

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 \$2.492/GJ for Direct Energy Regulated Services (DERS) gas customers for September 2020.

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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 Jun-20	Estimate Jul-20	Estimate Aug-20	Forecast Sep-20
1	Opening Cumulative DGA Balance	\$,000	889	888	2,485	1,271	(41)
<u>Gas Supply Costs</u>							
2	Purchases	\$,000	0	3,831	3,852	3,756	8,871
3	Daily Trade Averaging Adjustment	\$,000	0	0	0	0	0
4	Imbalances	\$,000	0	0	0	0	0
5	Total Gas Supply Costs	\$,000	0	3,831	3,852	3,756	8,871
<u>Adjustments</u>							
6	Adjustments For Interim Rates**	\$,000	0	379	316	0	0
7	Procurement***	\$,000	0	53	53	30	30
8	Net Gas Costs	\$,000	0	4,263	4,221	3,786	8,901
<u>Recoveries</u>							
9	Net Calendar Sales*	\$,000	(1)	5,829	2,966	2,449	8,942
10	Excess System Sales	\$,000	0	32	42	25	0
11	Total Recoveries	\$,000	(1)	5,860	3,007	2,474	8,942
12	Current DGA Balance	\$,000	(1)	1,597	(1,214)	(1,312)	41
13	Closing Cumulative DGA Balance	\$,000	888	2,485	1,271	(41)	0

* Net Calendar Sales excludes return margin amounts.

** Approved in Decision 25341-D01-2020.

***Decision 24237-D01-2019 approved the amount of \$30,334 with an additional \$23,109 in Decision 25341-D01-2020.

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

Line	Description	Units	A	B	C	D
			Actual Jun-20	Estimate Jul-20	Estimate Aug-20	Forecast Sep-20
<u>Gas Supply Costs</u>						
1	Purchases	TJ	1,992	2,116	1,905	3,701
2	Imbalances	TJ	0	0	0	0
3	Total Energy	TJ	1,992	2,116	1,905	3,701
<u>Recoveries</u>						
4	Net Calendar Sales	TJ	2,506	2,011	1,878	3,669
5	Excess System Sales	TJ	19	23	11	0
6	Total Recoveries	TJ	2,525	2,034	1,889	3,669
7	Load Balancing / UFG Estimate	TJ	533	(82)	(16)	(32)

SPECIAL NOTES:

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-1 shows the forecast and actual DGA cost and recovery components for June 2020 as of May 25, 2020 and August 25, 2020 respectively. Schedule R-2 shows the forecast and actual DGA energy balance for June 2020 as of May 25, 2020 and August 25, 2020. It also shows the normal and actual degree days for June 2020.

SCHEDULE R-1
FORECAST & ACTUAL DGA COSTS AND RECOVERIES
June 2020

Line	Description	Units	Forecast May 25, 2020	Actual August 25, 2020	Actual Less Forecast
<u>Gas Supply Costs</u>					
1	Purchases	\$,000	5,457	3,831	(1,626)
2	Daily Trade Averaging Adjustment	\$,000	0	0	0
3	Imbalances	\$,000	0	0	0
4	Total Gas Supply Costs	\$,000	5,457	3,831	(1,626)
<u>Adjustments</u>					
5	Adjustments For Interim Rates	\$,000	379	379	0
6	Procurement	\$,000	53	53	0
7	Bad Debts	\$,000	0	0	0
8	Working Capital	\$,000	0	0	0
9	Credit Charge	\$,000	0	0	0
10	Net Gas Costs	\$,000	5,890	4,263	(1,626)
<u>Recoveries</u>					
11	Net Calendar Sales*	\$,000	6,381	5,829	(552)
12	Excess System Sales	\$,000	0	32	32
13	Penalty Revenue	\$,000	0	0	0
14	Total Recoveries	\$,000	6,381	5,860	(520)

* Net Calendar Sales excludes return margin amounts.

SCHEDULE R-2
DGA ENERGY BALANCE & DEGREE DAYS
June 2020

Line	Description	Units	Forecast May 25, 2020	Actual August 25, 2020	Actual Less Forecast
<u>Gas Supply Costs</u>					
1	Purchases	TJ	2,767	1,992	(775)
2	Imbalances	TJ	0	0	0
3	Total Energy	TJ	2,767	1,992	(775)
<u>Recoveries</u>					
4	Calendar Sales	TJ	2,743	2,506	(237)
5	Excess System Sales	TJ	0	19	19
6	Total Recoveries	TJ	2,743	2,525	(219)
7	DGA UFG	TJ	(24)	533	557
8	Degree Days	DD	76	114	38

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 June 2020 as of August 25, 2020.

