

**CITY OF LETHBRIDGE
ELECTRIC UTILITY**

**City of Lethbridge Electric Utility
Transmission Facility Owner
Annual Financial and Operating Report
to
The Alberta Utilities Commission**

Requirements for Annual Financial and Operating Reporting by Electric Utilities

LEU TFO FINANCIAL & OPERATING REPORT

Regulated Utility:	City of Lethbridge Electric Utility Transmission Facility Owner (LEU TFO)		
Reporting Period:	Year Ending	December 31, 2019	
Reporting Date:		April 30, 2020	
Contacts:	Michael Zimmer, Regulatory and Rates Manager		michael.zimmer@lethbridge.ca

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City of Lethbridge Electric Utility
SUMMARY OF REVENUE REQUIREMENT
December 31, 2019
(\$000s)

Line No.	Description	Cross-Reference	2019 Actual	2019 Forecast	2018 Actual	Var. Actual to Forecast	Var. %	Var. Actual to Prior Year	Var. %	Working Paper Reference
1	Return on Rate Base	Sch 2	1,369	2,139	1,753	(770)	-36.0%	(384)	-21.9%	Sch 1-1
2	Operating and Maintenance	Sch 3	3,742	3,835	3,900	(93)	-2.4%	(157)	-4.0%	Sch 1-2
3	Depreciation and Amortization	Sch 4	3,462	2,635	1,637	827	31.4%	1,825	111.5%	Sch 1-3
4	Deferral Account Amortization	Sch 9	0	0	0	0	0.0%	0	0.0%	Sch 1-4
5	Hearing Cost	Sch 9	66	42	50	24	55.7%	16	32.0%	Sch 1-5
6	Subtotal		8,640	8,651	7,340	(12)	-0.1%	1,300	17.7%	
7										
8	Revenue Offsets		0	0	0	0	0.0%	0	0.0%	Sch 1-8
9										
10	Total Revenue Requirement		8,640	8,651	7,340	(12)	-0.1%	1,300	17.7%	Sch 1-10
11										
12										
13	<u>Detailed Revenue Requirement</u>									
14	Transmission Tariff Revenue	Sch 6	7,122	8,651	7,122	(1,530)	-17.7%	0	0.0%	Sch 1-14
15	Revenue Deferral Pending Rate Decisi	Sch 9	1,518	0		1,518	0.0%	1,518	0.0%	Sch 1-15
16										
17	Total Revenue Requirement		8,640	8,651	7,122	(12)	-0.1%	1,518	21.3%	Sch 1-17

Guidelines:

- (1) Total Revenue Requirement must be reconciled on Schedule 10 to the Audited Financial Statements.
 - (2) Provide a detailed breakdown of items included in Revenue Offsets and Other Revenue in a supporting sub-schedule.
- * Refer to note in Schedule 12

City of Lethbridge Electric Utility
SUMMARY OF RETURN ON RATE BASE
 December 31, 2019
 (\$000s)

2019 Actual

Line No.	Description	Cross-Reference	Mid-Year Capital	Ratio	Prorated Rate Base	Cost Rate %	Return \$	Var. Actual to Forecast	Var. %	Working Paper Reference
1	Long-Term Debt	Sch 2.2	25,319.0	63.00%		3.66%	927.7 *	48.6	5.5%	Sch 2-1
2	Preferred Shares	Sch 2.2	0.0	0.00%		0.00%	0.0			Sch 2-2
3	Common Equity	Sch 2.2	14,869.9	37.00%		2.97%	441.2 *	(818.5)	-65.0%	Sch 2-3
4										
5	Mid-Year Invested Capital	Sch 2.1	<u>40,188.9</u>	<u>100.00%</u>	<u>0.0</u>	<u>3.41%</u>				Sch 2-5
6										
7	Return on Mid-Year Rate Capital	Sch 1					<u>1,368.9</u>	<u>(769.9)</u>	<u>-36.00%</u>	Sch 2-7

2019 Forecast

Line No.	Description	Cross Reference	Mid Year Capital	Deemed Structure	Prorated Rate Base	Cost Rate %	Return \$			Working Paper Reference
8	Long-Term Debt	Sch 2.2	25,235.0	63.00%		3.48%	879.1			Sch 2-8
9	Preferred Shares	Sch 2.2	0.0	0.00%		0.00%	0.0			Sch 2-9
10	Common Equity	Sch 2.2	14,820.5	37.00%		8.50%	1,259.7			Sch 2-10
11										
12	Mid-Year Invested Capital	Sch 2.1	<u>40,055.5</u>	<u>100.00%</u>	<u>0.0</u>	<u>5.34%</u>				Sch 2-12
13										
14	Return on Mid-Year Rate Capital	Sch 1					<u>2,138.8</u>			Sch 2-14

Guidelines:

(1) If an approved EUB forecast for the year is not available, compare this year's actual results with those for the prior year.

