

June 24, 2024

Alberta Utilities Commission
10th Floor, 10055 – 106 St.
Edmonton, Alberta T5J 2Y2

Attention: Mr. Chris Arnot
Director, Retail Energy and Water

Dear Mr. Arnot:

Re: Direct Energy Regulated Services Regulated Rate Tariff Transition Rate for July 2024

Direct Energy Regulated Services (DERS) is filing with the Alberta Utilities Commission (Commission or AUC) Regulated Rate Tariff (RRT) rates for July 2024 for the service territory of ATCO Electric Ltd (ATCO).

The July 2024 rates have been developed in accordance with DERS' 2023-2025 Energy Price Setting Plan ("EPSP") as approved by the Commission in Decision 27950-D01-2023. The derivations of these rates are detailed in the attached supporting schedules. DERS has also attached a Director Attestation Letter and Trader Attestation Letters. The Director Attestation Letter states that the rates have been calculated in accordance with DERS' EPSP. The Trader Attestation Letters assert that, to the best of the RRO trader's or backup trader's knowledge, the "RRO-related information" contained in Confidential Schedule "E" of the EPSP has not been disclosed to any party that has not signed Appendix "G.1" of the EPSP, the Procurement Conduct Agreement. DERS is submitting its confidential report as part of this filing and requesting the confidential treatment granted in the Commission's confidentiality ruling in Proceeding 27562, Exhibit 27562-X0017.

The Regulated Rate Option Stability Act ("RROSA") enacted a limit of 13.5 cents per kilowatt hour ("kWh") on the energy charge component of RRO rates for the months of January, February and March 2023. For these months, DERS' calculated energy charges exceeded the limit for all rate classes. Accordingly, DERS seeks approval of recovery charges by rate class in accordance with Section 4.4(2) of the RROSA and Section 2 of the Regulated Rate Option Stability Regulation ("RROSR"). DERS has included the statement that is required under Section 2 of the RROSR and it can be found in the attachment named "2024 Rate Cap Workbook – DERS RRT July 2024" within which the forecast recovery charge has been calculated for July 2024. Furthermore, as per the regulation, DERS has calculated different rates for each of the REAs it serves and has included them for information purposes in the table below. The following table summarizes the rates for which DERS seeks approval, along with the REA rates (which are provided for information purposes only):

Rate Class	Calculated Energy Charge (cents/kWh)	Recovery Charge (cents/kWh)	Applied for Energy Charge (cents/kWh)
Residential	9.175	3.070	12.245
Commercial	9.155	2.986	12.141
Industrial	8.884	2.030	10.914
Farm	9.133	5.788	14.921
Irrigation	8.771	0.000	8.771
Oil & Gas	8.827	11.727	20.554
Lighting	6.072	3.332	9.404
Farm - REA			
Beaver REA	9.133	5.273	14.406
Borradaile REA	9.133	4.903	14.036
Braes REA	9.133	5.016	14.149
Claysmore REA	9.133	6.853	15.986
Devonia REA	9.133	4.857	13.990
Heart River	9.133	3.794	12.927
Kneehill REA	9.133	5.122	14.255
Mackenzie REA	9.133	4.280	13.413
Mynnam REA	9.133	4.614	13.747
Zawale REA	9.133	4.016	13.149

DERS notes that it has removed its forecast REA volumes based on the information provided in the attachment named “DERS REA Forecast Volumes July 2024”.

Additionally, DERS has included the calculation of the energy return margin in its rate book “Inputs” tab as approved in paragraph 18 of Decision 27950-D01-2023 and it has updated the numbers based on DERS’ 2023 Rule 005 RRT annual report.

In accordance with paragraph 63 of Decision 27562-D01-2022, DERS has provided updated seasonal multipliers in the attachment named “Seasonal Multiplier Regression Coefficients July 2024” starting at column AQ in tab “Regressions”.

Attached for the Commission’s acknowledgement is DERS’ Rider “P” Energy Charge Schedule applicable to Rates E1 through E7 for July 2024. DERS has also attached the Rider “P (REA)” Energy Charge Schedule applicable to REA farm and irrigation service.

Should you require additional information please contact the undersigned at 403-463-3520.

Yours truly,

Nicole Black

Director, Government and Regulatory Affairs
Direct Energy Marketing Limited
Direct Energy Regulated Services is a business unit of Direct Energy Marketing Limited