



## **Direct Energy Regulated Services**

**2024-2026 Default Rate Tariff and Regulated Rate Tariff  
Non-Energy Negotiated Settlement**

**September 17, 2024**

**Alberta Utilities Commission**

Decision 28939-D01-2024

Direct Energy Regulated Services

2024-2026 Default Rate Tariff and Regulated Rate Tariff Non-Energy Negotiated Settlement  
Proceeding 28939

September 17, 2024

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## **1 Decision summary**

1. In this decision, the Alberta Utilities Commission approves the Negotiated Settlement Agreement (NSA) between Direct Energy Regulated Services (DERS), the Office of the Utilities Consumer Advocate (UCA) and the Consumers' Coalition of Alberta (CCA) addressing DERS' non-energy default rate tariff (DRT) and regulated rate tariff (RRT) revenue requirement items and resulting rates for 2024-2026. DERS' non-energy charges are shown as the fixed daily charge on its DRT and RRT customers' bills.

2. Section 3 of this decision reviews the Commission's findings on the NSA. In Section 4 of this decision, the Commission finds that DERS has complied with certain previous Commission directions.

3. DERS is required to submit a compliance filing in September 2025 to update DERS' site count forecast and related data, and to determine DERS' final DRT and RRT revenue requirements and rates for 2026. Further instructions about the compliance filing are included in Section 5 of this decision.

## **2 Processing of the application**

4. On April 2, 2024, DERS filed an application requesting approval of its 2024-2026 non-energy default rate tariff (DRT) and regulated rate tariff (RRT) revenue requirements and associated rates. DERS considered it would be worthwhile to explore the possibility of reaching a negotiated settlement of DERS' application.

5. Prior to filing the application, DERS submitted a motion for confidential treatment of certain information.<sup>1</sup> The Commission granted DERS' request in a ruling issued on April 10, 2024, with the exception of one item on audits of permitted subcontractors.<sup>2</sup> Information on this topic had previously been included in the public record and DERS did not indicate how confidential treatment on the issue was required to prevent serious risk to public interest.

6. The Commission issued the notice of application on April 3, 2024. The notice requested that interested parties include in their written submissions: (i) a full description of the issues, including issues they intended to ask information requests (IRs) about or file evidence on; (ii) the process steps required; and (iii) whether they were amenable to a negotiated settlement process (NSP).

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<sup>1</sup> Exhibit 28939-X0003.

<sup>2</sup> Exhibit 28939-X0066.

7. The CCA and the UCA registered to participate. The CCA supported an NSP, after the submission of intervener evidence, as an expeditious way to resolve the application.
8. On April 29, 2024, DERS filed amendments to certain areas of the application, in response to an announcement from the Government of Alberta about upcoming changes to the regulated rate option (RRO).<sup>3</sup>
9. Following a round of IRs to DERS, the submission of DERS' responses to those IRs, and the submission of intervener evidence, the parties commenced negotiations on July 3, 2024, and completed negotiations on July 10, 2024.<sup>4</sup> The parties agreed to an NSA, which was submitted to the Commission on July 29, 2024, for approval.<sup>5</sup> Section 5.1 of the NSA states, "This Agreement will be of no force and effect unless the AUC approves this Agreement in its entirety in accordance with Section 28.6 of the GUA [*Gas Utilities Act*] and Section 135 of the EUA [*Electric Utilities Act*]."<sup>6</sup> Section 2.3 of the NSA states:
- For certainty, except to the extent that DERS' 2026 DRT or RRT revenue requirements or rate schedules may be affected by the Compliance Filing, which is limited to the update to 2026 DRT and RRT site count forecasts (Section 2.1(b)), the update to the regulated-to-competitive site count ratio (Section 2.1(d)) and the update to the 2026 bad debt forecast (Section 2.1(f)), the Parties agree that the Commission should approve DERS' revised DRT and RRT revenue requirements and rate schedules for the Test Period on a final basis.<sup>7</sup>
10. The "Test Period" is defined as collectively, calendar years 2024, 2025 and 2026.<sup>8</sup> DERS is to submit the compliance filing to the Commission in September 2025. This will include updates to the 2026 DRT and RRT revenue requirements and rates schedules to incorporate the agreed-upon updates to the 2026 DRT and RRT site counts, the 2026 regulated-to-competitive site count ratio and the 2026 DRT and RRT bad debt forecasts.
11. In response to the Commission's IRs on the NSA, DERS explained that (i) the DRT monthly labour (gas procurement) costs for 2024, 2025 and 2026 are not subject to adjustment as part of the compliance filing; (ii) the DRT energy-related charge per gigajoule for 2026 will be adjusted as part of the compliance filing; (iii) the DRT return margin charge will be subject to adjustment as part of the compliance filing; and (iv) the 2026 DRT rate schedules and the 2026 RRT rate schedules should be marked as interim rate schedules.<sup>9</sup>
12. The Commission considers the close of record for the proceeding was August 14, 2024, the date that DERS filed its IR responses about the NSA.

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<sup>3</sup> The items that were amended were described in Exhibit 28939-X0090.

<sup>4</sup> Exhibit 28939-X0141, PDF page 5, paragraphs 12-13.

<sup>5</sup> The application for approval of the NSA is in Exhibit 28939-X0141. The NSA is in Exhibit 28939-X0142 and includes nine appendixes: NSA Appendix A (Exhibit 28939-X0143); NSA Appendix B (Exhibit 28939-X0144.01); NSA Appendix C (Exhibit 28939-X0145); NSA Appendix D (Exhibit 28939-X0146.01); NSA Appendix E (Exhibit 28939-X0147); NSA Appendix F (Exhibit 28939-X0148); NSA Appendix G (Exhibit 28939-X0149); NSA Appendix H (Exhibit 28939-X0150); and NSA Appendix I (Exhibit 28939-X0151).

<sup>6</sup> Exhibit 28939-X0142, PDF page 16.

<sup>7</sup> Exhibit 28939-X0142, PDF page 14.

<sup>8</sup> Exhibit 28939-X0142, PDF page 3.

<sup>9</sup> Exhibit 28939-X0166, responses to IRs DERS-AUC-2024AUG07-001, DERS-AUC-2024AUG07-002 and DERS-AUC-2024AUG07-003.

### 3 Negotiated Settlement Agreement

#### 3.1 Requirements governing negotiated settlements

13. Sections 134 and 135 of the *Electric Utilities Act* authorize the Commission, with some limitations, to approve a negotiated settlement. Section 135 indicates that if the parties negotiate a settlement on the basis that the settlement is contingent on the Commission accepting the entire settlement, the Commission must either approve the entire settlement or refuse it.

14. Section 132 of that act authorizes the Commission to establish rules in respect of negotiated settlements, including settlements of rate-related matters.

15. Section 6 of Rule 018: *Rules on Negotiated Settlements* sets out requirements for the contents of a negotiated settlement application, and places the onus on the applicant to provide sufficient evidence to support the application and to enable the Commission to understand and assess the agreement. Section 7 of Rule 018 includes requirements for the Commission's assessment of the agreement. The Commission structured the settlement process in this proceeding in accordance with Rule 018.

