

**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 \$0.365/GJ for Direct Energy Regulated Services (DERS) gas customers for June 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 Mar-19	Estimate Apr-19	Estimate May-19	Forecast Jun-19
1	Opening Cumulative DGA Balance	\$,000	(17,966)	(17,539)	(13,434)	(1,462)	1,607
<b><u>Gas Supply Costs</u></b>							
2	Purchases	\$,000	0	34,342	8,730	5,791	2,428
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>34,342</b>	<b>8,730</b>	<b>5,791</b>	<b>2,428</b>
<b><u>Adjustments</u></b>							
6	Adjustments For Interim Rates**	\$,000	0	0	0	0	0
7	Procurement**	\$,000	0	30	30	30	30
8	<b>Net Gas Costs</b>	<b>\$,000</b>	<b>0</b>	<b>34,372</b>	<b>8,760</b>	<b>5,821</b>	<b>2,458</b>
<b><u>Recoveries</u></b>							
9	Net Calendar Sales*	\$,000	427	38,030	20,658	8,786	851
10	Excess System Sales	\$,000	0	448	74	104	0
11	<b>Total Recoveries</b>	<b>\$,000</b>	<b>427</b>	<b>38,478</b>	<b>20,732</b>	<b>8,890</b>	<b>851</b>
12	Current DGA Balance	\$,000	427	4,105	11,972	3,069	(1,607)
13	<b>Closing Cumulative DGA Balance</b>	<b>\$,000</b>	<b>(17,539)</b>	<b>(13,434)</b>	<b>(1,462)</b>	<b>1,607</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 Mar-19	Estimate Apr-19	Estimate May-19	Forecast Jun-19
<b><u>Gas Supply Costs</u></b>						
1	Purchases	TJ	13,084	7,094	4,011	2,767
2	Imbalances	TJ	0	0	0	0
3	<b>Total Energy</b>	<b>TJ</b>	<b>13,084</b>	<b>7,094</b>	<b>4,011</b>	<b>2,767</b>
<b><u>Recoveries</u></b>						
4	Net Calendar Sales	TJ	12,170	7,284	3,938	2,746
5	Excess System Sales	TJ	240	133	42	0
6	<b>Total Recoveries</b>	<b>TJ</b>	<b>12,409</b>	<b>7,417</b>	<b>3,980</b>	<b>2,746</b>
7	<b>Load Balancing / UFG Estimate</b>	<b>TJ</b>	<b>(674)</b>	<b>323</b>	<b>(30)</b>	<b>(21)</b>

**SPECIAL NOTES:**

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

Schedule R-1 shows the forecast and actual DGA cost and recovery components for March 2019 as of February 22, 2019 and May 27, 2019 respectively. Schedule R-2 shows the forecast and actual DGA energy balance for March 2019 as of February 22, 2019 and May 27, 2019. It also shows the normal and actual degree days for March 2019.

**SCHEDULE R-1**  
**FORECAST & ACTUAL DGA COSTS AND RECOVERIES**  
**March 2019**

Line	Description	Units	Forecast February 22, 2019	Actual May 27, 2019	Actual Less Forecast
<b><u>Gas Supply Costs</u></b>					
1	Purchases	\$,000	24,646	34,342	9,696
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>24,646</b>	<b>34,342</b>	<b>9,696</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>24,677</b>	<b>34,372</b>	<b>9,696</b>
<b><u>Recoveries</u></b>					
11	Net Calendar Sales*	\$,000	39,669	38,030	(1,640)
12	Excess System Sales	\$,000	0	448	448
13	Penalty Revenue	\$,000	0	0	0
14	<b>Total Recoveries</b>	<b>\$,000</b>	<b>39,669</b>	<b>38,478</b>	<b>(1,192)</b>

\* Net Calendar Sales excludes return margin amounts.

**SCHEDULE R-2**  
**DGA ENERGY BALANCE & DEGREE DAYS**  
**March 2019**

Line	Description	Units	Forecast February 22, 2019	Actual May 27, 2019	Actual Less Forecast
<b><u>Gas Supply Costs</u></b>					
1	Purchases	TJ	12,790	13,084	293
2	Imbalances	TJ	0	0	0
3	<b>Total Energy</b>	<b>TJ</b>	<b>12,790</b>	<b>13,084</b>	<b>293</b>
<b><u>Recoveries</u></b>					
4	Calendar Sales	TJ	12,693	12,170	(523)
5	Excess System Sales	TJ	0	240	240
6	<b>Total Recoveries</b>	<b>TJ</b>	<b>12,693</b>	<b>12,409</b>	<b>(283)</b>
7	<b>DGA UFG</b>	<b>TJ</b>	<b>(98)</b>	<b>(674)</b>	<b>(577)</b>
8	Degree Days	DD	1,116	1,137	21

**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 March 2019 as of May 27, 2019.

**SCHEDULE R-3**  
**ACTUAL GAS PURCHASES**  
**March 2019**  
**Actual - As of May 27, 2019**

Line	Description	TJ	\$/GJ	\$,000
1	Nova Inventory Transfer Supplies (Monthly)	7,595	2.067	15,699
2	Nova Inventory Transfer Supplies (Daily Index)	5,489	3.397	18,643
<b>3</b>	<b>Total Gas Purchases</b>	<b>13,084</b>	<b>2.625</b>	<b>34,342</b>

Schedule R-4 shows the forecast and actual unit gas prices for March 2019 as of February 22, 2019 and May 27, 2019 respectively.

