

June 27, 2019

Decision 24669-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 – July 2019
Proceeding 24669**

1. On June 24, 2019, EPCOR Energy Alberta GP Inc.¹ (EEA) filed its energy charges applicable to its regulated rate tariff (RRT) for the month of July 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's 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 July 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 | 9.578 | 6.800 |
| Small Commercial | 9.578 | 6.800 |
| Lighting | 5.342 | 5.342 |

Energy charges (Fortis service territory)

| Rate class | Energy charge as calculated cents/kWh | Energy charge as billed cents/kWh |
|------------------|---------------------------------------|-----------------------------------|
| Residential | 9.424 | 6.800 |
| Small Commercial | 9.557 | 6.800 |
| Lighting | 5.565 | 5.565 |
| Farm | 9.495 | 6.800 |
| Irrigation | 9.175 | 6.800 |
| Oil & Gas | 9.147 | 6.800 |

4. EEA also noted that, as allowed in Decision 22357-D01-2018, EEA made load forecasting improvements that have no impact on its July 2019 rates. EEA stated that it will file for acknowledgment an amended EPSP that sets out these changes in Proceeding 24284. The Commission acknowledges that Decision 22357-D01-2018 allows for EEA to make improvements to its load forecasting methodology and that these changes will be reviewed and formally acknowledged in Proceeding 24284.

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 July 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 July 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 July 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 July 2019 Deferral Account Statement



Appendix 1 - EEA July
2019 Deferral Account
(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)

| Rate Class | Regulation, Section 3(3)(a)(i) | Act, Section 2(1)(b) | Monthly Rate (\$/kWh) | Maximum Rate (\$/kWh) | Forecast Consumption (kWh) | Deferral Account Amount (\$) | |
|-------------------------------|--------------------------------|----------------------|-----------------------|-----------------------|----------------------------|------------------------------|--------------------|
| 1 EDTI Residential | 0.09578 | 0.068 | 105734633.6 | 2937308.122 | | | |
| 2 EDTI Small Comm | 0.09578 | 0.068 | 45544382.85 | 1265222.956 | | | |
| 3 EDTI Lighting | 0.05342 | 0.068 | 108850.7054 | 0 | | | |
| 4 Fortis Residential | 0.09424 | 0.068 | 135045040.5 | 3543581.863 | | | |
| 5 Fortis Small Comm | 0.09557 | 0.068 | 50918991.93 | 1403836.607 | | | |
| 6 Fortis Lighting | 0.05565 | 0.068 | 247971.0324 | 0 | | | |
| 7 Fortis Farm | 0.09495 | 0.068 | 23281908.75 | 627447.4408 | | | |
| 8 Fortis Irrigation | 0.09175 | 0.068 | 29258521.25 | 694889.8797 | | | |
| 9 Fortis Oil & Gas | 0.09147 | 0.068 | 598173.7861 | 14039.13876 | | | |
| | | | GST | 524316.3004 | | Section 3(3)(a)(v) | |
| Total - Estimated (\$) | | | | | | 11010642.31 | Section 3(3)(a)(v) |

B.) Recalculation based on actual consumption data

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

| Rate Class | Regulation Section 3(3)(b)(i) | Act, Section 2(1)(b) | Monthly Rate (\$/kWh) | Maximum Rate (\$/kWh) | Actual Consumption (kWh) | Previous Deferral Account Amount (\$) | *Recalculation (\$) | Difference (\$) |
|--------------------------------|-------------------------------|----------------------|-----------------------|-----------------------|--------------------------|---------------------------------------|---------------------|-----------------|
| 1 EDTI Residential | 0.07733 | 0.068 | 125491398.3 | 1253792.82 | 1170834.746 | -82958.0746 | | |
| 2 EDTI Small Comm | 0.07733 | 0.068 | 51189803.15 | 494317.3851 | 477600.8634 | -16716.52166 | | |
| 3 EDTI Lighting | 0.06723 | 0.068 | 238020.1248 | 0 | 0 | 0 | | |
| 4 Fortis Residential | 0.07626 | 0.068 | 171602405.3 | 1536958.629 | 1417435.868 | -119522.7609 | | |
| 5 Fortis Small Comm | 0.07733 | 0.068 | 61080666.46 | 579117.6509 | 569882.618 | -9235.032833 | | |
| 6 Fortis Lighting | 0.06637 | 0.068 | 586492.4415 | 0 | 0 | 0 | | |
| 7 Fortis Farm | 0.07683 | 0.068 | 41472009.25 | 407146.4886 | 366197.8417 | -40948.64693 | | |
| 8 Fortis Irrigation | 0.07594 | 0.068 | 156265.452 | 1185.067113 | 1240.747689 | 55.68057527 | | |
| 9 Fortis Oil & Gas | 0.07577 | 0.068 | 1210275.41 | 7625.987222 | 9403.839934 | 1777.852712 | | |
| 10 | | | | | 0 | 0 | | |
| | | | | | GST | -13377.37518 | Section 3(3)(c) | |
| Balance Adjustment (\$) | | | | | | | -280924.8788 | 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 | | Section 3(3)(c) | |
| Balance Adjustment (\$) | | | | | | | | Section 3(3)(c) |

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

10729717.43 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