SCHEDULE R-3
ACTUAL GAS PURCHASES
June 2020
Actual - As of August 25, 2020

Line	Description	TJ	\$/GJ	\$,000
1	Nova Inventory Transfer Supplies (Monthly)	1,350	1.979	2,671
2	Nova Inventory Transfer Supplies (Daily Index)	642	1.807	1,160
3	Total Gas Purchases	1,992	1.923	3,831

Schedule R-4 shows the forecast and actual unit gas prices for June 2020 as of May 25, 2020 and August 25, 2020 respectively.

SCHEDULE R-4
FORECAST AND ACTUAL UNIT GAS PRICES
June 2020

Line	Description	Units	Forecast May 25, 2020	Actual August 25, 2020	Actual Less Forecast
1	AECO Monthly Index	\$/GJ	1.9991	1.9748	(0.0243)
2	AECO Daily Index	\$/GJ	1.9463	1.9987	0.0524

Notes:

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including May 22, 2020 on the AECO/NGX Intra-Alberta June (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 May 31, 2020 on the AECO/NGX Intra-Alberta June (Near Month) instrument as reported by NGX.
3. The forecast unit price in Line 2 is the arithmetic average of the June, AECO/NGX Intra-Alberta Settlement prices on May 18, 19, 20, 21 & 22, 2020.
4. The actual unit price in Line 2 is the total weighted average price of the daily, weighted average prices each day in June 2020 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 Transactions by Trade Day
June 2020

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	4,000	1.8675	7,470.00	1.8627	0	0.0000	25,000	1.8263	45,657.50	1.8263
2	0	0.0000	0.00	1.9976	0	0.0000	20,000	1.8906	37,812.00	1.8906
3	0	0.0000	0.00	1.9862	0	0.0000	35,000	2.0127	70,445.00	2.0117
4	0	0.0000	0.00	1.9481	0	0.0000	45,000	1.9858	89,361.00	1.9858
5	3,800	1.8674	7,096.00	1.8400	4,000	1.8900	20,000	1.8876	45,312.00	1.9035
6	(4,300)	1.6988	(7,305.00)	1.4682	0	0.0000	42,500	1.8461	78,461.25	1.8093
7	4,900	1.8151	8,894.00	1.8140	0	0.0000	60,000	1.7839	107,036.00	1.7321
8	0	0.0000	0.00	1.8533	0	0.0000	50,000	1.8220	91,100.00	1.8220
9	(6,300)	1.8260	(11,504.00)	1.8290	0	0.0000	33,000	1.8523	61,125.90	1.8523
10	300	1.8350	550.50	1.8404	0	0.0000	10,000	1.8386	18,386.00	1.8386
11	10,000	1.8500	18,500.00	1.8236	0	0.0000	0	0.0000	0.00	1.8507
12	1,500	1.8800	2,820.00	1.8315	5,000	1.7300	0	0.0000	8,650.00	1.7810
13	1,000	1.7000	1,700.00	1.7131	7,500	1.7200	3,500	1.7651	19,077.85	1.7646
14	0	0.0000	0.00	1.6604	10,000	1.7150	12,500	1.6988	38,385.00	1.6988
15	(4,000)	1.6200	(6,480.00)	1.6109	0	0.0000	25,000	1.6708	41,770.00	1.6721
16	0	0.0000	0.00	1.6555	0	0.0000	15,000	1.5992	23,988.00	1.6017
17	5,900	1.7683	10,433.00	1.7600	0	0.0000	27,000	1.6808	45,381.00	1.6818
18	500	2.4000	1,200.00	2.2620	0	0.0000	28,000	1.7494	48,983.20	1.7494
19	(700)	1.8600	(1,302.00)	1.8750	4,000	1.8250	10,000	1.8343	25,643.00	1.8318
20	4,200	1.7033	7,154.00	1.7151	0	0.0000	0	0.0000	0.00	1.8416
21	(400)	1.7700	(708.00)	1.7739	0	0.0000	10,000	1.7272	17,272.00	1.7272
22	1,100	1.8305	2,013.50	1.8192	0	0.0000	0	0.0000	0.00	1.8176
23	2,300	1.8300	4,209.00	1.8429	0	0.0000	0	0.0000	0.00	1.8245
24	1,200	1.8150	2,178.00	1.8202	0	0.0000	6,000	1.8604	11,162.40	1.8604
25	400	1.7400	696.00	1.7156	0	0.0000	3,000	1.7978	5,393.40	1.7979
26	0	0.0000	0.00	1.6442	0	0.0000	5,000	1.6660	8,330.00	1.6609
27	400	1.6900	676.00	1.6910	0	0.0000	18,000	1.6631	29,936.00	1.6620
28	0	0.0000	0.00	1.7700	0	0.0000	28,000	1.6818	47,089.60	1.6852
29	(2,900)	1.8369	(5,327.00)	1.7955	2,000	1.8175	16,000	1.8078	32,559.60	1.8078
30	300	1.7750	532.50	1.6709	0	0.0000	20,000	1.7700	35,400.00	1.7864
31	0	0.0000	0.00	0.0000	0	0.0000	0	0.0000	0.00	0.0000
TOTAL	23,200		43,496.50		32,500		567,500		1,083,717.70	