* Refer to note in Schedule 12

City of Lethbridge Electric Utility
SUMMARY OF MID-YEAR RATE BASE
December 31, 2019
(\$000s)

Line No.	Description	Cross-Reference	2019 Actual	2019 Forecast	2018 Actual	Var. Actual to Forecast	Var. %	Var. Actual to Prior Year	Var. %	Working Paper Reference	
	<u>Gross Utility Plant in Service</u>										
1	Opening Balance	Sch 4.1	65,351.4	65,889.4	44,683.1	(538.0)	-0.8%	20,668.3	46.3%	Sch 2.1-1	
2	Closing Balance		72,540.1	75,870.5	58,183.3	(3,330.4)	-4.4%	14,356.8	24.7%	Sch 2.1-2	
3	Mid-Year Gross Utility Plant in Service		<u>68,945.7</u>	<u>70,880.0</u>	<u>51,433.2</u>	<u>(1,934.2)</u>	<u>-2.7%</u>	<u>17,512.5</u>	<u>34.0%</u>	Sch 2.1-3	
4											
5	<u>Accumulated Depreciation - Utility</u>										
6	Opening Balance		20,293.7	23,762.8	15,229.0	(3,469.1)	-14.6%	5,064.8	33.3%	Sch 2.1-6	
7	Closing Balance		21,533.0	26,970.3	16,567.0	(5,437.2)	-20.2%	4,966.0	30.0%	Sch 2.1-7	
8	Mid-Year Accumulated Depreciation - Utility		<u>20,913.4</u>	<u>25,366.6</u>	<u>15,898.0</u>	<u>(4,453.2)</u>	<u>-17.6%</u>	<u>5,015.4</u>	<u>31.5%</u>	Sch 2.1-8	
9											
10	<u>Contributions in Aid of Construction</u>										
11	Opening Balance		8,274.9	7,133.8	8,274.9	1,141.1	16.0%	0.0	0.0%	Sch 2.1-11	
12	Closing Balance		8,274.9	7,133.8	8,274.9	1,141.1	16.0%	0.0	0.0%	Sch 2.1-12	
13	Mid-Year Utility Contributions in Aid of Construction		<u>8,274.9</u>	<u>7,133.8</u>	<u>8,274.9</u>	<u>1,141.1</u>	<u>16.0%</u>	<u>0.0</u>	<u>0.0%</u>	Sch 2.1-13	
14											
15	<u>Amortization of Contributions</u>										
16	Opening Balance		440.6	880.3	1,134.1	(439.7)	-49.9%	(693.5)	-61.2%	Sch 2.1-16	
17	Closing Balance		1,504.9	1,071.8	440.6	433.0	40.4%	1,064.3	241.5%	Sch 2.1-17	
18	Mid-Year Utility Amortization of Contributions		<u>972.7</u>	<u>976.1</u>	<u>787.4</u>	<u>(3.3)</u>	<u>-0.3%</u>	<u>185.4</u>	<u>23.5%</u>	Sch 2.1-18	
19											
20											
21	Mid-Year Net Utility Plant in Service		<u>40,730.1</u>	<u>39,355.6</u>	<u>28,047.6</u>	<u>1,374.5</u>	<u>3.5%</u>	<u>12,682.5</u>	<u>45.2%</u>	Sch 2.1-21	
22											
23											
24	Necessary Working Capital		468.4	604.1	496.5			(28.1)	-5.7%	Sch 2.1-24	
25	Other No Cost Capital										
26											
27	Mid-Year Net Rate Base (Capital Invested)	Sch 2	<u>41,198.5</u>	<u>39,959.8</u>	<u>28,544.1</u>	<u>1,374.5</u>	<u>3.4%</u>	<u>12,654.4</u>	<u>44.3%</u>	Sch 2.1-27	

Guidelines:

(1) Closing balances for each category must be reconciled on Schedule 11 to the audited Balance Sheet.

* Refer to note in Schedule 12

City of Lethbridge Electric Utility
SUMMARY OF MID-YEAR CAPITAL STRUCTURE
 December 31, 2019
 (\$000s)

Line No.	Description	Cross-Reference	Current Year End	Previous Year End	Actual Mid Year Capital	Forecast Mid Year Capital	Var. Actual to Forecast	Var %	Working Paper Reference
1	Long-Term Debt	Sch 2.3			25,319	25,235	84	0.3% *	Sch 2.2-1
2	Preferred Shares	Sch 2.4			0	0	0	*	Sch 2.2-2
3	Common Equity				14,870	14,821	49	0.3% *	Sch 2.2-3
4									
5	Total Mid-Year Invested Capital				<u>40,189</u>	<u>40,056</u>	<u>133</u>	<u>0.3%</u>	Sch 2.2-5

Guidelines:

- (1) If an approved EUB forecast for the year is not available, compare this year's actual results with those for the prior year.
- (2) Capital Structure pertains only to the regulated portion of the business.
- (3) Year-end balances for each category must be reconciled on Schedule 11 to the audited Balance Sheet.

* Refer to note in Schedule 12

City of Lethbridge Electric Utility
SCHEDULE OF DEBT CAPITAL EMPLOYED
 December 31, 2019
 (\$000s)

2019 Actual

Line No.	Cross-Reference	Description	Principal Amount	Total Amount	Effective Cost Rate %	Carrying Cost	Variance Actual to Forecast *	Var. %	Working Paper Reference
1		Capital Debt Financed (Mid-Year)	25,319.0	25,319.0	#REF!	927.7	48.6	5.5% *	Sch 2.3-1
2									Sch 2.3-2
3									Sch 2.3-3
4									
5									
6									
7									
8	Sch 2.2	Mid-Year Balance	<u>25,319.0</u>	<u>25,319.0</u>		<u>0 927.7 0.00%</u>	<u>48.6</u>	<u>5.5%</u>	Sch 2.3-8

2019 Forecast

Line No.	Cross-Reference	Description	Principal Amount	Total Amount	Effective Cost Rate %	Carrying Cost			Working Paper Reference
9		Capital Debt Financed (Mid-Year)	25,235.0	25,235.0	#REF!	879.1			Sch 2.3-9
10									
11									
12									
13									
14									
15									
16	Sch 2.2	Mid-Year Balance	<u>25,235</u>	<u>25,235</u>		<u>879.1</u>			Sch 2.3-16

Guidelines:

- (1) In any year where there is a new issue, provide a supporting schedule.
- (2) Any differences between Forecast and Actual are to be explained in a supporting working paper.
- (3) Include short-term debt if it is considered by the utility to be a component of Capital Structure, and provide explanation.
- (4) Variance analysis is on Carrying Cost.