16. In considering these requirements, the Commission has taken into account the direction of the Alberta Court of Appeal as set out in *ATCO Electric Limited v Alberta (Energy and Utilities Board)* (ATCO Electric decision), where the court found that the ultimate responsibility for approving negotiated settlements resides with what is now the AUC.<sup>10</sup> The Commission must therefore ensure that the NSA will result in just and reasonable rates; that none of the NSA provisions, individually or collectively, are patently against the public interest or contrary to law; and that the NSP used to arrive at the NSA was fair. Performing this assessment requires the Commission to review both the individual provisions of the NSA and the NSA as a whole.

17. In assessing a negotiated settlement, the Commission is aware that while one or more of the interested parties to a settlement may represent certain stakeholders, none will represent all stakeholders. Further, as noted by the court in the ATCO Electric decision, "... even a broad range of Interveners will not necessarily translate into a wide spectrum of positions since parties may make trade-offs which leave other issues unresolved, unaddressed or compromised."<sup>11</sup> Consequently, the NSP and NSA do not replace a full and informed review by the Commission as to what is in the overall public interest. Given that DERS requested and received Commission approval to negotiate a settlement, subsequently negotiated with parties representing ratepayers, executed the NSA, and then applied to the Commission for approval of the NSA, the Commission has proceeded on the basis that the NSA satisfies DERS' interests and has only assessed the NSA from the point of view of ratepayers. This is consistent with the ATCO Electric decision.<sup>12</sup>

18. Given the above requirements governing negotiated settlements, the Commission has considered the following in making its determination on whether the NSA should be accepted or rejected in its entirety.

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<sup>10</sup> *ATCO Electric Limited v Alberta (Energy and Utilities Board)*, 2004 ABCA 215.

<sup>11</sup> 2004 ABCA 215, paragraph 138.

<sup>12</sup> 2004 ABCA 215, paragraph 146.

- **Review of the NSP**
  - Was the NSP procedurally fair, both with respect to adequate notice having been served and with respect to the conduct of the negotiation process itself?
- **Review of the NSA**
  - Does the settlement result in rates, and terms and conditions that are just and reasonable?
  - Is the settlement patently against the public interest or contrary to law?

19. Performing this assessment requires the Commission to review both the individual provisions of the NSA and the NSA as a whole. The Commission's findings on the NSP and on the provisions of the NSA are discussed in sections 3.2 and 3.3, respectively.

### 3.2 Review of the NSP

20. The first factor that the Commission considered is whether the NSP that resulted in the NSA was fair. The Commission considers the UCA and the CCA to be sophisticated parties and that they represent a cross-section of Alberta residential, small business and farm ratepayers.

21. With respect to the conduct of the negotiation process, DERS submitted that the negotiation was informed by its amended application and IR responses filed in this proceeding, along with additional information provided during the course of the negotiation, all of which were comprehensive in content. DERS noted that no party withheld relevant information, which is supported by Section 8.0.1 of the NSA. DERS' overall submission was that all parties were reasonably informed and able to fully participate.<sup>13</sup> The UCA indicated that it actively participated in the NSP and confirmed that in its view, the NSP was conducted openly and fairly.<sup>14</sup> Similarly, the CCA advised that, in its view, the negotiations were conducted openly and fairly.<sup>15</sup>

22. On the issue of notice, Section 3 of Rule 018 deals with the provision of notice by a utility to parties who may be interested in participating in negotiations. Section 8.0.2 of the NSA indicates that DERS provided notice to all interested parties, and the interveners agreed that proper notice of the NSP was provided to them. The Commission finds that DERS provided adequate notice to parties.

23. The Commission is satisfied that the NSP was fair and that the procedural requirements set out in Rule 018 have been met.

### 3.3 Review of the NSA

24. In assessing the NSA, the Commission must consider whether it will result in just and reasonable rates and terms and conditions (Rule 018, Section 8(1)), including consideration of whether its approval would be patently against the public interest or contrary to law (Rule 018, Section 8(2)).

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<sup>13</sup> Exhibit 28393-X0141, PDF page 12, paragraph 47.

<sup>14</sup> Exhibit 28939-X0140, PDF page 1, paragraph 1.

<sup>15</sup> Exhibit 28939-X0164, PDF page 1, paragraph 1.

25. In conducting the public interest assessment, the Commission considered each element of the NSA and the NSA as a whole. As to what constitutes the public interest when assessing the attributes and merits of the NSA, the Commission followed the guidance provided in the ATCO Electric decision discussed above; that is, the Commission considered the public interest from the perspective of ratepayers. In arriving at its findings, the Commission reviewed the provisions of the NSA to determine whether any of the provisions appeared to be unusual, contrary to accepted regulatory practices, or could otherwise result in negative rate effects, service concerns or other concerns in future rate applications.

26. In its amended application, DERS applied for DRT revenue requirements of \$47.58 million for 2024, \$45.86 million for 2025 and \$42.25 million for 2026.<sup>16</sup> DERS also applied for RRT revenue requirements of \$15.90 million for 2024, \$13.08 million for 2025 and \$11.04 million for 2026.<sup>17</sup> A comparison of the applied-for and negotiated non-energy and energy revenue requirements for the DRT and RRT is shown in Table 1 below.

**Table 1. Comparison of revenue requirements before and after negotiation<sup>18</sup>**

Category	Year	Amended application	NSA
		(\$ million)	
DRT non-energy revenue requirement	2024	44.48	45.27
	2025	42.40	43.40
	2026 (interim)	38.71	39.20
RRT non-energy revenue requirement	2024	14.27	14.39
	2025	11.88	11.95
	2026 (interim)	10.07	9.93
DRT energy revenue requirement	2024	3.10	3.16
	2025	3.46	3.56
	2026 (interim)	3.54	3.64
RRT energy revenue requirement	2024	1.63	1.68
	2025	1.21	1.26
	2026 (interim)	0.97	1.01

27. The NSA results in variances to DERS' applied-for revenue requirements of approximately \$1.02 million or 1.6 per cent for 2024, \$1.23 million or 2.1 per cent for 2025 and \$0.48 million or 0.9 per cent for 2026.<sup>19</sup> While DERS' revenue requirements have increased as a result of the NSA, due to the updated site count forecasts<sup>20</sup> both the DRT and RRT rates will decline for all rate classes compared to the applied-for rates. Table 2 below provides a comparison of the applied-for rates and the rates provided in the NSA.

<sup>16</sup> Exhibit 28939-X0014.01, 2024-2026 DRT Revenue Requirements.

<sup>17</sup> Exhibit 28939-X0143, NSA Appendix A; Exhibit 28939-X0145, Appendix C.

<sup>18</sup> Exhibit 28939-X0149, NSA Appendix G.

<sup>19</sup> Exhibit 28939-X0149, NSA Appendix G, "Combined DRT RRT Summary" Tab.

<sup>20</sup> Exhibit 28939-X0147, NSA Appendix E.



