

January 31, 2019

Decision 24275-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 – February 2019
 Proceeding 24275**

- On January 25, 2019, Direct Energy Regulated Services (DERS) filed its energy charges applicable to its regulated rate tariff (RRT) for the month of February 2019 with the Alberta Utilities Commission.
- 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
- DERS’ proposed energy charges for the month of February 2019 are as follows:

Rate class	Energy charge as calculated cents/kilowatt hour (kWh)	Energy charge as billed cents/kWh
Residential	7.109	6.800
Commercial	7.024	6.800
Industrial	6.903	6.800
Farming (Includes REA)	7.011	6.800
Irrigation (Includes REA)	6.823	6.800
Oil & Gas	6.895	6.800
Lighting	5.956	5.956

- 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 February 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 February 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.

(original signed by)

Mark Kolesar
Chair

Attachment

Appendix 1 – DERS February 2019 Deferral Account Statement



Appendix 1 - DERS
February 2019 Defer
(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: Feb-19 Section 3(3)(a)

Rate Class	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	0.07109	0.068	59484645	183807.5533
2 Commercial	0.07024	0.068	20433609	45771.28347
3 Industrial	0.06903	0.068	2984064	3073.58552
4 Farming (excl REA)	0.07011	0.068	25328385	53442.89306
5 Irrigation	0.06823	0.068	424	0.09760464
6 Oil & Gas	0.06895	0.068	373959	355.2609056
7 Lighting	0.05956	0.068	180774	0
			GST	14322.53369
Total - Estimated (\$)				300773.2076

B.) Recalculation based on actual consumption data

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

Rate Class	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	0.08341	0.068	43996426.07	718919.0644	677984.9257	-40934.13875
2 Commercial	0.08482	0.068	19754198.19	304340.9882	332265.6135	27924.62534
3 Industrial	0.08149	0.068	2620789.917	34664.38523	35354.45598	690.0707529
4 Farming (excl REA)	0.0845	0.068	14691249	237969.2444	242405.605	4436.360589
5 Irrigation (excl REA)	0.08056	0.068	378424.3706	4786.676991	4753.010095	-33.66689662
6 Oil & Gas	0.08058	0.068	198647.8898	2407.34293	2498.990454	91.64752414
7 Lighting	0.05454	0.068	120525.912	0	0	0
				GST		-391.2550717
Balance Adjustment (\$)						-8216.356505

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 (\$)						

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

292556.8511 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

January 31, 2019

Date