* Refer to note in Schedule 12

City of Lethbridge Electric Utility
SCHEDULE OF PREFERRED SHARE CAPITAL EMPLOYED
 December 31, 2019
 (\$000s)

2019 Actual

Line No.	Cross-Reference	Series	Issue Date	Dividend Rate	Stated Value of Issue	Underwriting Discount & Expense	Net Proceeds Outstanding	Carrying Cost of Issue	Average Embedded Cost Rate	Variance Actual to Forecast *	Var. %	Working Paper Reference
1		A		0.00%	0	0	0	0		0	0%	Sch 2.4-1
2		B		0.00%	0	0	0	0		0	0%	Sch 2.4-2
3		C		0.00%	0	0	0	0		0	0%	Sch 2.4-3
4		D		0.00%	0	0	0	0		0	0%	Sch 2.4-4
5												
6	Sch 2.2	Current Year-End Balance			0	0	0	0	0.00%	0	0%	Sch 2.4-6
7												
8	Sch 2.2	Prior Year-End Balance					0	0	0.00%	0	0%	Sch 2.4-8
9												
10	Sch 2.2	Mid-Year Balance					0	0	0.00% *	0	0%	Sch 2.4-10

2019 Forecast

Line No.	Cross-Reference	Series	Issue Date	Dividend Rate	Stated Value of Issue	Underwriting Discount & Expense	Net Proceeds Outstanding	Carrying Cost of Issue	Average Embedded Cost Rate
11		A		0.00%	0	0	0	0	
12		B		0.00%	0	0	0	0	
13		C		0.00%	0	0	0	0	
14		D		0.00%	0	0	0	0	
15									
16	Sch 2.2	Current Year-End Balance			0	0	0	0	0.00%
17									
18	Sch 2.2	Prior Year-End Balance					0	0	0.00%
19									
20	Sch 2.2	Mid-Year Balance					0	0	0.00%
21									

Guidelines:

- (1) In any year where there is a new issue, provide a supporting schedule.
- (2) Any differences between Forecast and Actual are to be explained in a supporting working paper.

* Refer to note in Schedule 12

City of Lethbridge Electric Utility
SUMMARY OF OPERATING AND MAINTENANCE EXPENSE
 December 31, 2019
 (\$000s)

Line No.	Description	Cross-Reference	2019 Actual	2019 Forecast	2018 Actual	Var. Actual to Forecast	Var. %	Var. Actual to Prior Year	Var. %	Working Paper Reference
Operating & Maintenance										
1	Supervision & Engineering	560.0	424.4	602.4	636.9	(178.0)	-30%	(212.5)	-33%	Sch 3-1
2	Control Centre Operations	561.0	265.7	265.6	238.8	0.1	0%	26.8	11%	Sch 3-2
3	Station Equipment Maint	562.0	770.2	851.5	985.7	(81.3)	-10%	(215.5)	-22%	Sch 3-3
4	Overhead Line Expense	563.0	130.3	113.5	101.0	16.9	15%	29.3	29%	Sch 3-4
5	Misc Transmission Expense	566.0	815.1	751.7	804.9	63.4	8%	10.1	1%	Sch 3-5
6	IT Support	575.0	198.6	193.0	185.0	5.6	3%	13.6	7%	Sch 3-6
7	Gains/Losses from Disposition	411.6	-	-	-	-	0%	-	0%	Sch 3-7
8	Recoveries	566.1/566.2	(344.3)	(274.2)	(327.3)	(70.2)	26%	(17.0)	5%	Sch 3-8
9	Subtotal		<u>2,260.0</u>	<u>2,503.5</u>	<u>2,625.1</u>	<u>(243.5)</u>	<u>-10%</u>	<u>(365.1)</u>	<u>-14%</u>	Sch 3-9
Administrative & General										
12	Administrative and General Salaries	920.0	307.3	291.9	243.9	15.5	5%	63.4	26%	Sch 3-12
13	Outside Services Employed	923.0	27.1	27.1	32.5	(0.0)	0%	(5.4)	0%	Sch 3-13
14	Insurance Premiums	924.0	25.3	27.3	25.6	(2.0)	-7%	(0.3)	0%	Sch 3-14
15	Board Expenses	928.0	-	-	-	-	0%	-	0%	
16	General Advertising Expenses	930.1	6.2	4.2	4.8	2.1	49%	1.4	30%	Sch 3-16
17	Miscellaneous General Expenses	930.2	73.0	65.6	71.5	7.4	0%	1.5	2%	Sch 3-17
18	Rents	931.0	61.0	70.0	90.7	(9.0)	-13%	(29.7)	-33%	Sch 3-18
19	Trans. Linear Property Tax	408.1	982.3	845.5	805.6	136.8	16%	176.7	22%	Sch 3-19
20										Sch 3-20
21	Subtotal		<u>1,482.1</u>	<u>1,331.5</u>	<u>1,274.5</u>	<u>150.6</u>	<u>11%</u>	<u>207.6</u>	<u>16%</u>	Sch 3-21
23	Total Operating and Maintenance		<u>3,742.1</u>	<u>3,834.9</u>	<u>3,899.6</u>	<u>(92.8)</u>	<u>-2%</u>	<u>(157.5)</u>	<u>-4%</u>	Sch 3-23
26	Total Operating and Maintenance Costs	Sch 1	<u>3,742.1</u>	<u>3,834.9</u>	<u>3,899.6</u>	<u>(92.8)</u>	<u>-2%</u>	<u>(157.5)</u>	<u>-4%</u>	Sch 3-26