**Table 2. Comparison of applied-for rates and final NSA rates<sup>21</sup>**

Rate class	Amended application rates			Final NSA rates		
	2024	2025	2026 (interim)	2024	2025	2026
	<b>DRT rates (\$/day)</b>					
General Service (G1)	0.355	0.394	0.431	0.350	0.385	0.417
Large Use Service (G3)	0.601	0.654	0.675	0.592	0.644	0.662
Irrigation Service (G5)	0.388	0.431	0.473	0.382	0.422	0.457
	<b>RRT rates (\$/day)</b>					
Residential (E1)	0.642	0.694	0.819	0.626	0.672	0.780
Small General (E2)	0.803	0.851	0.997	0.785	0.828	0.955
Large General (E3)	1.291	1.310	1.499	1.270	1.286	1.457
Oilfield (E4)	0.632	0.673	0.798	0.614	0.655	0.764
Farm (E5)	0.659	0.706	0.830	0.643	0.685	0.792
Lighting (E6)	0.426	0.484	0.600	0.414	0.466	0.564
Irrigation (E7)	0.775	0.809	0.944	0.760	0.789	0.908

28. A list of the specific areas to be adjusted as set out in the NSA are:

- The 2024 DRT and RRT site count forecast has been adjusted to be based on the 12-month average of site count growth and attrition from June 2023 to May 2024. For 2025, DERS updated the opening site count for 2025 to be the revised closing site count forecast for 2024. For 2026, the parties agreed to use the most recent available data for the 2026 site count forecast to set interim rates now, and to complete a further final site count forecast update during the September 2025 compliance filing.<sup>22</sup>
- The applied-for regulated-to-competitive site count ratio of 51.5 per cent to 48.5 per cent for 2024 and 45.2 per cent to 54.8 per cent for 2025 has been revised to be 51.2 per cent to 48.8 per cent in 2024 and 44.4 per cent to 55.6 per cent in 2025. For 2026, the parties agreed to an interim update to the 2026 regulated-to-competitive ratio (36.7 per cent to 63.3 per cent), and to a further update during the September 2025 compliance filing.<sup>23</sup>
- DERS' applied-for postage and paper costs of \$3.48 million in 2024, \$2.99 million in 2025 and \$2.45 million in 2026 were revised to be \$3.55 million in 2024, \$3.08 million in 2025 and \$2.53 million in 2026.<sup>24</sup>
- DERS' applied-for 2024 RRT revenue requirement for customer information costs was reduced from \$25 thousand to \$19.1 thousand.<sup>25</sup>
- DERS' applied-for rate of last resort (ROLR) implementation costs of \$300 thousand in 2024 were reduced to \$250 thousand. The ROLR implementation costs for 2025 were

<sup>21</sup> Exhibit 28939-X0149, NSA Appendix G; Exhibit 28939-X0144.01, NSA Appendix B – DRT Rate Schedules; Exhibit 28939-X0146.01, NSA Appendix D – RRT Rate Schedules.

<sup>22</sup> Exhibit 28939-X0142, Executed NSA, PDF pages 7-8, sections 2.1(a) and 2.1(b).

<sup>23</sup> Exhibit 28939-X0142, Executed NSA, PDF pages 8-9, sections 2.1(c) and 2.1(d).

<sup>24</sup> Exhibit 28939-X0142, Executed NSA, PDF page 10, Section 2.1(e).

<sup>25</sup> Exhibit 28939-X0142, Executed NSA, PDF page 11, Section 2.1(g)(i).

reduced from \$100 thousand to \$25 thousand, and the 2026 costs were reduced from \$80 thousand to \$15 thousand.<sup>26</sup>

- DERS' applied-for total change management costs were reduced from \$1.99 million to \$1.89 million in 2024, \$2.09 million to \$1.94 million in 2025 and \$1.90 million to \$1.72 million in 2026.<sup>27</sup>
- DERS' applied-for corporate costs were reduced from \$3.35 million in 2024, \$3.40 million in 2025 and \$3.48 million in 2026 to \$3.25 million in each of 2024, 2025 and 2026.<sup>28</sup>
- DERS' applied-for hearing costs of \$0.3 million in 2026 were reduced to zero in 2026.<sup>29</sup>
- DERS' 2024, 2025 and 2026 DRT and RRT combined revenue requirements were reduced by an additional \$0.2 million per year.<sup>30</sup>

29. Additionally, DERS applied for approval of RRT revenue requirements that included certain categories of ROLR implementation costs to be recovered through the ROLR deferral account. The parties agreed that DERS may apply to recover any incremental customer information costs related to ROLR implementation and incurred during the test period through the ROLR deferral account in a subsequent proceeding to be tested before the Commission addressing the disposition of the ROLR deferral account balances.<sup>31</sup>

30. The parties also agreed that the Commission should approve DERS' 2024 and 2025 revenue requirements based on the applied-for methodology for forecasting bad debt but updated to account for the revised site count forecast. For 2026, the parties agreed that the Commission should initially approve the 2026 DRT and RRT bad debt forecasts as set out in the amended application, and then, as part of the September 2025 compliance filing, DERS will update its 2026 bad debt forecast by incorporating 2024 bad debt data into the regression analysis used to forecast 2026 bad debt costs.<sup>32</sup>

31. The Commission is satisfied that the NSA represents a unanimous agreement reached as a result of a successful negotiation. Such negotiations and the resulting NSA typically reflect a number of compromises of different interests and positions of the parties. The intervener signatories to the NSA – in this case, the UCA and the CCA – have participated in several of DERS' past non-energy RRT and DRT applications. As noted above, they represent a cross-section of Alberta residential, small business and farm ratepayers. The involvement of sophisticated participants like the UCA and the CCA is supportive of a finding that the NSA is in the public interest.

32. After reviewing the provisions of the NSA, along with the detailed analysis of this application and DERS' IR responses, the Commission finds that the NSA, taken as a whole, is

<sup>26</sup> Exhibit 28939-X0142, Executed NSA, PDF page 11, Section 2.1(g)(iii).

<sup>27</sup> Exhibit 28939-X0142, Executed NSA, PDF page 12, Section 2.1(h).

<sup>28</sup> Exhibit 28939-X0142, Executed NSA, PDF page 12, Section 2.1(i).

<sup>29</sup> Exhibit 28939-X0142, Executed NSA, PDF page 13, Section 2.1(j).

<sup>30</sup> Exhibit 28939-X0142, Executed NSA, PDF page 13, Section 2.1(k).

<sup>31</sup> Exhibit 28939-X0142, Executed NSA, PDF page 11, Section 2.1(g)(ii).

<sup>32</sup> Exhibit 28939-X0141, DERS 2024-2026 DRT and RRT - NSA and Application settlement brief, paragraph 27; Exhibit 28939-X0142, Executed NSA, PDF pages 10-11, Section 2.1(f).

not patently against the public interest or contrary to law, and finds that the NSA results in rates and terms and conditions that are just and reasonable, as required by Section 8 of Rule 018. Accordingly, the Commission approves the NSA as filed. The NSA is attached as [Appendix 3](#) to this decision.

