

Announcement

August 18, 2021

Utility Payment Deferral Program amounts and rates finalized

The Alberta Utilities Commission released two decisions today that approve the total amount of the Utility Payment Deferral Program to be collected from ratepayers for each of natural gas and electricity, and sets the rate for collection of these costs.

Based on these decisions we estimate the following Utility Payment Deferral Program rate rider charges will appear on residential customers' bills for an average household:

- **Electricity rate rider** – 27 cents per month (based on average residential consumption estimated at 600 kilowatts).
- **Natural gas rate rider** – 78 cents per month (based on average residential winter consumption estimated at 21 gigajoules).

The total amount to be collected from electric utility consumers will be no more than \$8.77 million, resulting in a rate rider of 0.045 cents per kilowatt hour, for an anticipated four months. The total amount that will be collected from natural gas utility customers is no more than \$6.1 million dollars, which result in a rate rider of 3.7 cents per gigajoule to be applied for an anticipated four months.

The electric and natural gas Utility Payment Deferral Program rate riders will appear on customer bills starting November 1, 2021 and, as directed in the *Utility Payment Deferral Program Act*, will be collected from customers over the next four months.

Through the AUC review process, applications were scrutinized and considered on an expedited basis with a fair and balanced approach to ensure that only legitimate costs (costs meeting the requirements of the Utility Payment Deferral Payment legislation) were included, and that the impacts to implement this program were reasonable. The AUC review process included an open and transparent public proceeding where a panel of Commission members determined the costs that are allowed under the program as set out in the *Utility Payment Deferral Program Act*.

According to this legislation, the costs allowed that may be recovered through the deferral rate rider are the billing amounts that were deferred during the 90-day period that remained unpaid by June 18, 2021. Also allowed in the rate rider according to the legislation were the interest costs incurred by eligible companies to administer the funding of the program.

The AUC determined the electricity Utility Payment Deferral Program rate rider in Decision 26684-D01-2021, while the natural gas Utility Payment Deferral Program rate rider was determined in Decision 26699-D01-2021.

Questions about rate riders or the consultation and application review process can be directed to the AUC at info@auc.ab.ca.

Questions related to government policy on the Utility Payment Deferral Program and accompanying legislation can be directed to Philip Shum at the Alberta Department of Energy by email at philip.shum@gov.ab.ca.

Alberta Utilities Commission