Guidelines:

- (1) Expense categories need to be identified by the individual utilities. However, they should show sufficient breakdown to allow for reasonable understanding of operations.
- (2) Total Utility Operating & Maintenance Costs are shown as net of Disallowed Expense as per reconciliation on Schedule 11.
- * Refer to note in Schedule 12

City of Lethbridge Electric Utility
SUMMARY OF DEPRECIATION EXPENSE
 December 31, 2019
 (\$000s)

Line No.	Description	Cross-Reference	2019 Actual	2019 Forecast	2018 Actual	Var. Actual to Forecast	Var. %	Var. Actual to Prior Year	Var. %	Working Paper Reference
1	Substation Equipment		1,303.2	1,026.5	820.3	276.7	21%	482.9	59%	Sch 4-1
2	Buildings & Site		235.1	833.2	139.7	-598.1	-254%	95.4	68%	Sch 4-2
3	Transmission Lines		345.3	286.1	282.7	59.2	17%	62.5	22%	Sch 4-3
4	Telecontrol Systems		1,620.9	515.9	367.5	1,105.0	68%	1,253.4	341%	Sch 4-4
5	Land		0.0	0.0	0.0	0.0		0.0		Sch 4-5
6	Subtotal		<u>3,504.4</u>	<u>2,661.7</u>	<u>1,610.2</u>	<u>842.7</u>	<u>24%</u>	<u>1,894.2</u>	<u>118%</u>	Sch 4-6
7	General Plant (Allocated)		143.4	205.7	212.2	-62.3	-43%	-68.8	-32%	Sch 4-7
8	Deprec. Subject to Deferral Treatment							0.0	0%	Sch 4-8
9										
10	Amortization of Contributions		(185)	(191)	(185)	6.1	-3%	0.0	0%	
11										
12	Total Utility Depreciation Expense	Sch 1	<u>3,462.5</u>	<u>2,675.9</u>	<u>1,637.0</u>	<u>786.6</u>	<u>23%</u>	<u>1,825.4</u>	<u>111.5%</u>	Sch 4-12

Guidelines:

- (1) Asset categories need to be identified by the individual utilities. However, they should show sufficient breakdown to allow for reasonable understanding of operations.
- (2) Provide a detailed breakdown of items included in "Other", in a supporting sub-schedule.

* Refer to note in Schedule 12

City of Lethbridge Electric Utility
CAPITAL ASSETS CONTINUITY SCHEDULE
December 31, 2019
(\$000s)

CAPITAL ASSETS

Line No.	Property Group	Cross-Reference	Balance at 12/31/2018	2019 Additions	2019 Retirements	2019 Transfers	2019 Adjustments	2019 AFUDC	Balance at 12/31/2019	Working Paper Reference
1	Substation Equipment	Sch 4.2	36,254.3	5,867.7	(5,085.8)	-	-	-	37,036.1	
2	Buildings & Site		7,419.2	874.9	-	-	-	-	8,294.2	
3	Transmission Lines		10,895.9	1,136.8	-	-	-	-	12,032.7	
4	Telecontrol Systems		7,072.7	943.8	3,751.2	-	-	-	11,767.7	
5	Land		841.6	-	-	-	-	-	841.6	
6	Subtotal		<u>62,483.7</u>	<u>8,823.2</u>	<u>(1,334.6)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>69,972.3</u>	
7										
8	Structures & Improvements (Allocated)		457.7	92.7	-	-	-	-	550.3	
9	Office Equipment & Furnishings (Allocated)		59.5	31.1	(1.1)	-	-	-	89.4	
10	Tools & Equipment (Allocated)		369.2	12.8	(30.5)	-	-	-	351.4	
11	SCADA (Allocated)		367.7	76.7	(212.0)	-	-	-	232.4	
12	Information Systems HW (Allocated)		431.8	-	(315.0)	-	-	-	116.7	
13	Information Systems SW (Allocated)		685.6	-	(77.5)	-	-	-	608.0	
14	Communications Systems (Allocated)		-	-	-	-	-	-	-	
15	Fleet (Allocated)		424.3	152.3	(29.0)	-	-	-	547.6	
16	Land (Allocated)		-	-	-	-	-	-	-	
17	Subtotal		<u>2,795.7</u>	<u>365.5</u>	<u>(665.3)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,495.9</u>	
18										
19	Subtotal		<u>65,279.4</u>	<u>9,188.7</u>	<u>(1,999.9)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>72,468.1</u>	
20										
21	Capital Work in Progress (CWIP)	Sch 4.2	2,130.3	7,060.9	9,188.7	-	-	0.1	3.0	
22										
23	Total Utility	Sch 2.1	<u>67,409.7</u>	<u>16,249.5</u>	<u>7,188.7</u>	<u>-</u>	<u>-</u>	<u>0.1</u>	<u>72,471.1</u>	