#### 4 Compliance with previous Commission directions

33. The Commission issued a number of directions in Decision 27631-D01-2023<sup>33</sup> that are applicable to this DRT and RRT application. A summary of these directions is listed below:

- In paragraph 40, the Commission directed DERS to address the customer mix input. (Direction 3)
- In paragraph 54, the Commission directed DERS to investigate the feasibility of passing on the associated merchant fees to customers electing to pay by credit card for the DRT. (Direction 4)
- In paragraph 61, the Commission directed DERS to provide the letter of credit rate from NRG Energy Inc., the best rate that would be available to DERS as a stand-alone entity, and the parent company guarantee charge. (Direction 5)
- In paragraph 91, the Commission directed DERS to file a composition of total remuneration details and components of labour costs including base salaries, benefits and short-term incentives. (Direction 7)
- In paragraph 125, the Commission approved DERS' proposal to combine the balances in the DRT bad debt expense deferral account and the DRT late payment charge deferral account, and the balances in the same RRT accounts. The Commission directed DERS to apply to dispose of the combined balances as part of its next RRO non-energy application (rather than filing a separate application) unless the next RRO non-energy application is filed before DERS is ready to apply to dispose of the deferral account balances. (Direction 12)

34. DERS provided an explanation of how it has responded to each of the directions listed above.<sup>34</sup> The Commission has reviewed DERS' explanations and additional information provided in response to IRs and finds that DERS has fully complied with the directions listed above, with the exception of the fifth direction, which is in progress. The Commission provides further commentary about directions 3 and 12 in the next paragraphs.

35. The Commission Direction 3 related to the customer mix input was developed in response to the CCA's proposal in Proceeding 27361<sup>35</sup> "to obtain clarification from Desert Sky and Five Point whether competitive commercial and industrial customers were excluded from the

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<sup>33</sup> Decision 27631-D01-2023: Direct Energy Regulated Services, 2023 Default Rate Tariff and Regulated Rate Tariff, Proceeding 27631, May 4, 2023.

<sup>34</sup> Exhibit 28939-X0013.01, application, Section 2; and Exhibit 28939-X0128, DERS-AUC-2024MAY22-002.

<sup>35</sup> Proceeding 27631, DERS 2023 DRT and RRT non-energy application.

fair market value benchmarks.”<sup>36</sup> The Commission concluded that it would be more valuable to have DERS address customer mix in the fair market value benchmarks in the next application.

36. In the application and then in response to an IR, DERS stated that Direct Energy Partnership, the competitive retail entity operating as “Direct Energy” or “DE Competitive”<sup>37</sup> serves residential, small commercial and small farm customers only. Direct Energy Partnership also operates under the name “Direct Energy Business,” through which it serves large commercial and industrial customers.<sup>38</sup>

37. The benchmarking work undertaken by the Information Services Group (ISG) does not apply to the competitive commercial and industrial customers served by Direct Energy Business or any other affiliated or non-affiliated entity of Direct Energy Marketing Limited (DEML). The benchmark work undertaken by ISG only included regulated customers of DERS and competitive customers of DE Competitive. The benchmark work does not include Direct Energy Business’s customers (large commercial and industrial customers), as those customers are not served by the Master Services Agreement (MSA) and the related supporting statements of works being benchmarked. For benchmarks where large commercial and industrial customers are included, “a separate group for Key Accounts would be benchmarked. This would include additional resources (sometimes referred to as Key Account Reps) for taking calls directly since large customers do not call a residential call centre and a separate group for special billing since most large customers are billed outside of the residential system.”<sup>39</sup>

38. The Commission is satisfied with DERS’ explanation and notes that no comments were received from the CCA regarding the response provided by DERS.

39. As related to the disposition of the combined balances in the DRT and RRT bad debt expense deferral accounts stated in Direction 12, the Commission is satisfied with DERS’ explanation that it had filed the non-energy application prior to being ready to apply to dispose of the 2023 deferral account balances. Therefore, DERS will file a separate application in 2024 in relation to these issues.

## **5 Compliance filings**

### **5.1 True-up of interim rates**

40. The Commission approved 2024 DRT and RRT non-energy interim rates for DERS in Decision 28661-D01-2023.<sup>40</sup> These interim rates will need to be trued up to the final rates for 2024 approved in this decision. Accordingly, the Commission directs DERS to file a separate application for the true-up of each of the approved 2024 rates from January 1, 2024, to

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<sup>36</sup> Decision 27631-D01-2023, paragraph 40.

<sup>37</sup> Exhibit 28939-X0128, DERS-AUC-2024MAY22-002, PDF page 4: “DE Competitive: Direct Energy Competitive is a business unit of DEML that provides retail electricity and natural gas to residential, small business, and farm customers in Alberta through competitive market offerings.”

<sup>38</sup> Exhibit 28939-X0013.01, application, paragraph 25.

<sup>39</sup> Exhibit 28939-X0128, DERS-AUC-2024MAY22-002, PDF page 5.

<sup>40</sup> Decision 28661-D01-2023: Direct Energy Regulated Services, 2024 Regulated Rate Tariff and Default Rate Tariff Interim Rates, Proceeding 28661, December 11, 2023, Appendix 2, Appendix 3 and Appendix 4.

September 30, 2024, after it has completed billing on interim rates for service up to September 30, 2024.

## 5.2 NSA September 2025 compliance filing for 2026 site count, bad debt forecasts, and deferral and reserve accounts

41. As discussed in Section 2, DERS will submit a compliance filing to the Commission in September 2025 that will include updates to the 2026 DRT and RRT revenue requirements and rates schedules to incorporate the agreed-upon updates to the 2026 DRT and RRT site counts, the 2026 regulated-to-competitive site count ratio and the 2026 DRT and RRT bad debt forecasts.<sup>41</sup> The compliance filing should include the following updates:

- DRT and RRT site count forecasts: Update the 2026 site count forecast based on the actual average growth and attrition over the preceding 12 months (September 2024 to August 2025). Then update the 2026 revenue requirements and rates based upon the updated 2026 site count forecast through the compliance filing, to be effective for January 1, 2026.
- Regulated and competitive site count ratio: Update the 24-month actual average net competitive site count growth as of the date of the most recently available MSA retail statistics, then update the 2026 regulated and competitive site count ratio used for DERS' 2026 DRT and RRT revenue requirements.
- 2026 bad debt forecast: Update the 2026 bad debt forecast by incorporating 2024 bad debt data into the regression analysis used to forecast 2026 bad debt costs in the amended application.
- A list of all the deferral and reserve accounts for 2024-2026 that were agreed to as part of the NSA.

42. The Commission directs DERS to submit a compliance filing in September 2025 that incorporates the effects of the Commission's findings and directions in this decision.

## 6 Order

43. It is hereby ordered that:

- (1) In accordance with the findings in this decision, the Negotiated Settlement Agreement, as described in paragraph 28 of this decision, is approved as filed.
- (2) The default rate tariff rate schedules for Direct Energy Regulated Services, as set out in [Appendix 4](#) and [Appendix 5](#) for the north and south, respectively, and attached to this decision, are approved on a final basis effective January 1, 2024, subject to the finalization of the bad debt deferral account and late payment charge deferral account for 2024.