**SCHEDULE R-4**  
**FORECAST AND ACTUAL UNIT GAS PRICES**  
**March 2019**

Line	Description	Units	Forecast February 22, 2019	Actual May 27, 2019	Actual Less Forecast
1	AECO Monthly Index	\$/GJ	1.8897	2.0670	0.1773
2	AECO Daily Index	\$/GJ	1.9919	2.7799	0.7880

**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 actual unit price in Line 1 was the weighted average price of the transactions made up to and including February 28, 2019 on the AECO/NGX Intra-Alberta March (Near Month) instrument as reported by NGX.
3. 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.
4. The actual unit price in Line 2 is the total weighted average price of the daily, weighted average prices each day in March 2019 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**  
**March 2019**

**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	0	0.0000	0.00	5.4308	168,000	4.5692	154,000	4.8267	1,510,937.40	4.6296
2	0	0.0000	0.00	4.3266	151,000	5.4939	133,300	4.9225	1,485,743.98	5.6281
3	0	0.0000	0.00	2.9878	70,000	5.0786	177,700	4.5588	1,165,602.12	3.8730
4	0	0.0000	0.00	3.0074	10,000	3.0700	187,500	3.0768	607,592.50	3.0690
5	16,500	3.7304	61,551.50	3.6445	30,000	3.1283	193,500	3.0921	692,163.90	3.0844
6	11,300	2.9604	33,452.00	2.9897	60,000	3.7175	162,700	3.6510	817,072.80	3.6390
7	(2,300)	2.9143	(6,703.00)	2.8973	42,000	2.9784	170,100	3.0389	642,001.60	3.0310
8	600	2.0500	1,230.00	2.1519	53,000	2.8216	207,600	2.7221	714,651.82	2.7912
9	(2,800)	2.0000	(5,600.00)	2.0073	27,200	2.6013	259,600	2.5784	740,118.92	2.1431
10	2,100	2.3500	4,935.00	2.0906	7,500	2.9740	176,600	2.7880	514,665.62	2.0994
11	0	0.0000	0.00	2.6283	0	0.0000	101,500	2.3103	234,498.65	2.3091
12	(5,700)	2.6216	(14,943.00)	2.6487	0	0.0000	137,100	2.7225	373,250.30	2.7180
13	(5,300)	2.6670	(14,135.00)	2.6766	0	0.0000	156,200	2.6893	420,067.06	2.6838
14	31,900	2.6726	85,256.00	2.6615	0	0.0000	99,200	2.7499	272,792.22	2.7441
15	(13,100)	2.2952	(30,067.50)	2.3156	90,500	2.5486	59,500	2.4875	378,649.75	2.5176
16	17,600	2.1884	38,515.50	2.2162	31,100	2.3150	54,500	2.4847	207,414.25	2.3355
17	0	0.0000	0.00	1.9249	7,500	2.1817	60,000	2.4573	163,802.50	2.1855
18	0	0.0000	0.00	2.3981	0	0.0000	14,700	2.2104	32,492.88	2.2104
19	7,500	2.2655	16,991.00	2.1255	(15,000)	2.3567	(5,500)	2.3173	(48,095.20)	2.3164
20	12,700	3.0197	38,350.00	2.5722	0	0.0000	(21,200)	1.4165	(30,028.78)	1.4194
21	8,600	2.3962	20,607.00	2.3560	0	0.0000	(9,500)	2.2905	(21,759.75)	2.2905
22	4,300	1.5000	6,450.00	0.8584	0	0.0000	3,100	2.3175	7,184.34	2.3166
23	0	0.0000	0.00	0.2446	(5,000)	0.7300	43,100	2.6752	111,651.34	0.6978
24	13,500	1.9640	26,514.00	1.9671	0	0.0000	71,600	1.9005	136,077.04	0.7040
25	7,200	1.9608	14,117.50	1.9138	0	0.0000	48,100	1.9610	94,324.10	1.9610
26	5,100	1.7767	9,061.00	1.7763	0	0.0000	41,300	1.8570	76,695.19	1.8563
27	(18,500)	1.8865	(34,900.00)	1.8756	17,500	1.7779	85,000	1.7608	180,784.00	1.7599
28	(7,100)	1.6739	(11,885.00)	1.6145	10,000	1.8775	50,000	1.8766	112,605.00	1.8766
29	(13,200)	0.9049	(11,945.00)	0.9150	0	0.0000	40,500	1.3766	55,752.30	1.4851
30	0	0.0000	0.00	1.4585	(7,500)	1.2133	30,500	1.4372	34,735.30	1.1967
31	(7,000)	1.5250	(10,675.00)	1.4636	7,000	1.6071	48,000	1.4203	79,423.05	1.6561
TOTAL	63,900		216,177.00		754,800		2,930,300		11,762,866.20	