ACCUMULATED DEPRECIATION

Line No.	Property Group	Cross-Reference	Balance at 12/31/2018	Depreciation Provision	2019 Retirements	2019 Transfers	2019 Adjustments	Balance at 12/31/2019	Working Paper Reference
24	Substation Equipment		12,365.7	1,184.7	(2,905.9)	-	-	10,644.5	
25	Buildings & Site		1,411.5	213.7	-	-	-	1,625.2	
26	Transmission Lines		2,600.4	246.6	-	-	-	2,847.0	
27	Telecontrol Systems		1,852.3	1,589.1	1,614.0	-	-	5,055.4	
28	Land		-	-	-	-	-	-	
29	Subtotal		<u>18,229.9</u>	<u>3,234.2</u>	<u>(1,291.9)</u>	<u>-</u>	<u>-</u>	<u>20,172.2</u>	
30	General Plant (Allocated)		1,970.5	143.4	(661.0)	-	-	1,452.9	
31	Subtotal		<u>20,200.4</u>	<u>3,377.6</u>	<u>(1,952.9)</u>	<u>-</u>	<u>-</u>	<u>21,625.1</u>	
32									
33									
34									
35	Total Utility	Sch 2.1	<u>20,200.4</u>	<u>3,377.6</u>	<u>(1,952.9)</u>	<u>-</u>	<u>-</u>	<u>21,625.1</u>	

Guidelines:

- (1) Asset categories need to be identified by the individual utilities. However, they should show sufficient breakdown to allow for reasonable understanding of operations.
- (2) Provide a detailed breakdown of items included in "Other", in a supporting sub-schedule.
- (3) Year-end balances for each category must be reconciled on Schedule 11 to the audited Balance Sheet.

City of Lethbridge Electric Utility
SUMMARY OF CAPITAL ADDITIONS
 December 31, 2019
 (\$000s)

Line No.	Description	Cross-Reference	2019 Actual				2019 Forecast				Var. Actual to Forecast	Var. %	Working Paper Reference		
			CWIP Balance	Cap Expend	Cap Adds	AFUDC	CWIP Balance	Cap Expend	Cap Adds	AFUDC				CWIP Balance	
1	<u>Capital Maintenance</u>														
2	Substations		998.25	4,871.92	5,867.65	0.06	3.00	416.59	6,760.46	6,527.05	17.44	667.44	(659.39)		
3	Buildings		-	874.91	874.91	-	-	107.64	1,004.85	1,112.49	-	-	(237.57)		
4	Transmssion Lines		1,132.07	4.71	1,136.78	-	-	1,132.09	0.07	1,132.16	-	-	4.61		
5	Telecontrol Systems		-	943.83	943.83	-	-	83.05	767.84	850.89	-	-	92.95		
6	Land		-	-	-	-	-	-	-	-	-	-	-		
7															
8															
9	Subtotal		<u>2,130.32</u>	<u>6,695.38</u>	<u>8,823.18</u>	<u>0.06</u>	<u>3.00</u>	<u>1,739.36</u>	<u>8,533.23</u>	<u>9,622.58</u>	<u>17.44</u>	<u>667.44</u>	<u>(799.41)</u>	<u>-8.3%</u>	*
10															
11	<u>New Regulated Additions</u>														
12	Substations		-	-	-	-	-	-	-	-	-	-	-		
13	Buildings		-	-	-	-	-	-	-	-	-	-	-		
14	Transmssion Lines		-	-	-	-	-	-	-	-	-	-	-		
15	Telecontrol Systems		-	-	-	-	-	-	-	-	-	-	-		
16	Land		-	-	-	-	-	-	-	-	-	-	-		
17															
18															
19	Subtotal		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0%</u>	*
20															
21	Total Business Unit		<u>2,130.32</u>	<u>6,695.38</u>	<u>8,823.18</u>	<u>0.06</u>	<u>3.00</u>	<u>1,739.36</u>	<u>8,533.23</u>	<u>9,622.58</u>	<u>17.44</u>	<u>667.44</u>	<u>(799.41)</u>	<u>0%</u>	
22															
23	<u>General Allocated</u>														
24	Structures & Improvements		0.00	92.66	92.66	-	0.00	2.59	152.31	154.90	-	-	(62.25)		
25	Office Equipment & Furnishings		-	31.07	31.07	-	-	-	-	-	-	-	31.07		
26	Tools & Equipment		-	12.79	12.79	-	-	-	1.98	1.98	-	-	10.81		
27	SCADA		(0.00)	76.67	76.67	-	(0.00)	40.55	69.77	110.32	-	(0.00)	(33.65)		
28	Information Systems (hardware)		-	-	-	-	-	-	12.62	12.62	-	-	(12.62)		
29	Information Systems (software)		-	-	-	-	-	-	12.62	12.62	-	-	(12.62)		
30	Communications Systems		-	-	-	-	-	-	-	-	-	-	-		
31	Fleet		-	152.29	152.29	-	-	-	66.14	66.14	-	-	86.15		
31	Land		-	-	-	-	-	-	-	-	-	-	-		
32	Total General Plant Allocated		<u>(0.00)</u>	<u>365.48</u>	<u>365.48</u>	<u>-</u>	<u>(0.00)</u>	<u>43.14</u>	<u>315.44</u>	<u>358.59</u>	<u>-</u>	<u>(0.00)</u>	<u>6.89</u>	<u>1.9%</u>	*
33															
34															
35	Total Utility Capital Additions	Sch 4.1	<u>2,130.32</u>	<u>7,060.86</u>	<u>9,188.66</u>	<u>0.06</u>	<u>3.00</u>	<u>1,782.50</u>	<u>8,848.67</u>	<u>9,981.17</u>	<u>17.44</u>	<u>667.44</u>	<u>6.89</u>	<u>0%</u>	

Guidelines:

(1) Materiality Criteria: List all projects over \$500,000. Also report all multi-year projects that exceed this limit in total, but do not exceed materiality in any one particular year.