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<sup>41</sup> Exhibit 28939-X0141, Application for Approval of a Negotiated Settlement Agreement by Direct Energy Regulated Services, July 29, 2024.

- (3) The default rate tariff rate schedules for Direct Energy Regulated Services, as set out in [Appendix 6](#) and [Appendix 7](#) for the north and south, respectively, and attached to this decision, are approved on a final basis effective January 1, 2025, subject to the finalization of the bad debt deferral account and late payment charge deferral account for 2025.
- (4) The default rate tariff rate schedules for Direct Energy Regulated Services, as set out in [Appendix 8](#) and [Appendix 9](#) for the north and south, respectively, and attached to this decision, are approved on an interim basis effective January 1, 2026, subject to the finalization of the bad debt deferral account and late payment charge deferral account for 2026.
- (5) The default rate tariff return margin charge of \$0.061 per gigajoule for Direct Energy Regulated Services is approved on a final basis, effective January 1, 2024.
- (6) The default rate tariff return margin charge of \$0.063 per gigajoule for Direct Energy Regulated Services is approved on a final basis, effective January 1, 2025.
- (7) The default rate tariff return margin charge of \$0.064 per gigajoule for Direct Energy Regulated Services is approved on an interim basis, effective January 1, 2026.
- (8) The default rate tariff charge of \$0.042 per gigajoule for the energy-related portion of working capital, bad debt and late payment charges for Direct Energy Regulated Services is approved on a final basis effective January 1, 2024 subject to the finalization of the bad debt deferral account and late payment charge deferral account for 2024.
- (9) The default rate tariff charge of \$0.054 per gigajoule for the energy-related portion of Direct Energy Regulated Services is approved on a final basis effective January 1, 2025, subject to the finalization of the bad debt deferral account and late payment charge deferral account for 2025.
- (10) The default rate tariff charge of \$0.064 per gigajoule for the energy-related portion of Direct Energy Regulated Services is approved on an interim basis effective January 1, 2026, subject to the finalization of the bad debt deferral account and late payment charge deferral account for 2026.
- (11) The regulated rate tariff rate schedules for Direct Energy Regulated Services, as set out in [Appendix 10](#) to this decision, are approved on a final basis effective January 1, 2024, subject to the finalization of the bad debt deferral account and late payment charge deferral account for 2024.
- (12) The regulated rate tariff rate schedules for Direct Energy Regulated Services, as set out in [Appendix 11](#) to this decision, are approved on a final basis effective January 1, 2025, subject to the finalization of the bad debt deferral account and late payment charge deferral account for 2025.

- (13) The regulated rate tariff rate schedules for Direct Energy Regulated Services, as set out in [Appendix 12](#) to this decision, are approved on an interim basis effective January 1, 2026, subject to the finalization of the bad debt deferral account and late payment charge deferral account for 2026.
- (14) The Commission directs Direct Energy Regulated Services to file a separate application for the true-up of each of the approved 2024 rates from January 1, 2024, to September 30, 2024, after it has completed billing on interim rates for service up to September 30, 2024.
- (15) The Commission directs Direct Energy Regulated Services to submit a compliance filing in September 2025 that incorporates all the effects of the Commission's findings and directions in this decision.

Dated on September 17, 2024.

**Alberta Utilities Commission**

*(original signed by)*

Renée Marx  
Commission Member

**Appendix 1 – Proceeding participants**

<b>Name of organization (abbreviation)</b> <b>Company name of counsel or representative</b>
Direct Energy Regulated Services (DERS) Lawson Lundell Barristers & Solicitors
Consumers' Coalition of Alberta (CCA)
Office of the Utilities Consumer Advocate (UCA) Reynolds, Mirth, Richards & Farmer LLP InterGroup Consultants

Alberta Utilities Commission
Commission panel R. Marx, Commission Member
Commission staff M. Parent (Commission counsel) A. Hollis E. Deryabina D. Mitchell M. Logan V. Wang E. Davis



**Appendix 2 – Summary of Commission directions**

This section is provided for the convenience of readers. In the event of any difference between the directions in this section and those in the main body of the decision, the wording in the main body of the decision shall prevail.

1. The Commission approved 2024 DRT and RRT non-energy interim rates for DERS in Decision 28661-D01-2023. These interim rates will need to be trued up to the final rates for 2024 approved in this decision. Accordingly, the Commission directs DERS to file a separate application for the true-up of each of the approved 2024 rates from January 1, 2024, to September 30, 2024, after it has completed billing on interim rates for service up to September 30, 2024. .... paragraph 40
2. The Commission directs DERS to submit a compliance filing in September 2025 that incorporates the effects of the Commission’s findings and directions in this decision. .... paragraph 42

## Appendix 3 – Executed NSA

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Appendix 3 -  
Executed NSA

(consists of 18 pages)

## Appendix 4 – 2024 DRT rate schedule for DERS North

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Appendix 4 - 2024  
DRT rate schedule for  
(consists of 6 pages)

## Appendix 5 – 2024 DRT rate schedule for DERS South

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Appendix 5 - 2024  
DRT rate schedule for  
(consists of 7 pages)

## Appendix 6 – 2025 DRT rate schedule for DERS North

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Appendix 6 - 2025  
DRT rate schedule for  
(consists of 6 pages)

## Appendix 7 – 2025 DRT rate schedule for DERS South

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Appendix 7 - 2025  
DRT rate schedule for  
(consists of 7 pages)

## Appendix 8 – 2026 DRT interim rate schedule for DERS North

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Appendix 8 - 2026  
DRT interim rate sch

(consists of 6 pages)

## Appendix 9 – 2026 DRT interim rate schedule for DERS South

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Appendix 9 - 2026  
DRT interim rate sch

(consists of 7 pages)



## Appendix 10 – 2024 RRT rate schedule

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Appendix 10 - 2024  
RRT rate schedule

(consists of 11 pages)

## Appendix 11 – 2025 RRT rate schedule

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Appendix 11 - 2025  
RRT rate schedule

(consists of 11 pages)

## Appendix 12 – 2026 RRT interim rate schedule

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Appendix 12 - 2026  
RRT interim rate sch

(consists of 11 pages)

## **Negotiated Settlement Agreement**

Direct Energy Regulated Services  
2024-2026 Default Rate Tariff and Regulated Rate Tariff Application

Proceeding 28939

**THIS AGREEMENT** for the negotiated settlement of the 2024-2026 Default Rate Tariff and Regulated Rate Tariff Application is made and entered into as of July 26, 2024

**Among:**

**DIRECT ENERGY REGULATED SERVICES**, a business unit of Direct Energy Marketing Limited

-and-

**CONSUMERS' COALITION OF ALBERTA**, a coalition of the Alberta Consumers' Association and the Alberta Council on Aging, each incorporated under the *Societies Act*, RSA 2000, c. S-14

-and-

**OFFICE OF THE UTILITIES CONSUMER ADVOCATE**, established by Schedule 13.1 of the *Government Organization Act*, RSA 2000, Chapter G-10

