

**EXECUTIVE SUMMARY**

This information package was developed to assist all parties participating in the monthly Gas Cost Flow Through Rate (GCFR) process for Direct Energy Regulated Services Deferred Gas Account (DGA).

This document contains information used to derive a Rider F of \$3.180/GJ for Direct Energy Regulated Services (DERS) gas customers for March 2019.

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As Applicable

SECTION 1  
DGA COST AND RECOVERY

**SCHEDULE M-1  
MONTHLY DGA COSTS AND RECOVERIES**

Line	Description	Units	A	B	C	D	E
			Previous Period Adjustment	Actual Dec-18	Estimate Jan-19	Estimate Feb-19	Forecast Mar-19
1	Opening Cumulative DGA Balance	\$,000	1,913	1,962	1,173	(2,414)	(14,993)
<b><u>Gas Supply Costs</u></b>							
2	Purchases	\$,000	0	28,067	24,625	51,872	24,646
3	Daily Trade Averaging Adjustment	\$,000	0	0	0	0	0
4	Imbalances	\$,000	0	0	0	0	0
5	<b>Total Gas Supply Costs</b>	<b>\$,000</b>	<b>0</b>	<b>28,067</b>	<b>24,625</b>	<b>51,872</b>	<b>24,646</b>
<b><u>Adjustments</u></b>							
6	Adjustments For Interim Rates**	\$,000	0	0	0	741	0
7	Procurement**	\$,000	0	30	30	(157)	30
8	<b>Net Gas Costs</b>	<b>\$,000</b>	<b>0</b>	<b>28,098</b>	<b>24,655</b>	<b>52,457</b>	<b>24,677</b>
<b><u>Recoveries</u></b>							
9	Net Calendar Sales*	\$,000	49	26,753	20,653	38,935	39,669
10	Excess System Sales	\$,000	0	555	416	943	0
11	<b>Total Recoveries</b>	<b>\$,000</b>	<b>49</b>	<b>27,309</b>	<b>21,068</b>	<b>39,878</b>	<b>39,669</b>
12	Current DGA Balance	\$,000	49	(789)	(3,587)	(12,578)	14,993
13	<b>Closing Cumulative DGA Balance</b>	<b>\$,000</b>	<b>1,962</b>	<b>1,173</b>	<b>(2,414)</b>	<b>(14,993)</b>	<b>0</b>

\* Net Calendar Sales excludes return margin amounts.

\*\*Decision 23986-D01-2018 applied to February 2019

**SCHEDULE M-2  
MONTHLY DGA ENERGY BALANCE**

Line	Description	Units	A	B	C	D
			Actual Dec-18	Estimate Jan-19	Estimate Feb-19	Forecast Mar-19
<b><u>Gas Supply Costs</u></b>						
1	Purchases	TJ	14,183	14,583	20,536	12,790
2	Imbalances	TJ	0	0	0	0
3	<b>Total Energy</b>	<b>TJ</b>	<b>14,183</b>	<b>14,583</b>	<b>20,536</b>	<b>12,790</b>
<b><u>Recoveries</u></b>						
4	Net Calendar Sales	TJ	13,727	14,146	20,111	12,693
5	Excess System Sales	TJ	304	267	269	0
6	<b>Total Recoveries</b>	<b>TJ</b>	<b>14,031</b>	<b>14,412</b>	<b>20,380</b>	<b>12,693</b>
7	<b>Load Balancing / UFG Estimate</b>	<b>TJ</b>	<b>(152)</b>	<b>(171)</b>	<b>(155)</b>	<b>(98)</b>

**SPECIAL NOTES:**

**SECTION 2**  
**RECONCILIATION MONTH SCHEDULES**

Schedule R-1 shows the forecast and actual DGA cost and recovery components for December 2018 as of November 26, 2018 and February 22, 2019 respectively. Schedule R-2 shows the forecast and actual DGA energy balance for December 2018 as of November 26, 2018 and February 22, 2019. It also shows the normal and actual degree days for December 2018.