(2) Variance analysis is on Capital Additions.

* Refer to note in Schedule 12

City of Lethbridge Electric Utility
SUMMARY OF UTILITY INCOME TAX
 December 31, 2019
 (\$000s)

Line No.	Description	Cross-Reference	2019 Actual	2019 Forecast	2018 Actual	Var. Actual to Forecast *	Var. %	Var. Actual to Prior Year	Var. %	Working Paper Reference
1	<u>Current Tax</u>									Sch 5-rpt *
2	Federal Income Tax									Sch 5-1
3	Federal Taxable Income		-	-	-					Sch 5-2
4	Income Tax Rate		0.0%	0.0%	0.0%					Sch 5-3
5	Total Federal Income Tax		-	-	-					Sch 5-4
6										Sch 5-5
7	Provincial Income Tax									Sch 5-7
8	Federal Taxable Income		-	-	-					Sch 5-8
9	Add: CCA Federal Flowthrough		-	-	-					Sch 5-9
10	Less: CCA Provincial Flowthrough		-	-	-					Sch 5-10
11	Provincial Taxable Income		0.0	0.0	0.0					Sch 5-11
12	Income Tax Rate		0.0%	0.0%	0.0%					Sch 5-12
13	Total Provincial Income Tax		-	-	-					Sch 5-13
14										
15										
16	Total Current Tax		-	-	-					Sch 5-16
17										
18	<u>Future Tax</u>									
19	Temporary Differences		-	-	-					
20	Income Tax Rate		0.0%	0.0%	0.0%					Sch 5-20
21	Other		-	-	-					Sch 5-21
22	Other		-	-	-					Sch 5-22
23	Total Future Tax		-	-	-					Sch 5-23
24										
25	<u>Other Items</u>									
26	Large Corporations Tax		-	-	-					
27	Preferred Dividend Tax		-	-	-					Sch 5-27
28	Other		-	-	-					Sch 5-28
29	Total Other Items		-	-	-					Sch 5-29
30										
31	Total Utility Income Tax	Sch 1	-	-	-	*				Sch 5-31

* Refer to note in Schedule 12

City of Lethbridge Electric Utility
SUMMARY OF CUSTOMERS, ENERGY AND REVENUE
 December 31, 2019

Line No.	Description	Cross-Ref.	2019 Actual	2019 Forecast	2018 Actual	Var. Actual to Forecast	Var. %	Var. Actual to Prior Year	Var. %	Working Paper Reference
	<u>Residential</u>									
1	Customers - Average									Sch 6-1
2	Energy Sales (MWh)									Sch 6-2
3	Revenue (\$000s)									
4	kWh per Customer									
5	Cents/kWh									
6										
7	<u>Commercial</u>									
8	Customers - Average									
9	Energy Sales (MWh)									
10	Revenue (\$000s)									
11	kWh per Customer									
12	Cents/kWh									
13										
14	<u>Industrial</u>									
15	Customers - Average									
16	Energy Sales (MWh)									
17	Revenue (\$000s)									
18	Cents/kWh									
19										
20	<u>R.E.A. Farm</u>									
21	Customers - Average									
22	Energy Sales (MWh)									
23	Revenue (\$000s)									
24	kWh per Customer									
25	Cents/kWh									
26										
27	<u>Company Rural Farm</u>									
28	Customers - Average									
29	Energy Sales (MWh)									
30	Revenue (\$000s)									
31	kWh per Customer									
32	Cents/kWh									
33										
34	<u>Street & Space Lights</u>									
35	Energy Sales (MWh)									
36	Revenue (\$000s)									
37	Cents/kWh									
38										
39	Other Revenue (\$000s)		7,122	8,651	7,122			-	0.0%	Sch 6-39
40										
41										
42	Total Utility Revenue (\$000s)	Sch 1	<u>7,122</u>	<u>8,651</u>	<u>7,122</u>	<u>-</u>	<u>0%</u>	<u>-</u>	<u>0.0%</u>	Sch 6-42

Guidelines:

- (1) Revenue categories need to be identified by the individual utilities. However, they should show sufficient breakdown to allow for reasonable understanding of operations.
 - (2) Provide a detailed breakdown of items included in "Other", in a supporting sub-schedule.
- * Refer to note in Schedule 12

City of Lethbridge Electric Utility
EXPLANATION OF TRANSACTIONS WITH AFFILIATED COMPANIES
 December 31, 2019
 (\$000s)

