisAlberta Inc. service territories.
2. The filing included an attestation letter from a senior officer of EEA in accordance with the format directed by the Commission in Decision 22357-D01-2018.² The attestation letter stated the senior officer had conducted a final review of the filing and affirmed that the rates had been determined in accordance with the energy price setting plan (EPSP) for 2018 to 2021, as approved by the Commission in Decision 22357-D01-2018, Decision 23492-D01-2018,³ Decision 23916-D01-2018⁴ and Decision 24284-D01-2019.⁵

¹ Through Decision 2014-045: EPCOR Energy Alberta Inc. and EPCOR Energy Alberta GP Inc., Approval of Arrangement to Provide Regulated Rate Option Service, Proceeding 2818, Application 1609903-1, February 26, 2014, the Commission approved the appointment of EEA, in its capacity as the general partner of EPCOR Energy Alberta Limited Partnership, to provide regulated rate option service to eligible customers within EDTI's and Fortis' distribution service area.

² Decision 22357-D01-2018: EPCOR Energy Alberta GP Inc., 2018-2021 Energy Price Setting Plan, March 16, 2018.

³ Decision 23492-D01-2018: EPCOR Energy Alberta GP Inc., 2018-2021 Energy Price Setting Plan Compliance Filing, May 31, 2018.

⁴ Decision 23916-D01-2018: EPCOR Energy Alberta GP Inc., Application for Amendments to the 2018-2021 Energy Price Setting Plan, October 18, 2018.

⁵ Decision 24284-D01-2019: EPCOR Energy Alberta GP Inc., Application for Amendment to the 2018-2021 Energy Price Setting Plan, February 21, 2019.

3. EEA’s proposed energy charges for the month of June 2019 are as follows:

Energy charges (EDTI service territory)

Rate class	Energy charge as calculated cents/kilowatt hour (kWh)	Energy charge as billed cents/kWh
Residential	7.231	6.800
Small Commercial	7.231	6.800
Lighting	4.275	4.275

Energy charges (Fortis service territory)

Rate class	Energy charge as calculated cents/kWh	Energy charge as billed cents/kWh
Residential	7.112	6.800
Small Commercial	7.212	6.800
Lighting	4.424	4.424
Farm	7.165	6.800
Irrigation	6.960	6.800
Oil & Gas	6.941	6.800

4. EEA stated that, as noted in its April 2019 acknowledgement filing, an additional full load strip was procured for the month of June 2019. EEA deducted the \$175 trading fee for that strip from its rate calculation and stated that it is unknown whether suppliers’ behaviour would be altered with a different strip size. Additionally, EEA estimated and used a reduced procurement price of full load product of \$65.50/MWh for its rate calculation, rather than using the actual full load product procurement price of \$65.62/MWh, to further ensure that customers would not incur any costs associated with the additional full load strip procurement. The Commission accepts EEA’s proposed methodology to adjust its June 2019 monthly rate to eliminate the impact of purchasing the additional full load strip.

5. As part of its filing and in accordance with the *Rate Cap (Commission Approved Regulated Rate Tariffs) Regulation*, EEA also submitted its deferral account statement for the month of June 2019. EEA’s energy charges for the EDTI Residential, EDTI Small Commercial, Fortis Residential, Fortis Small Commercial, Fortis Farm, Fortis Irrigation, and Fortis Oil and Gas rate classes exceeded the price cap of 6.8 cents/kWh, and therefore, the price cap is reflected in EEA’s energy charges for the month. EEA stated that its deferral account was calculated for both the revenue shortfall related to the implementation of the price cap in addition to any deferral account balance adjustments.

6. The AUC has reviewed the filing, including the attestation letter from the senior officer. In accordance with Section 7(3) of the *Regulated Rate Option Regulation*, the AUC acknowledges that the energy charges as set out above represent rates determined in accordance with EEA’s EPSP for 2018 to 2021 and are applicable to EEA’s RRT in the EDTI and Fortis service territories for the month of June 2019.

7. The AUC has also reviewed EEA's deferral account statement and EEA's calculation of its deferral account balance. In accordance with Section 4 of the *Rate Cap (Commission Approved Regulated Rate Tariffs) Regulation*, the AUC approves EEA's submitted deferral account statement for the month of June 2019. The approved deferral account statement is included as an appendix to this letter.

8. Further, as outlined in sections 7(4) and 7(5) of the *Regulated Rate Option Regulation*, EEA must retain records sufficient to enable the AUC to audit any previous monthly rates set by EEA. Any amount overcharged to customers due to an incorrect rate calculation must be refunded to customers as soon as practicable after the error is discovered.