**Schedule R6 - Actual Spot Gas Purchases by Delivery Day**  
**March 2019**  
**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	250,000	4.8766	1,219,150	4.6296
2	300,000	5.0102	1,503,050	5.6281
3	250,000	4.8766	1,219,150	3.8730
4	200,000	3.0890	617,800	3.0690
5	150,000	3.1027	465,410	3.0844
6	200,000	3.6590	731,800	3.6390
7	150,000	3.0493	457,400	3.0310
8	0	0.0000	0	2.7912
9	0	0.0000	0	2.1431
10	0	0.0000	0	2.0994
11	0	0.0000	0	2.3091
12	0	0.0000	0	2.7180
13	0	0.0000	0	2.6838
14	0	0.0000	0	2.7441
15	0	0.0000	0	2.5176
16	0	0.0000	0	2.3355
17	0	0.0000	0	2.1855
18	0	0.0000	0	2.2104
19	0	0.0000	0	2.3164
20	0	0.0000	0	1.4194
21	0	0.0000	0	2.2905
22	0	0.0000	0	2.3166
23	0	0.0000	0	0.6978
24	0	0.0000	0	0.7040
25	0	0.0000	0	1.9610
26	0	0.0000	0	1.8563
27	0	0.0000	0	1.7599
28	0	0.0000	0	1.8766
29	0	0.0000	0	1.4851
30	0	0.0000	0	1.1967
31	0	0.0000	0	1.6561
<b>TOTAL</b>	<b>1,500,000</b>		<b>6,213,760</b>	

SECTION 2  
RECONCILIATION MONTH SCHEDULES

**Schedule R7- Monthly Index Purchases**  
**March 2019**  
**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	2.071	642,010
6573628	11/1/2018	4/1/2019	310,000	2.071	642,010
6521145	11/1/2018	4/1/2019	620,000	2.071	1,284,020
6540938	11/1/2018	4/1/2019	620,000	2.071	1,284,020
6573629	11/1/2018	4/1/2019	310,000	2.070	641,700
6649496	11/1/2018	4/1/2019	620,000	2.071	1,284,020
6521144	11/1/2018	4/1/2019	620,000	2.071	1,284,020
6631185	11/1/2018	6/1/2019	310,000	2.047	634,570
6591347	11/1/2018	4/1/2019	310,000	2.037	631,470
6591346	11/1/2018	5/1/2019	310,000	2.047	634,570
8147248	3/1/2019	4/1/2019	310,000	2.070	641,545
8147253	3/1/2019	4/1/2019	620,000	2.070	1,283,090
8147250	3/1/2019	4/1/2019	310,000	2.070	641,545
8147256	3/1/2019	4/1/2019	620,000	2.070	1,283,090
8154938	3/1/2019	4/1/2019	155,000	2.070	320,773
8147251	3/1/2019	4/1/2019	310,000	2.070	641,545
8147249	3/1/2019	4/1/2019	620,000	2.070	1,283,090
8147252	3/1/2019	4/1/2019	310,000	2.070	641,545
<b>Total Term and Monthly Index Purchases</b>			<b>7,595,000</b>	<b>2.067</b>	<b>15,698,633</b>



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

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

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

Schedule F-1 shows the forecast of gas purchases for June 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**  
**June 2019**

<b>Line</b>	<b>Description</b>	<b>Unit</b>	<b>Forecast May 27, 2019</b>
1	AECO Monthly Index	TJ	1,350
2	AECO Daily Index	TJ	1,417
3	Other	TJ	21
<b>4</b>	<b>Total</b>	<b>TJ</b>	<b>2,788</b>

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

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

<b>Line</b>	<b>Description</b>	<b>Unit</b>	<b>Forecast May 27, 2019</b>
1	AECO Monthly Index	\$/GJ	0.8431
2	AECO Daily Index	\$/GJ	0.9101

**Notes:**

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including May 24, 2019 on the AECO/NGX Intra-Alberta June (Near Month) instrument as reported by NGX.
2. The forecast unit price in Line 2 is the arithmetic average of the June, AECO/NGX Intra-Alberta Settlement prices on May 20, 21, 22, 23 & 24, 2019.

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

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In order to zero the forecast balance of the DGA on June 30, 2019, a Rider F of \$0.365/GJ should be implemented on June 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	1,607
2	Net Gas Cost Estimate	\$,000	Schedule M-1, Line 8, Column E	2,458
3	Net Monthly Gas Cost Recovery	\$,000	Schedule M-1, Line 11, Column E	851
4	Forecast Monthly Sales	TJ	Schedule M-2, Line 4, Column D	2,746
5	GCFR	\$/GJ	Line 3 divided by Line 4	0.310
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>0.365</b>