**SCHEDULE R-1**  
**FORECAST & ACTUAL DGA COSTS AND RECOVERIES**  
**December 2018**

Line	Description	Units	Forecast November 26, 2018	Actual February 22, 2019	Actual Less Forecast
<b><u>Gas Supply Costs</u></b>					
1	Purchases	\$,000	33,536	28,067	(5,469)
2	Daily Trade Averaging Adjustment	\$,000	0	0	0
3	Imbalances	\$,000	0	0	0
4	<b>Total Gas Supply Costs</b>	<b>\$,000</b>	<b>33,536</b>	<b>28,067</b>	<b>(5,469)</b>
<b><u>Adjustments</u></b>					
5	Adjustments For Interim Rates	\$,000	0	0	0
6	Procurement	\$,000	30	30	0
7	Bad Debts	\$,000	0	0	0
8	Working Capital	\$,000	0	0	0
9	Credit Charge	\$,000	0	0	0
10	<b>Net Gas Costs</b>	<b>\$,000</b>	<b>33,567</b>	<b>28,098</b>	<b>(5,469)</b>
<b><u>Recoveries</u></b>					
11	Net Calendar Sales*	\$,000	31,995	26,753	(5,242)
12	Excess System Sales	\$,000	0	555	555
13	Penalty Revenue	\$,000	0	0	0
14	<b>Total Recoveries</b>	<b>\$,000</b>	<b>31,995</b>	<b>27,309</b>	<b>(4,687)</b>

\* Net Calendar Sales excludes return margin amounts.

**SCHEDULE R-2**  
**DGA ENERGY BALANCE & DEGREE DAYS**  
**December 2018**

Line	Description	Units	Forecast November 26, 2018	Actual February 22, 2019	Actual Less Forecast
<b><u>Gas Supply Costs</u></b>					
1	Purchases	TJ	16,542	14,183	(2,359)
2	Imbalances	TJ	0	0	0
3	<b>Total Energy</b>	<b>TJ</b>	<b>16,542</b>	<b>14,183</b>	<b>(2,359)</b>
<b><u>Recoveries</u></b>					
4	Calendar Sales	TJ	16,415	13,727	(2,688)
5	Excess System Sales	TJ	0	304	304
6	<b>Total Recoveries</b>	<b>TJ</b>	<b>16,415</b>	<b>14,031</b>	<b>(2,384)</b>
7	<b>DGA UFG</b>	<b>TJ</b>	<b>(127)</b>	<b>(152)</b>	<b>(25)</b>
8	Degree Days	DD	1,436	1,246	(190)

**SECTION 2**  
**RECONCILIATION MONTH SCHEDULES**

Schedule R-3 shows the actual gas purchases for DGA NOVA Field Receipts and DGA Nova Inventory Transfer supplies for December 2018 as of February 22, 2019.

**SCHEDULE R-3**  
**ACTUAL GAS PURCHASES**  
**December 2018**  
**Actual - As of February 22, 2019**

Line	Description	TJ	\$/GJ	\$,000
1	Nova Inventory Transfer Supplies (Monthly)	9,841	2.148	21,140
2	Nova Inventory Transfer Supplies (Daily Index)	4,342	1.595	6,927
<b>3</b>	<b>Total Gas Purchases</b>	<b>14,183</b>	<b>1.979</b>	<b>28,067</b>

Schedule R-4 shows the forecast and actual unit gas prices for December 2018 as of November 26, 2018 and February 22, 2019 respectively.

**SCHEDULE R-4**  
**FORECAST AND ACTUAL UNIT GAS PRICES**  
**December 2018**

Line	Description	Units	Forecast November 26, 2018	Actual February 22, 2019	Actual Less Forecast
1	AECO Monthly Index	\$/GJ	2.2140	2.1469	(0.0671)
2	AECO Daily Index	\$/GJ	1.7868	1.5432	(0.2436)

**Notes:**

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including November 21, 2018 on the AECO/NGX Intra-Alberta December (Near Month) instrument as reported by NGX.
2. The actual unit price in Line 1 was the weighted average price of the transactions made up to and including November 30, 2018 on the AECO/NGX Intra-Alberta December (Near Month) instrument as reported by NGX.
3. The forecast unit price in Line 2 is the arithmetic average of the December, AECO/NGX Intra-Alberta Settlement prices on November 15, 16, 19, 20 & 21, 2018.
4. The actual unit price in Line 2 is the total weighted average price of the daily, weighted average prices each day in December 2018 as reported by NGX and includes all weekend deals.

