

March 27, 2019

Decision 24442-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 – April 2019
 Proceeding 24442**

1. On March 25, 2019, Direct Energy Regulated Services (DERS) filed its energy charges applicable to its regulated rate tariff (RRT) for the month of April 2019 with the Alberta Utilities Commission.
2. 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
3. DERS’ proposed energy charges for the month of April 2019 are as follows:

| Rate class | Energy charge as calculated cents/kilowatt hour (kWh) |
|---------------------------|---|
| Residential | 5.926 |
| Commercial | 5.866 |
| Industrial | 5.746 |
| Farming (Includes REA) | 5.866 |
| Irrigation (Includes REA) | 5.681 |
| Oil & Gas | 5.709 |
| Lighting | 4.260 |

4. 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 April 2019. DERS' energy charges did not exceed the price cap of 6.8 cents/kWh, and therefore, the price cap is not reflected in its energy charges for the month. DERS stated that its deferral account was calculated considering only 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 April 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 April 2019 Deferral Account Statement



Appendix 1 - DERS
April 2019 Deferral Ac
(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: Apr-19 Section 3(3)(a)

| | 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 | 0.05926 | 0.068 | 46479814 | 0 |
| 2 Commercial | 0.05866 | 0.068 | 17495088 | 0 |
| 3 Industrial | 0.05746 | 0.068 | 2585200 | 0 |
| 4 Farming (excl REA) | 0.05866 | 0.068 | 17835999 | 0 |
| 5 Irrigation | 0.05681 | 0.068 | 5489 | 0 |
| 6 Oil & Gas | 0.05709 | 0.068 | 278933 | 0 |
| 7 Lighting | 0.0426 | 0.068 | 129315 | 0 |
| | | | GST | 0 Section 3(3)(a)(v) |
| Total - Estimated (\$) | | | | 0 Section 3(3)(a)(v) |

B.) Recalculation based on actual consumption data

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

| | 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 | 0.07031 | 0.068 | 44624134.32 | 115925.8669 | 103081.7503 | -12844.11658 |
| 2 Commercial | 0.06987 | 0.068 | 20355861.07 | 35392.11604 | 38065.4602 | 2673.344161 |
| 3 Industrial | 0.06825 | 0.068 | 2781508.918 | 649.3216113 | 695.3772295 | 46.05561822 |
| 4 Farming (excl REA) | 0.07006 | 0.068 | 20903489 | 41847.79784 | 43061.18641 | 1213.388569 |
| 5 Irrigation (excl REA) | 0.06708 | 0.068 | 98158.8047 | 0 | 0 | 0 |
| 6 Oil & Gas | 0.06753 | 0.068 | 248366.5325 | 0 | 0 | 0 |
| 7 Lighting | 0.0562 | 0.068 | 178439.8214 | 0 | 0 | 0 |
| | | | | | GST | -445.5664116 Section 3(3)(c) |
| | | | | | Balance Adjustment (\$) | -9356.894644 Section 3(3)(c) |

Previously Submitted Month: Section 3(3)(b)

| | | | | | | |
|---|--|-------|--|--|--------------------------------|--------------------------|
| 1 | | 0.068 | | | 0 | 0 |
| 2 | | 0.068 | | | 0 | 0 |
| 3 | | 0.068 | | | 0 | 0 |
| 4 | | 0.068 | | | 0 | 0 |
| 5 | | 0.068 | | | 0 | 0 |
| 6 | | 0.068 | | | 0 | 0 |
| | | | | | GST | 0 Section 3(3)(c) |
| | | | | | Balance Adjustment (\$) | 0 Section 3(3)(c) |

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

-9356.894644 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

March 27, 2019
Date