**Schedule R6 - Actual Spot Gas Purchases by Delivery Day
June 2020
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	1.8263
2	0	0.0000	0	1.8906
3	0	0.0000	0	2.0117
4	0	0.0000	0	1.9858
5	0	0.0000	0	1.9035
6	0	0.0000	0	1.8093
7	0	0.0000	0	1.7321
8	0	0.0000	0	1.8220
9	0	0.0000	0	1.8523
10	0	0.0000	0	1.8386
11	0	0.0000	0	1.8507
12	0	0.0000	0	1.7810
13	0	0.0000	0	1.7646
14	0	0.0000	0	1.6988
15	0	0.0000	0	1.6721
16	0	0.0000	0	1.6017
17	0	0.0000	0	1.6818
18	0	0.0000	0	1.7494
19	0	0.0000	0	1.8318
20	0	0.0000	0	1.8416
21	0	0.0000	0	1.7272
22	0	0.0000	0	1.8176
23	0	0.0000	0	1.8245
24	0	0.0000	0	1.8604
25	0	0.0000	0	1.7979
26	0	0.0000	0	1.6609
27	0	0.0000	0	1.6620
28	0	0.0000	0	1.6852
29	0	0.0000	0	1.8078
30	0	0.0000	0	1.7864
31	0	0.0000	0	0.0000
TOTAL	0		0	

Schedule R7- Monthly Index Purchases
June 2020
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>
9128699	11/1/2019	11/1/2020	300,000	1.980	593,940
9036038	11/1/2019	11/1/2020	300,000	1.977	593,190
9764161	4/1/2020	11/1/2020	600,000	1.979	1,187,280
9940506	5/1/2020	8/1/2020	150,000	1.977	296,595
Total Term and Monthly Index Purchases			1,350,000	1.979	2,671,005

SECTION 3
FORECAST MONTH SCHEDULES

This section provides details of the Deferred Gas Account (DGA) components for September 2020.

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 September 2020.

Schedule M-2 in Section 1 shows the forecast energy balance of the DGA for September 2020.

Schedule F-1 shows the forecast of gas purchases for September 2020 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
September 2020

Line	Description	Unit	Forecast August 25, 2020
1	AECO Monthly Index	TJ	1,500
2	AECO Daily Index	TJ	2,201
3	Other	TJ	32
4	Total	TJ	3,733

Schedule F-2 shows the forecast of the unit gas prices for September 2020.

SCHEDULE F-2
FORECAST UNIT GAS PRICES
September 2020

Line	Description	Unit	Forecast August 25, 2020
1	AECO Monthly Index	\$/GJ	2.3197
2	AECO Daily Index	\$/GJ	2.4494

Notes:

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including August 24, 2020 on the AECO/NGX Intra-Alberta September (Near Month) instrument as reported by NGX.
2. The forecast unit price in Line 2 is the arithmetic average of the September, AECO/NGX Intra-Alberta Settlement prices on August 18, 19, 20, 21 & 24, 2020.

SECTION 3
FORECAST MONTH SCHEDULES

In order to zero the forecast balance of the DGA on September 30, 2020, a Rider F of \$2.492/GJ should be implemented on September 01, 2020. Schedule F-3 shows how this rate is calculated.

SCHEDULE F-3
RIDER F RATE DERIVATION

Line	Description	Unit	Reference	Value
1	Opening Cumulative DGA Balance	\$,000	Schedule M-1, Line 1, Column E	(41)
2	Net Gas Cost Estimate	\$,000	Schedule M-1, Line 8, Column E	8,901
3	Net Monthly Gas Cost Recovery	\$,000	Schedule M-1, Line 11, Column E	8,942
4	Forecast Monthly Sales	TJ	Schedule M-2, Line 4, Column D	3,669
5	GCFR	\$/GJ	Line 3 divided by Line 4	2.437
6	Approved Energy Related Charges	\$/GJ	Decision 24237-D01-2019	0.010
7	Approved Return Margin	\$/GJ	Decision 24237-D01-2019	0.045
8	Rider F	\$/GJ	Line 5 + Line 6 + Line 7	2.492