**SECTION 2**  
**RECONCILIATION MONTH SCHEDULES**

The R5-R8 schedules show the actual day gas sales and purchases for the reconciliation month as at the filing date. Short term transaction totals in schedules R5 are shown only if all four of these criteria are satisfied:

1. Transactions are done for the same time frame (e.g. same day or yesterday).
2. Transactions are done for the same point (i.e. NIT).
3. Transactions are done using the same pricing regime (i.e. fixed vs. index based).
4. Both regulated and deregulated deals are transacting in the same direction (i.e. both selling or both buying).

**Schedule R5 - Actual Spot Gas Purchases by Trade Day**  
**December 2018**  
**Direct Energy Regulated Services**  
Nova Inventory Transfer Supplies

Day	Yesterday (YD)			AECO YD Daily Avg (\$/GJ)	Same Day (SD)					AECO Daily Index (\$/GJ)
	GJs	Avg Cost (\$/GJ)	Total Cost (\$)		Fixed (GJs)	Avg Cost (\$/GJ)	Index Related (GJs)	Avg Cost (\$/GJ)	Total Cost (\$)	
1	(13,000)	0.4331	(5,630.00)	0.5514	0	0.0000	130,100	1.6031	208,567.21	0.4667
2	0	0.0000	0.00	1.3730	0	0.0000	140,700	1.5220	214,147.47	0.9308
3	0	0.0000	0.00	1.3325	0	0.0000	96,400	1.5098	145,541.72	1.5098
4	0	0.0000	0.00	1.5390	0	0.0000	45,800	1.3697	62,732.26	1.3697
5	0	0.0000	0.00	1.2501	0	0.0000	80,200	1.5149	121,494.98	1.5149
6	2,800	1.2864	3,602.00	1.3577	0	0.0000	69,700	1.2876	89,745.72	1.2876
7	4,600	1.7652	8,120.00	1.7848	20,500	1.3988	136,000	1.2886	203,925.50	1.3822
8	24,400	1.8823	45,929.00	1.8870	0	0.0000	96,000	1.2498	119,980.80	1.7704
9	(19,900)	0.8796	(17,505.00)	0.9954	0	0.0000	87,300	1.2019	104,921.54	1.6684
10	0	0.0000	0.00	1.1815	0	0.0000	43,100	1.1154	48,072.70	1.1170
11	0	0.0000	0.00	1.4034	0	0.0000	70,900	1.2426	88,099.34	1.2426
12	(3,900)	1.4724	(5,742.50)	1.5443	0	0.0000	70,200	1.4177	99,521.54	1.4177
13	14,000	1.2893	18,050.00	1.3200	0	0.0000	6,300	1.5897	10,015.11	1.5897
14	0	0.0000	0.00	1.3689	0	0.0000	6,700	1.3718	9,191.02	1.2931
15	0	0.0000	0.00	1.7845	53,000	1.3342	49,500	1.3302	136,555.70	1.4291
16	0	0.0000	0.00	1.8232	40,000	1.7613	63,500	1.5101	166,344.10	1.8233
17	43,700	1.7443	76,225.50	1.7464	0	0.0000	5,900	1.7027	10,045.93	1.7027
18	4,600	1.7390	7,999.50	1.7818	0	0.0000	36,700	1.7370	63,747.90	1.7370
19	0	0.0000	0.00	1.8333	0	0.0000	57,200	1.8131	103,709.32	1.8131
20	0	0.0000	0.00	1.7925	0	0.0000	9,500	1.7560	16,682.00	1.7560
21	(23,500)	1.8355	(43,135.00)	1.8434	(30,000)	1.6900	96,500	1.7659	119,705.80	1.7452
22	(20,000)	2.1911	(43,822.50)	2.1260	45,000	1.8083	81,500	1.7839	226,765.80	1.9783
23	0	0.0000	0.00	1.9347	45,000	1.8083	65,500	1.7432	195,555.60	1.9500
24	(1,000)	1.7500	(1,750.00)	1.9002	45,000	1.8083	88,000	1.7921	239,081.80	1.9131
25	(13,500)	1.9500	(26,325.00)	1.9348	45,000	1.8083	81,500	1.7794	226,392.80	1.9032
26	0	0.0000	0.00	1.9608	45,000	1.8083	107,000	1.8209	276,214.40	1.9484
27	0	0.0000	0.00	1.5898	0	0.0000	162,400	1.9249	312,608.76	1.9249
28	0	0.0000	0.00	1.4687	0	0.0000	58,700	1.5329	89,982.73	1.5280
29	0	0.0000	0.00	1.5912	0	0.0000	58,700	1.4775	86,727.73	1.4195
30	(4,500)	15.1111	(68,000.00)	11.8753	124,700	1.6842	107,200	1.6993	392,184.88	1.7541
31	0	0.0000	0.00	1.9145	107,900	2.0242	58,200	1.7595	320,816.78	1.9676
TOTAL	(5,200)		(51,984.00)		541,100		2,266,900		4,509,078.94	