## WHEREAS:

- (a) Direct Energy Regulated Services (“**DERS**”) performs the Default Rate Tariff (“**DRT**”) and Regulated Rate Tariff (“**RRT**”) functions in the service territories of ATCO Gas and Pipelines Ltd. and ATCO Electric Ltd. (collectively, “**ATCO**”), respectively;
- (b) The Alberta Utilities Commission (“**AUC**” or “**Commission**”) regulates DERS’ operations including the determination of the DRT and RRT rates for the ATCO service territories;
- (c) DERS is currently operating under the interim DRT and RRT rates approved by the AUC in Decision 28661-D01-2023, effective January 1, 2024;
- (d) On April 2, 2024, DERS filed an application with the AUC requesting approval of its 2024-2026 DRT and RRT rates (“**Application**”) and then filed amended 2024-2026 DRT and RRT rates (“**Amended Application**”) on April 29, 2024;
- (e) On April 3, 2024, the AUC issued a notice of application informing potentially interested parties that it would be considering the Application;
- (f) The Consumers’ Coalition of Alberta (“**CCA**”) and the Office of the Utilities Consumer Advocate (“**UCA**”) registered to intervene in the hearing of the Application on April 17, 2024;
- (g) On May 2, 2024, the AUC issued an updated process schedule which included an information request (“**IR**”) process limited by the AUC to a maximum of 50 IRs from each intervener, and which allowed for DERS, the CCA, and the UCA (each a “**Party**”, and collectively the “**Parties**”) to participate in a negotiated settlement process for the Amended Application (the “**Negotiation**”);
- (h) The AUC scheduled that the Negotiation period would be from June 27, 2024, to July 18, 2024;
- (i) On May 22, 2024, the UCA and CCA each issued IRs to DERS;
- (j) On June 11, 2024, DERS responded to both the UCA and CCA IRs, on the public record of this Proceeding, in Exhibits 28939-X0122 and 28939-X0123;
- (k) Using online meeting platforms, the Parties met four times between July 3, 2024, and July 10, 2024, to attempt to negotiate a settlement of the Amended Application;
- (l) On July 10, 2024, the Parties reached an agreement-in-principle for a negotiated settlement of the Amended Application; and

- (m) This Negotiated Settlement Agreement (“**Agreement**”) records the terms of the Parties’ negotiated settlement.

**IN CONSIDERATION** of the mutual promises made in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby expressly acknowledged by each of the Parties, and subject to the conditions set out below, the Parties agree as follows:

**ARTICLE 1.**  
**INTERPRETATION**

**1.1 Defined Terms**

As used in this Agreement, the following capitalized terms have the meaning set out below:

- (a) “**EUA**” means the *Electric Utilities Act*, S.A. 2003, c. E-5.1;
- (b) “**Default Rate Tariff**” or “**DRT**” means the tariff required by the *Default Gas Supply Regulation*, Alta Reg 184/2003;
- (c) “**GUA**” means the *Gas Utilities Act*, RSA 2000, c G-5;
- (d) “**Proceeding**” means AUC Proceeding No. 28939 concerning DERS’ 2024-2026 DRT and RRT Application;
- (e) “**Rate of Last Resort**” or “**RoLR**” is the new term prescribed by the *Utilities Affordability Statutes Amendment Act, 2024*, SA 2024, c 8, for what was previously called the “regulated rate” under the EUA, RRO Reg, the *Alberta Utilities Commission Act*, SA 2007 c a-37.2, and various other Alberta statutes and regulations;
- (f) “**RoLR Deferral Account**” means the deferral account proposed in s. 5.2.1.3 of the Amended Application;
- (g) “**REA**” means rural electrification association;
- (h) “**Regulated Rate Tariff**” or “**RRT**” means the tariff required by the RRO Reg;
- (i) “**RRO Reg**” means the *Regulated Rate Option Regulation*, Alta Reg 262/2005;
- (j) “**Test Period**” means, collectively, calendar years 2024, 2025, and 2026.

## **1.2 Other Defined Terms**

Capitalized terms not defined in this Agreement have the meaning given to them in the Amended Application.

## **1.3 Gender and Number**

Any reference in this Agreement to gender includes all genders and words denoting the singular shall include the plural and *vice versa*, as the context requires.

## **1.4 Headings**

The division of the Agreement into separate articles and sections and the insertion of headings are for convenience only and shall not affect the interpretation of this Agreement.

## **1.5 Including**

In the Agreement, the words “includes,” “including” and similar expressions mean “includes” (or “including”) without limitation.

## **1.6 Legal Representation**

Each Party acknowledges that it has been represented by legal counsel of its choice with respect to the negotiation, drafting, and execution of this Agreement.

## **1.7 References to Statutes and Regulations**

Any reference to a statute, regulation or AUC rule is a reference to it as re-enacted, varied, amended, modified, supplemented or replaced from time to time.

## **1.8 Entire Agreement**

The Agreement sets out the entire understanding and agreement of the Parties and there are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, among the Parties in connection with the subject matter of this Agreement except as specifically set out in this Agreement.

## **1.9 Successor and Assigns**

This Agreement becomes effective only when executed by all of the Parties and then approved by the AUC. This Agreement will then be binding on and enure to the benefit of the Parties and their respective successors. No Party may assign this Agreement without the prior written consent of the other Parties, provided that such consent will not be unreasonably withheld.

### **1.10 Amendments**

The Agreement may be modified, altered or amended only by an agreement in writing, signed by the Parties and approved by the AUC.

### **1.11 No Waiver**

No waiver of any provision of the Agreement will be valid or enforceable unless in writing and signed by the Party against whom enforcement of the waiver is sought. The waiver of any provision of this Agreement, at any time, by any Party, will not constitute a waiver of future compliance with that provision or a waiver of compliance with any other provision of the Agreement.

### **1.12 Governing Law**

The Agreement and all disputes arising in connection with it will be subject to, governed by, and construed in accordance with the laws of the Province of Alberta including the laws of Canada that are applicable within the Province of Alberta.

### **1.13 Severability**

In the event that any of the provisions of this Agreement are held by a court of competent jurisdiction to be invalid, all other provisions of this Agreement will remain enforceable to the fullest extent permitted by law.

### **1.14 Execution**

This Agreement may be executed by facsimile transmission or by providing a scanned copy of the executed execution page, and may be executed by different Parties in different counterparts, each of which will be an original and all of which will constitute one and the same instrument.

### **1.15 Time of the Essence**

Time shall be of the essence in this Agreement.

### **1.16 Agreed-To Dollar Amounts**

In some cases, DERS, the UCA and the CCA agreed to components of the applicable revenue requirements that were expressed in precise dollar amounts. Those precisely agreed-to amounts are shown in the applicable appendices, and are rounded for the purposes of brevity and describing them in this Agreement. In the event of an inconsistency, the precise agreed-to amounts shown in the appendices will prevail.