9. If any affected party objects to the calculation of the energy charges for the month in question, they should notify the AUC and EEA in a timely manner, and include the nature of their objection and the reason(s) why it should be considered.

10. The Commission may, within 30 days of the date of this decision and without notice, correct typographical, spelling and calculation errors and other similar types of errors and post the corrected decision on its website.

(original signed by)

Mark Kolesar
Chair

Attachment

Appendix 1 – EEA June 2019 Deferral Account Statement



Appendix 1 - EEA
June 2019 Deferral Ac
(consists of 1 page)

DEFERRAL ACCOUNT STATEMENT PRESCRIBED UNDER Section 3 of RATE CAP (COMMISSION APPROVED REGULATED RATE TARIFFS) REGULATION
(Calculation of Deferral Account Amounts for Owners regulated by the Alberta Utilities Commission)

NOTE: Areas shaded in grey to be completed by the Owner

A.) Current Delivery Month Calculation

Current Month Submission: Jun-19 Section 3(3)(a)

	Monthly Rate (\$/kWh)	Maximum Rate (\$/kWh)	Forecast Consumption (kWh)	Deferral Account Amount (\$)
Rate Class	Regulation, Section 3(3)(a)(i)	Act, Section 2(1)(b)	Regulation Section 3(3)(a)(ii)	Regulation Section 3(3)(a)(iii) or (iv)
1 EDTI Residential	0.07231	0.068	97711846.25	421138.0574
2 EDTI Small Comm	0.07231	0.068	43189566.06	186147.0297
3 EDTI Lighting	0.04275	0.068	102147.1537	0
4 Fortis Residential	0.07112	0.068	124288960.7	387781.5572
5 Fortis Small Comm	0.07212	0.068	47861236.88	197188.296
6 Fortis Lighting	0.04424	0.068	236163.5603	0
7 Fortis Farm	0.07165	0.068	22157078.36	80873.33603
8 Fortis Irrigation	0.0696	0.068	18128927.27	29006.28363
9 Fortis Oil & Gas	0.06941	0.068	891061.6469	1256.396922
			GST	65169.54784
			Total - Estimated (\$)	1368560.505

Section 3(3)(a)(v)
Section 3(3)(a)(v)

B.) Recalculation based on actual consumption data

Previously Submitted Month: Dec-18 Section 3(3)(b)

	Monthly Rate (\$/kWh)	Maximum Rate (\$/kWh)	Actual Consumption (kWh)	Previous Deferral Account Amount (\$)	*Recalculation (\$)	Difference (\$)
Rate Class	Regulation Section 3(3)(b)(i)	Act, Section 2(1)(b)	Regulation Section 3(3)(b)(ii)	Regulation Section 3(3)(b)(iii)	Regulation Section 3(3)(b)(iv)	Regulation Section 3(3)(b)(v)
1 EDTI Residential	0.07769	0.068	128450263.6	1314657.868	1244683.054	-69974.81447
2 EDTI Small Comm	0.07769	0.068	48708429.29	495006.9117	471984.6798	-23022.23189
3 EDTI Lighting	0.06948	0.068	236718.4092	346.2934768	350.3432456	4.049768823
4 Fortis Residential	0.07672	0.068	177593926.7	1655480.139	1548619.041	-106861.0982
5 Fortis Small Comm	0.07779	0.068	59410759.56	583759.4826	581631.3361	-2128.146462
6 Fortis Lighting	0.06924	0.068	609375.3754	802.8452694	755.6254655	-47.21980397
7 Fortis Farm	0.07728	0.068	41460814.89	422534.2643	384756.3622	-37777.9021
8 Fortis Irrigation	0.07672	0.068	164192.0655	1507.722701	1431.754811	-75.96788945
9 Fortis Oil & Gas	0.07659	0.068	1572963.487	9058.868585	13511.75636	4452.88777
10				0	0	0
					GST	-11771.52216
					Balance Adjustment (\$)	-247201.9654

Section 3(3)(c)
Section 3(3)(c)

Previously Submitted Month: Section 3(3)(b)

1		0.068				
2		0.068				
3		0.068				
4		0.068				
5		0.068				
6		0.068				
					GST	
					Balance Adjustment (\$)	

Section 3(3)(c)
Section 3(3)(c)

C.) Deferral Account Balance (\$): Net Amount Payable by Province/(Payable by the Owner)

1121358.539 Section 3(3)(d)

*Instruction:
For Recalculation, calculate the
Actual Results for applicable month
for each rate class based on final
monthly rate and actual
consumption, according to sections
3.3.b.(i) and (ii)

Document Review and Sign-off:

Mark Kolesar, Chair
Name and Title of AUC Signing Authority

May 30, 2019
Date