**SECTION 2**  
**RECONCILIATION MONTH SCHEDULES**

**Schedule R6 - Actual Spot Gas Purchases by Delivery Day**  
**December 2018**  
**PEAKING Demand Supply Contracts**  
Nova Inventory Transfer Supplies

Day	Same Day (SD)			AECO Daily Index (\$/GJ)
	Index Related (GJs)	Avg Cost (\$/GJ)	Total Cost (\$)	
1	0	0.0000	0	0.4667
2	0	0.0000	0	0.9308
3	80,000	1.5248	121,984	1.5098
4	100,000	1.3847	138,470	1.3697
5	175,000	1.5342	268,483	1.5149
6	150,000	1.3059	195,890	1.2876
7	50,000	1.2648	63,240	1.3822
8	50,000	1.2648	63,240	1.7704
9	50,000	1.2648	63,240	1.6684
10	0	0.0000	0	1.1170
11	0	0.0000	0	1.2426
12	0	0.0000	0	1.4177
13	0	0.0000	0	1.5897
14	0	0.0000	0	1.2931
15	0	0.0000	0	1.4291
16	0	0.0000	0	1.8233
17	0	0.0000	0	1.7027
18	0	0.0000	0	1.7370
19	0	0.0000	0	1.8131
20	0	0.0000	0	1.7560
21	50,000	1.7862	89,310	1.7452
22	50,000	1.7862	89,310	1.9783
23	50,000	1.7862	89,310	1.9500
24	50,000	1.7862	89,310	1.9131
25	50,000	1.7862	89,310	1.9032
26	50,000	1.7862	89,310	1.9484
27	50,000	1.9399	96,995	1.9249
28	50,000	1.5529	77,645	1.5280
29	50,000	1.5529	77,645	1.4195
30	80,000	1.6471	131,768	1.7541
31	50,000	1.5529	77,645	1.9676
<b>TOTAL</b>	<b>1,235,000</b>		<b>1,912,105</b>	

SECTION 2  
RECONCILIATION MONTH SCHEDULES

**Schedule R7- Monthly Index Purchases  
December 2018  
Direct Energy Regulated Services  
Nova Inventory Transfer Supplies**