### **1.17 Derived Dollar Amounts**

In some cases, DERS, the UCA and the CCA agreed to components of the applicable revenue requirements that are a function of, or are derived from, other agreed-to amounts, and in consequence appear slightly different in the applicable appendices. In the event of an inconsistency, the precise agreed-to amounts shown in the appendices will prevail.

### **1.18 Allocation between DRT and RRT**

Aggregate DRT and RRT costs or revenues agreed to by Parties during the negotiations will be allocated between DRT and RRT in accordance with the methods described in the Amended Application, consistent with Decision 27631-D01-2023, as shown in the applicable appendices.

### **1.19 NSA Appendices**

The following appendices are included and form part of this Agreement:

- (a) NSA Appendix A – Revised 2024-2026 DRT Revenue Requirement (“**NSA Appendix A**”)
- (b) NSA Appendix B – Revised 2024-2026 DRT Rate Schedules (“**NSA Appendix B**”)
  - (i) Revised DERS North DRT Rate Schedules 2024
  - (ii) Revised DERS North DRT Rate Schedules 2025
  - (iii) Revised DERS North DRT Rate Schedules 2026
  - (iv) Revised DERS South DRT Rate Schedules 2024
  - (v) Revised DERS South DRT Rate Schedules 2025
  - (vi) Revised DERS South DRT Rate Schedules 2026
- (c) NSA Appendix C – Revised 2024-2026 RRT Revenue Requirement (“**NSA Appendix C**”)
- (d) NSA Appendix D – Revised 2024-2026 RRT Rate Schedules (“**NSA Appendix D**”)
  - (i) Revised DERS RRT Rate Schedules 2024
  - (ii) Revised DERS RRT Rate Schedules 2025
  - (iii) Revised DERS RRT Rate Schedules 2026
  - (iv) Revised DERS REA Rate Schedules 2024

- (v) Revised DERS REA Rate Schedules 2025
- (vi) Revised DERS REA Rate Schedules 2026
- (e) NSA Appendix E – Revised DERS 2024-2026 Site Forecast (“**NSA Appendix E**”)
- (f) NSA Appendix F – Revised DERS DEP Site Count Split (“**NSA Appendix F**”)
- (g) NSA Appendix G – Table of concordance between Amended Application and NSA (“**NSA Appendix G**”)
- (h) NSA Appendix H – Revised Customer Care and Billing (“**NSA Appendix H**”)
- (i) NSA Appendix I – Revised Illustrative 2024-2026 Deferral Accounts Model (“**NSA Appendix I**”)

## **ARTICLE 2.** **TERMS OF SETTLEMENT**

### **2.1 Approval of the Application as modified by this Agreement**

Subject to other terms of this Agreement, the Parties agree that the Commission should approve the relief sought by DERS in the Amended Application, subject to the following:

#### **(a) 2024 and 2025 DRT and RRT Site Count Forecasts**

In the Amended Application, DERS applied for approval of 2024 and 2025 DRT and RRT revenue requirements based upon site count forecasts for 2024 and 2025 as set out in sections 4.1.2 and 4.1.3 of the Amended Application, as well as *Attachment 5 – DERS 2024-2026 Site Forecast*. Instead, the Parties agree that, on a final basis, the Commission should approve 2024 and 2025 DRT and RRT revenue requirements based upon revised site count forecasts for 2024 and 2025 as set out in NSA Appendix E, and incorporated into the “3.1.1 DRT Forecast Sites User” tab of NSA Appendix A and into the “3.2.1 RRT Forecast Sites User” tab of NSA Appendix C. NSA Appendix G in the tab “Combined DRT RRT Summary” shows in column G and H, the change to the Amended Application revenue requirements resulting from the change in the 2024-2025 DRT and RRT site counts.

#### **(b) 2026 DRT and RRT Site Count Forecasts**

- (i) In the Amended Application, DERS applied for approval of its 2026 DRT and RRT revenue requirement based upon site count forecasts for 2026 as set out in sections 4.1.2 and 4.1.3 of the Amended Application, as well as *Attachment 5 – DERS 2024-*

*2026 Site Forecast.* Instead, the Parties agree that, on an interim basis, the Commission should initially approve DERS' 2026 DRT and RRT revenue requirements based upon the revised site count forecasts for 2026 set out in NSA Appendix E, and incorporated into the "3.1.1 DRT Forecast Sites User" tab of NSA Appendix A and into the "3.2.1 RRT Forecast Sites User" tab of NSA Appendix C. NSA Appendix G in the tab "Combined DRT RRT Summary" shows in column I, the change to the Amended Application revenue requirements resulting from the change in the 2026 DRT and RRT site counts.

- (ii) Then, through a compliance filing to be submitted by DERS to the AUC in September 2025 (the "**Compliance Filing**"), DERS shall:
- i. update its revised 2026 DRT and RRT site count forecasts (as set out in NSA Appendix E) based upon the respective average actual DRT and RRT site count growth and attrition over the preceding twelve months (September 1, 2024 to August 31, 2025);
  - ii. update its initially approved 2026 DRT and RRT revenue requirements (i.e., NSA Appendix A and NSA Appendix C) based upon the updated 2026 DRT and RRT site count forecast; and
  - iii. update its 2026 DRT and RRT Rate Schedules based upon the effects of the updated 2026 DRT and RRT site count forecast upon the initially approved 2026 DRT and RRT revenue requirement.
- (iii) The Parties agree that the Commission should then approve, on a final basis, updated 2026 DRT and RRT revenue requirements and 2026 DRT and RRT rate schedules based upon the updated site count forecasts and revenue requirement information determined in accordance with this Section.

(c) **2024 and 2025 Regulated and Competitive Site Count Ratio**

In the Amended Application, DERS applied for approval of 2024 and 2025 DRT and RRT revenue requirements that included a regulated-to-competitive site count ratio of 51.5%/48.5% for 2024 and 45.2%/54.8% for 2025 as set out in section 4.2 of the Amended Application and *Attachment 6 – DERS DEP Site Count Split*. Instead, the Parties agree that the Commission should approve on a final basis DERS' 2024 and 2025 revenue requirements based on a regulated-to-competitive site count ratio of 51.2%/48.8% for 2024 and 44.4%/55.6% for 2025 as set out in NSA Appendix F, and reflected in lines 5 and 9 of the "5.1.1 DRT Customer Operations" tab, reflected in line 5 of the "5.1.10 DRT Other Admin" tab and the "5.1.9 DRT FTE Detail" tab of NSA Appendix A, and reflected in

lines 5 and 9 of the “5.2.1 RRT Customer Operations” tab, reflected in line 5 of the “5.2.10 RRT Other Admin” tab and the “5.2.9 RRT FTE Detail” tab of NSA Appendix C.

