

June 27, 2019

Decision 24666-D01-2019

Direct Energy Marketing Limited
 2500, 530 8 Ave. S.W.
 Calgary, Alta. T2P 3S8

Attention: Ms. Nicole Black
 Senior Manager, Government and Regulatory Affairs
 Direct Energy Marketing Limited

**Direct Energy Regulated Services
 Regulated Rate Tariff
 Electric Energy Charges – July 2019
 Proceeding 24666**

1. On June 24, 2019, Direct Energy Regulated Services (DERS) filed its energy charges applicable to its regulated rate tariff (RRT) for the month of July 2019 with the Alberta Utilities Commission.

2. The filing included an attestation letter from a senior officer of DERS in accordance with the format directed by the Commission in Decision 20459-D01-2015.¹ The attestation letter stated the senior officer had conducted a review of the filing and affirmed that the rates had been determined in accordance with the energy price setting plan (EPSP) for 2016 to 2018, as approved by the Commission in Decision 21295-D01-2017.²

3. DERS’ proposed energy charges for the month of July 2019 are as follows:

Rate class	Energy charge as calculated cents/kilowatt hour (kWh)	Energy charge as billed cents/kWh
Residential	8.294	6.800
Commercial	8.275	6.800
Industrial	7.965	6.800
Farming (Includes REA)	8.216	6.800
Irrigation (Includes REA)	7.827	6.800
Oil & Gas	7.910	6.800
Lighting	4.754	4.754

4. As part of its filing and in accordance with the *Rate Cap (Commission Approved Regulated Rate Tariffs) Regulation*, DERS also submitted its deferral account statement for the

¹ Decision 20459-D01-2015: Direct Energy Regulated Services, 2014-2018 Energy Price Setting Plan Compliance Filing, Proceeding 20459, December 21, 2015.

² Decision 21295-D01-2017: Direct Energy Regulated Services, 2016-2018 Energy Price Setting Plan Second Compliance Filing, Proceeding 21295, August 30, 2017.

month of July 2019. DERS' energy charges for the Residential, Commercial, Industrial, Farming, Irrigation, and Oil and Gas rate classes exceeded the price cap of 6.8 cents/kWh, and therefore, the price cap is reflected in DERS' energy charges for the month. DERS 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.

5. 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 DERS' EPSP for 2016 to 2018.

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

7. Further, as outlined in sections 7(4) and 7(5) of the *Regulated Rate Option Regulation*, DERS must retain records sufficient to enable the AUC to audit any previous monthly rates set by DERS. 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.

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

9. 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 – DERS July 2019 Deferral Account Statement



Appendix 1 - DERS
July 2019 Deferral Acc
(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: Jul-19 Section 3(3)(a)

	Monthly Rate (\$/kWh)	Maximum Rate (\$/kWh)	Forecast Consumption (kWh)	Deferral Account Amount (\$)
	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 Residential	0.08294	0.068	43561643	650810.9403
2 Commercial	0.08275	0.068	17337708	255731.1927
3 Industrial	0.07965	0.068	2659663	30985.07361
4 Farming (excl REA)	0.08216	0.068	14934326	211470.0561
5 Irrigation	0.07827	0.068	298361	3064.170346
6 Oil & Gas	0.0791	0.068	278067	3086.539327
7 Lighting	0.04754	0.068	97098	0
			GST	57757.39862
			Total - Estimated (\$)	1212905.371

B.) Recalculation based on actual consumption data

Previously Submitted Month: Jan-19 Section 3(3)(b)

	Monthly Rate (\$/kWh)	Maximum Rate (\$/kWh)	Actual Consumption (kWh)	Previous Deferral Account Amount (\$)	*Recalculation (\$)	Difference (\$)
	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 Residential	0.07655	0.068	55,627,773.78	557291.1546	475617.4659	-81673.68874
2 Commercial	0.07696	0.068	23,958,522.61	214875.2704	214668.3626	-206.907844
3 Industrial	0.07539	0.068	3,305,799.63	25443.34138	24429.85924	-1013.482142
4 Farming (excl REA)	0.07643	0.068	27,387,050.18	258832.4861	230872.833	-27959.65307
5 Irrigation (excl REA)	0.07447	0.068	0	0.43996	0	-0.43996
6 Oil & Gas	0.07529	0.068	333,710.77	2616.84027	2432.751548	-184.0887217
7 Lighting	0.06756	0.068	211,281.55	0	0	0
					GST	-5551.913024
					Balance Adjustment (\$)	-116590.1735

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

1		0.068			0	0
2		0.068			0	0
3		0.068			0	0
4		0.068			0	0
5		0.068			0	0
6		0.068			0	0
					GST	0
					Balance Adjustment (\$)	0

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

1096315.197 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

June 27, 2019
Date