2019 Actual									
Line No.	Affiliate	Nature of Service	Cross-Ref.	Allocated Amount	Transactions LEU TFO	Transactions LEU TFO	Var. Actual to Forecast	Var. %	Working Paper Reference
					Revenues	Expenditures			
1	City of Lethbridge	566.0 Misc Transmission Expenses		402.0		402.0	43.6		
2		575.0 IT Support		34.8		34.8	3.7		
3		920.0 Administrative & General Salaries		108.5		108.5	10.1		
4		923.0 Outside Services Employed		26.9		26.9	-0.2		
5		924.0 Insurance Premiums		25.3		25.3	-2.0		
6		930.2 Misc General Expenses		73.0		73.0	7.4		
7		931.0 Rents		61.0		61.0	-9.0		
8									
9	TOTAL		Sch 3	<u>731.4</u>	<u>0.0</u>	<u>731.4</u>	<u>53.6</u>	<u>8%*</u>	Sch 7-9
2019 Forecast									
Line No.	Affiliate	Nature of Service	Cross-Ref.	Allocated Amount	Transactions LEU TFO	Transactions LEU TFO			
					Revenues	Expenditures			
10	City of Lethbridge	566.0 Misc Transmission Expenses		358.4		358.4			
11		575.0 IT Support		31.1		31.1			
12		920.0 Administrative & General Salaries		98.3		98.3			
13		923.0 Outside Services Employed		27.1		27.1			
14		924.0 Insurance Premiums		27.3		27.3			
15		930.2 Misc General Expenses		65.6		65.6			
16		931.0 Rents		70.0		70.0			
17									
18	TOTAL			<u>677.8</u>		<u>677.8</u>			

Guidelines:

- (1) The services provided or received need to be identified by the individual utilities. However, they should show sufficient breakdown to allow for reasonable understanding of operations.
 - (2) Identify in columns titled "Transactions In" and "Transactions Out" the type of account used to record the entry.
 - (3) Provide a cross-reference for each item to the relevant schedules where the amounts have been included in this reporting package.
 - (4) Amounts in this schedule must be reconciled on Schedule 10 to the Audited Financial Statements.
- * Refer to note in Schedule 12

City of Lethbridge Electric Utility
SUMMARY OF PAYROLL AND MANPOWER STATISTICS
 December 31, 2019
 (\$000s)

SALARIES, WAGES AND EMPLOYEE BENEFITS

Line No.	Description	Cross-Reference	2019 Actual	2019 Forecast	2018 Actual	Var. Actual to Forecast	Var. %	Var. Actual to Prior Year	Var. %	Working Paper Reference
	<u>Gross Salaries and Wages</u>									
1	Transmission Operations		1,430.9	1,588.6	1,615.5	(157.7)	-11%	(184.7)	-13%	Sch 8-1
2										
3										
4										
5	Salaries and Wages Charged to Utility Operations		<u>1,430.9</u>	<u>1,588.6</u>	<u>1,615.5</u>	<u>(157.7)</u>	<u>-11% *</u>	<u>(184.7)</u>	<u>-13%</u>	Sch 8-5
6										
7	<u>Gross Employee Benefits</u>									
8	Transmission Operations		335.6	349.6	327.6	(14.0)	-4%	8.0	2%	Sch 8-7 Sch 8-8
9										
10										
11										
12	Benefits Charged to Utility Operations		<u>335.6</u>	<u>349.6</u>	<u>327.6</u>	<u>(14.0)</u>	<u>-4%</u>	<u>8.0</u>	<u>2%</u>	Sch 8-12

EMPLOYEE ALLOCATION

Line No.	Description	Cross-Reference	2019 Actual	2019 Forecast	2018 Actual	Var. Actual to Forecast	Var. %	Var. Actual to Prior Year	Var. %	Working Paper Reference
13	<u>Manpower Statistics</u>									
14	Total Regular Employees (FTEs)		74.4	75.2	92.0	(0.9)	-1%	(17.7)	-24%	Sch 8-14
15	Total Temporary Employees (FTEs)		-	-	-					Sch 8-15
16	Total Contract Staff (FTEs)		-	-	-					Sch 8-16
17	Total Manpower		<u>74.4</u>	<u>75.2</u>	<u>92.0</u>	<u>(0.9)</u>	<u>-1%</u>	<u>(17.7)</u>	<u>-24%</u>	Sch 8-17
18	Less:									Sch 8-18
19	Allocated to Non-regulated (Distribution)		64.9	65.3	77.5	(0.4)	-1%	(12.6)	-19%	Sch 8-19
20	Total Manpower - Utility Transmission Operations		<u>9.4</u>	<u>10.0</u>	<u>14.5</u>	<u>(0.5)</u>	<u>-6%</u>	<u>(5.1)</u>	<u>-54%</u>	Sch 8-20
21										
22	(Average numbers for the year)	Wages	151.74	159.66	111.42					Sch 8-22
23		Benefits	35.58	35.13	22.59					

Guidelines:

- (1) "Operations" refers to all costs recorded as operating costs.
- (2) "Capital" refers to all costs that have been capitalized.
- (3) FTE information is requested; if unavailable, provide gross information.
- * Refer to note in Schedule 12

City of Lethbridge Electric Utility
SUMMARY OF RESERVE/DEFERRAL ACCOUNTS
 FOR THE YEAR ENDED December 31, 2019
 (\$000s)

Line No.	Description	Cross-Ref.	2019 Actual				2019 Forecast				Var. Actual to Forecast	Var. %	Working Paper Reference	
			Opening Balance	Adds	Amort.	Recoveries	Ending Balance	Opening Balance	Adds	Amort.				Recoveries
<u>List of Deferral Accounts</u>														
1	Self Insurance Reserve		50.0	0.0			50.0	0.0			50.0	0.0	0%	
2	Hearing Cost Reserve		50.0	33.0		(17.0)	66.0	10.2	42.4		52.6	13.4	25%	
3			0.0	0.0			0.0	0.0			0.0	0.0	0%	
4			0.0	0.0			0.0	0.0			0.0	0.0	0%	
5														
6														
7														
8														
9														
10														
11	Total Deferred Assets		100.0	33.0	0.0	(17.0)	116.0	60.2	42.4	0.0	0.0	102.6	13.4	13%
12														
13	Return on Equity		0.0				0.0	0.0			0.0	0.0	0%	
14	Direct Assignments		0.0				0.0	0.0			0.0	0.0	0%	
15	Expense Deferral		0.0				0.0				0.0			
16			0.0	0.0	0.0		0.0	0.0	0.0	0.0	0.0	0.0		
17	Revenue Deferral Pending Decision		0.0	1,518.0	0.0		1,518.0	0.0	0.0	0.0	0.0	0.0		
18							0.0							
19	Total Deferred Liabilities		0.0	1,518.0	0.0	0.0	1,518.0	0.0	0.0	0.0	0.0	0.0	0.0	0%