<u>Trade</u>	<u>From</u>	<u>To</u>	<u>Volume (GJ)</u>	<u>Price</u>	<u>Total Cost (\$)</u>
6521146	11/1/2018	11/1/2019	310,000	2.151	666,779
6573628	11/1/2018	4/1/2019	310,000	2.151	666,779
6521145	11/1/2018	4/1/2019	620,000	2.151	1,333,558
6540938	11/1/2018	4/1/2019	620,000	2.151	1,333,558
6573629	11/1/2018	4/1/2019	310,000	2.150	666,469
6649496	11/1/2018	4/1/2019	620,000	2.151	1,333,558
6521144	11/1/2018	4/1/2019	620,000	2.151	1,333,558
6631185	11/1/2018	6/1/2019	310,000	2.127	659,339
6591347	11/1/2018	4/1/2019	310,000	2.117	656,239
6591346	11/1/2018	5/1/2019	310,000	2.127	659,339
7472697	12/1/2018	1/1/2019	310,000	2.147	665,539
7472696	12/1/2018	1/1/2019	310,000	2.147	665,539
7472698	12/1/2018	1/1/2019	310,000	2.147	665,539
6959918	12/1/2018	1/1/2019	310,000	2.152	667,089
6861530	12/1/2018	1/1/2019	310,000	2.152	667,089
6959919	12/1/2018	1/1/2019	310,000	2.152	667,089
6861383	12/1/2018	1/1/2019	310,000	2.152	667,089
6959921	12/1/2018	1/1/2019	620,000	2.152	1,334,178
7012049	12/1/2018	1/1/2019	310,000	2.149	666,314
7056492	12/1/2018	1/1/2019	155,000	2.149	333,157
6959916	12/1/2018	1/1/2019	310,000	2.152	667,089
6775395	12/1/2018	1/1/2019	620,000	2.152	1,334,178
6861382	12/1/2018	1/1/2019	620,000	2.152	1,334,178
7056501	12/1/2018	1/1/2019	310,000	2.150	666,469
6959917	12/1/2018	1/1/2019	310,000	2.152	667,089
7036919	12/1/2018	1/1/2019	75,950	2.152	163,437
<b>Total Term and Monthly Index Purchases</b>			<b>9,840,950</b>	<b>2.148</b>	<b>21,140,238</b>



**SECTION 3**  
**FORECAST MONTH SCHEDULES**

This section provides details of the Deferred Gas Account (DGA) components for March 2019.

Schedule M-1 in Section 1 shows the forecast costs for the various gas supply categories, gas cost adjustments and the forecast dollars for the various recovery components for March 2019.

Schedule M-2 in Section 1 shows the forecast energy balance of the DGA for March 2019.

Schedule F-1 shows the forecast of gas purchases for March 2019 by pricing mechanism. As shown in Schedule F-1, most of the gas purchases have AECO Monthly or Daily Index pricing mechanism.

Most of the Other purchase category is also influenced by AECO index pricing mechanism.

**SCHEDULE F-1**  
**FORECAST GAS PURCHASES**  
**March 2019**

<b>Line</b>	<b>Description</b>	<b>Unit</b>	<b>Forecast February 22, 2019</b>
1	AECO Monthly Index	TJ	8,133
2	AECO Daily Index	TJ	4,658
3	Other	TJ	98
<b>4</b>	<b>Total</b>	<b>TJ</b>	<b>12,888</b>

Schedule F-2 shows the forecast of the unit gas prices for March 2019.

**SCHEDULE F-2**  
**FORECAST UNIT GAS PRICES**  
**March 2019**

<b>Line</b>	<b>Description</b>	<b>Unit</b>	<b>Forecast February 22, 2019</b>
1	AECO Monthly Index	\$/GJ	1.8897
2	AECO Daily Index	\$/GJ	1.9919

**Notes:**

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including February 21, 2019 on the AECO/NGX Intra-Alberta March (Near Month) instrument as reported by NGX.
2. The forecast unit price in Line 2 is the arithmetic average of the March, AECO/NGX Intra-Alberta Settlement prices on February 14, 15, 19, 20 & 21, 2019.

In order to zero the forecast balance of the DGA on March 31, 2019, a Rider F of \$3.18/GJ should be implemented on March 01, 2019. Schedule F-3 shows how this rate is calculated.

**SCHEDULE F-3**  
**RIDER F RATE DERIVATION**

<b>Line</b>	<b>Description</b>	<b>Unit</b>	<b>Reference</b>	<b>Value</b>
1	Opening Cumulative DGA Balance	\$,000	Schedule M-1, Line 1, Column E	-14,993
2	Net Gas Cost Estimate	\$,000	Schedule M-1, Line 8, Column E	24,677
3	Net Monthly Gas Cost Recovery	\$,000	Schedule M-1, Line 11, Column E	39,669
4	Forecast Monthly Sales	TJ	Schedule M-2, Line 4, Column D	12,693
5	GCFR	\$/GJ	Line 3 divided by Line 4	3.125
6	Approved Energy Related Charges	\$/GJ	Decision 23748-D01-2018	0.010
7	Approved Return Margin	\$/GJ	Decision 23748-D01-2018	0.045
8	Rider F	\$/GJ	Line 5 + Line 6 + Line 7	<b>3.180</b>