

February 26, 2020

Decision 25389-D01-2020

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 – March 2020
 Proceeding 25389**

- On February 24, 2020, Direct Energy Regulated Services (DERS) filed its energy charges applicable to its regulated rate tariff for the month of March 2020 with the Alberta Utilities Commission.
- The filing included an attestation letter from a senior officer of DERS in accordance with the format approved by the Commission in Decision 24296-D01-2019.¹ 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 2018 to 2020, as approved by the Commission in Decision 22635-D01-2018² and Decision 24296-D01-2019.
- DERS’ proposed energy charges for the month of March 2020 are as follows:

Rate class	Energy charge cents/kilowatt hour
Residential	6.793
Commercial	6.799
Industrial	6.662
Farming (Includes REA)	6.752
Irrigation (Includes REA)	6.600
Oil & Gas	6.656
Lighting	5.619

- In Decision 24412-D01-2019,³ the Commission approved corrected monthly energy charges for DERS for February 2018 to September 2019. This will require DERS to incorporate relevant acknowledged and/or accepted information from the corrected monthly rate books for

¹ Decision 24296-D01-2019: Direct Energy Regulated Services, 2018-2020 Energy Price Setting Plan Compliance Filing to Decision 22635-D01-2018, Proceeding 24296, May 22, 2019.
² Decision 22635-D01-2018: Direct Energy Regulated Services, 2018-2020 Energy Price Setting Plan, Proceeding 22635, December 21, 2018.
³ Decision 24412-D01-2019: Direct Energy Regulated Services, Corrected Monthly Regulated Rate Tariff Energy Charges for February 2018 to September 2019, Proceeding 24412, September 13, 2019.

September 2018 to September 2019 as applicable, as part of its commodity risk calculations in months subsequent to the release of Decision 24412-D01-2019.⁴ DERS incorporated the applicable information as part of its monthly rate book for March 2020. Further, the corrected monthly energy charges for September 2019 have been used in the attached deferral account statement.

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 2018 to 2020.

6. DERS also submitted its deferral account statement for the month of March 2020 in accordance with the *Rate Cap (Commission Approved Regulated Rate Tariffs) Regulation*.

7. The *Rate Cap (Commission Approved Regulated Rate Tariffs) Regulation* is the regulation under *An Act to Cap Regulated Electricity Rates*. The *Ensuring Fiscal Sustainability Act, 2019*, which received Royal Assent on December 5, 2019, amended sections 2(1) and 2(2) of *An Act to Cap Regulated Electricity Rates* to end the regulated rate option rate cap effective November 30, 2019. Although the rate cap ended on November 30, 2019, the act still requires the AUC to review and approve DERS' deferral account statements to allow for the true-up between forecast and actual deferral amounts related to previous months.

8. The AUC has 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 March 2020. The approved deferral account statement is included as an appendix to this letter.

9. 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.

10. 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.

11. The Commission may, within 30 days of the date of this decision and without notice, correct typographical, spelling and calculation errors and other similar types of errors and post the corrected decision on its website.

(original signed by)

Douglas A. Larder, QC
General Counsel

Attachment

⁴ Decision 24412-D01-2019, paragraph 33.

Appendix 1 – DERS March 2020 Deferral Account Statement



Appendix 1 - DERS
March 2020 Deferral
(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: Mar-20 Section 3(3)(a)

Rate Class	Regulation , Section 3(3)(a)(i)	Act, Section 2(1)(b)	Maximum Rate (\$/kWh)	Forecast Consumption (kWh)	Monthly Rate (\$/kWh)	Deferral Account Amount (\$)
1 Residential						0
2 Commercial						0
3 Industrial						0
4 Farming (excl REA)						0
5 Irrigation						0
6 Oil & Gas						0
7 Lighting						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: Sep-19 Section 3(3)(b)

Rate Class	Regulation Section 3(3)(b)(i)	Act, Section 2(1)(b)	Maximum Rate (\$/kWh)	Actual Consumption (kWh)	Previous Deferral Account Amount (\$)	*Recalculation (\$)	Difference (\$)
1 Residential	0.07716	0.068		37,085,379.89	374764.4376	339702.0798	-35062.35783
2 Commercial	0.07652	0.068		16,444,449.14	133669.3446	140106.7067	6437.362094
3 Industrial	0.07419	0.068		1,898,731.52	13683.38359	11753.1481	-1930.23549
4 Farming (excl REA)	0.07648	0.068		15,914,809.57	140904.3654	134957.5851	-5946.780315
5 Irrigation (excl REA)	0.0728	0.068		101,431.50	1123.862558	486.8711981	-636.9913603
6 Oil & Gas	0.0732	0.068		156,170.66	1450.532663	812.0874398	-638.4452232
7 Lighting	0.05373	0.068		144,746.50	0	0	0
					GST	-1888.872406	-1888.872406 Section 3(3)(c)
Balance Adjustment (\$)						-39666.32053	-39666.32053 Section 3(3)(c)

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

1 Residential						0	0
2 Commercial						0	0
3 Industrial						0	0
4 Farming (excl REA)						0	0
5 Irrigation (excl REA)						0	0
6 Oil & Gas						0	0
7 Lighting						0	0
					GST	0	0 Section 3(3)(c)
Balance Adjustment (\$)						0	0 Section 3(3)(c)

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

-39666.32053 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:

Douglas A. Larder, QC, General Counsel
Name and Title of AUC Signing Authority

February 26, 2020
Date