Guidelines:

- (1) The accounts to be disclosed need to be identified by the individual utilities. However, they should show sufficient breakdown to allow for reasonable understanding of operations.
 - (2) Provide a detailed breakdown of items included in "Other", in a supporting sub-schedule.
 - (3) Ending balances for each category must be reconciled on Schedule 11 to the audited Balance Sheet.
 - (4) Variance analysis is on Ending Balance.
- * Refer to note in Schedule 12

City of Lethbridge Electric Utility
RECONCILIATION OF FINANCIAL REPORTING SCHEDULES TO AUDITED FINANCIAL STATEMENTS
 December 31, 2019
INCOME STATEMENT ITEMS
 (\$000s)

Line No.	Description	Cross-Reference	Audited Financial Statements			#REF!			
			Statements	Adjustments	Utility Total	Distribution	Transmission	Retail	Utility Total
1	Revenues		0.0						
2	Adjustment 1			0.0					
3	Adjustment 2			0.0					
4	Adjustment 3			0.0					
5	Adjustment 4			0.0					
6	Reclassification 1			0.0					
7	Reclassification 2			0.0					
8	Reclassification 3			0.0					
9		Sch 1	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
10	Operating and Maintenance		0.0						
11	Adjustment 1			0.0					
12	Adjustment 2			0.0					
13	Reclassification 1			0.0					
14	Disallowed Expenses			0.0					
15		Sch 1	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
16	Depreciation and Amortization		0.0						
17	Adjustment 1			0.0					
18		Sch 1	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
19	Income Tax		0.0						
20	Adjustment 1			0.0					
21		Sch 1	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
22	Revenue Offsets		0.0						Sch 10-22
23	Reclassification 1			0.0					Sch 10-23
24	Reclassification 2			0.0					Sch 10-24
		Sch 1	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	Sch 10-
25	Return	Sch 1	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	Sch 10-25

* Refer to note Sch 10 in Schedule 12

City of Lethbridge Electric Utility
RECONCILIATION OF FINANCIAL REPORTING SCHEDULES TO AUDITED FINANCIAL STATEMENTS
 December 31, 2019
BALANCE SHEET ITEMS
 (\$000s)

Line No.	Description	Cross-Reference	Audited Financial Statements			#REF!			
			Statements	Adjustments	Total	Distribution	Transmission	Retail	Total
1	Assets		0.0						
2	Item 1			0.0					
3	Item 2			0.0					
4	Item 3			0.0					
5	Item 4			0.0					
6	Item 5			0.0					
7	Item 6			0.0					
8	Item 7			0.0					
9			<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
10	Liabilities		0.0						
11	Item 1			0.0					
12	Item 2			0.0					
13	Item 3			0.0					
14	Item 4			0.0					
15			<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
16	Equity		0.0						
17	Item 1			0.0					
18			<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>

* Refer to note Sch 11 in Schedule 12

City of Lethbridge Electric Utility
NOTES TO SCHEDULES 1 THROUGH 11
 December 31, 2019

(\$000s)

Line No.	Note	Cross-Reference	
1	Forecast		2019 Forecast as per AUC Decision 25570-D01-2020
2	Sch 1-2	Sch 3	Overall operating expenses for 2019 were slightly lower than forecast, due to credit from corporate on annual vacation adjustment and manager position was not filled after retirement during the year of 2019.
3	Sch 1-3	Sch 4	Depreciation expense is higher than expected due to communication issues with Finance department on useful life of Transmission assets thus causing a catch up within 2019.
4	Sch 2-1	Sch 2.2	The Lethbridge Utility TFO capital structure (63% debt) and equity structure as per AUC Generic Cost of Capital decision.
5	Sch 2.2-2	Sch 2.4	The Lethbridge Utility TFO does not employ any Preferred Share Capital.
6	Sch 3		Overall operating expenses for 2019 were slightly lower than forecast.
7	Sch 5		The Lethbridge Utility TFO is not subject to income tax.
8	Sch 8		Salaries and Employee Benefits are slightly lower than forecasted for 2019.
9	Sch 9		Due to not having filed a GTA for 2018 to 2020, the 2019 revenue is on an interim basis from Decision 23009-D01-2017. Thus a deferral of revenue is calculated in order to balance 2019.
10	Sch 10		The City of Lethbridge LEU has not undertaken to complete Schedule 10. The City of Lethbridge does not perform a specific annual audit on the Electric Utility Department or on the Transmission component of the Utility. The annual City of Lethbridge financial audit and resulting audited financial statements apply to city operations in total.
11	Sch 11		The City of Lethbridge LEU has not undertaken to complete Schedule 11. The City of Lethbridge does not perform a specific annual audit on the Electric Utility Department or on the Transmission component of the Utility. The annual City of Lethbridge financial audit and resulting audited financial statements apply to city operations in total.