(d) **2026 Regulated and Competitive Site Count Ratio**

(i) In the Amended Application, DERS applied for approval of its 2026 DRT and RRT revenue requirement based upon a regulated-to-competitive site count ratio of 38.2%/61.8% as set out in section 4.2 of the Amended Application and *Attachment 6 – DERS DEP Site Count Split*. Instead, the Parties agree that, on an interim basis, the Commission should initially approve DERS’ 2026 DRT and RRT revenue requirements based on a regulated-to-competitive site count ratio of 36.7%/63.3% for 2026 as set out in NSA Appendix F, and reflected in lines 5 and 9 of the “5.1.1 DRT Customer Operations” tab, reflected in line 5 of the “5.1.10 DRT Other Admin” tab and the “5.1.9 DRT FTE Detail” tab of NSA Appendix A, and reflected in lines 5 and 9 of the “5.2.1 RRT Customer Operations” tab, reflected in line 5 of the “5.2.10 RRT Other Admin” tab and the “5.2.9 RRT FTE Detail” tab of NSA Appendix C.

(ii) Then, through the September 2025 Compliance Filing, DERS shall:

- i. update its revised 2026 regulated-to-competitive site count ratio (as set out in NSA Appendix F) based upon the updated 2026 site count forecast provided for in section 2.1(b), above, and DEP site counts based upon the 24-month average of net growth and attrition, ending at the most recently available MSA Retail Statistics prior to preparing the September 2025 Compliance Filing;
- ii. update its initially approved 2026 DRT and RRT revenue requirements (i.e., NSA Appendix A and NSA Appendix C) based upon the updated 2026 regulated-to-competitive site count ratio; and
- iii. update its 2026 DRT and RRT Rate Schedules based upon the effects of the updated 2026 regulated-to-competitive site count ratio.

The Parties agree that the Commission should then approve, on a final basis, updated 2026 DRT and RRT revenue requirements and 2026 DRT and RRT rate schedules based upon the updated regulated-to-competitive site count ratio and revenue requirement information determined in accordance with this Section.

(e) **Postage and Paper Costs**

In the Amended Application, DERS applied for approval of DRT and RRT revenue requirements that included postage and paper costs of \$3.48 million in 2024, \$2.99 million in 2025, and \$2.45 million in 2026 as set out in section 5.2.1.2 of the Amended Application, *Attachment 1 – 2024-2026 DRT Revenue Requirements*, *Attachment 2 – 2024-2026 RRT Revenue Requirements*, and *Attachment 3 – Customer Care and Billing*. Instead, the Parties agree that the Commission should approve DRT and RRT revenue requirements for the Test Period based upon postage and paper costs of \$3.55 million in 2024, \$3.08 million in 2025, and \$2.53 million in 2026, as reflected in lines 7 and 8 of the “5.1.1 DRT Customer Ops” tab of NSA Appendix A and lines 7 and 8 of the “5.2.1 RRT Customer Ops” tab of NSA Appendix C. The revised postage and paper costs were calculated based on the removal of de-energized sites, as shown in Row 66 of the “DRT Model” and “RRT Model” tabs in NSA Appendix H, in combination with the application of the revised site count forecast in NSA Appendix E.

(f) **Bad Debt Forecast**

- (i) The Parties agree that the Commission should approve DERS’ 2024 and 2025 revenue requirements based upon the methodology for forecasting bad debt in the Amended Application, but updated to account for the revised site count forecast in NSA Appendix E.
- (ii) The Parties agree that, on an interim basis, the Commission should initially approve DERS’ 2026 DRT and RRT revenue requirements based upon the bad debt forecast for 2026 as set out in section 5.2.7 of its Amended Application and shown in *Attachment 1 – 2024-2026 DRT Revenue Requirements*, *Attachment 2 – 2024-2026 RRT Revenue Requirements*, and *Attachment 45 – Bad Debt Linear Regression Analysis*.
- (iii) Then, as part of the Compliance Filing, DERS shall:
  - i. update its initially approved 2026 DRT and RRT bad debt forecasts based upon an updated regression analysis as explained in DERS’ Amended Application in Section 5.2.7.2 and in *Attachment 45 – Bad Debt Linear Regression Analysis*, by incorporating 2024 data into the data set for bad debt as a percentage of revenue and sites enrolled passively for each of DRT and RRT. The regression analysis will be revised using the additional 2024 data and the 2026 bad debt percentage of revenue will be determined based on the data set with the highest R-squared value, consistent with the methodology used in the Amended Application;

- ii. update its initially approved 2026 DRT and RRT revenue requirements (i.e. NSA Appendix A and NSA Appendix C) based upon the updated 2026 DRT and RRT bad debt forecasts; and
- iii. update its revised 2026 DRT and RRT Rate Schedules (i.e., NSA Appendix B and NSA Appendix D) based upon the effects of the updated 2026 DRT and RRT bad debt forecast upon the initially approved 2026 DRT and RRT revenue requirement.

The Parties agree that the Commission should then approve, on a final basis, updated 2026 DRT and RRT revenue requirements and updated 2026 DRT and RRT rate schedules based upon the updated bad debt forecast and revenue requirement information determined in accordance with this Section.

**(g) RRT Customer Information Costs and RoLR Deferral Account**

- (i) In the Amended Application, DERS applied for approval of 2024 RRT revenue requirements that included customer information costs of \$25 thousand as set out in *Attachment 2 – 2024-2026 RRT Revenue Requirements*. Instead, the Parties agree that the Commission should approve 2024 RRT revenue requirements based upon customer information costs of \$19.1 thousand in 2024, as reflected in line 1 of the “5.2.11 RRT Information” tab of NSA Appendix C.
- (ii) In the Amended Application, DERS applied for approval of RRT revenue requirements that included certain categories of RoLR implementation costs to be recovered through the RoLR Deferral Account, as set out in “Table 5.2.1.3-A: Estimated Costs for ROLR Implementation” of the Amended Application. The Parties further agree that, DERS may apply to recover any incremental customer information costs related to RoLR implementation and incurred during the Test Period through the RoLR Deferral Account in a subsequent proceeding to be tested before the AUC addressing disposition of the RoLR Deferral Account balances.
- (iii) In the Amended Application, DERS applied for approval of RRT revenue requirements that included total RoLR implementation costs of \$300 thousand in 2024, \$100 thousand in 2025, and \$80 thousand in 2026 as set out in “Table 5.2.1.3-A: Estimated Costs for RoLR Implementation” of the Amended Application. Instead, the Parties agree that the Commission should approve RRT revenue requirements for the Test Period based upon total RoLR implementation costs of \$250 thousand in 2024, \$25 thousand in 2025, and \$15 thousand in 2026 to be included in the RoLR Deferral Account, as reflected in Change Management in line 11 of “5.2.1 RRT Customer Ops” tab of NSA Appendix C, which will be subject

to testing as part of any subsequent proceeding addressing disposition of the RoLR Deferral Account balances.

(h) **Change Management Costs**

(i) In the Amended Application, DERS applied for approval of DRT and RRT revenue requirements for Change Management costs inclusive of changes and service requests costs of \$1.69 million in 2024, \$1.75 million in 2025, and \$1.82 million in 2026 as set out in section 5.2.1.3 (Table 5.2.1.3) of the Amended Application, and reflected in *Attachment 1 – 2024-2026 DRT Revenue Requirements Attachment 2 – 2024-2026 RRT Revenue Requirements*, and detailed in *Attachment 3 – Customer Care and Billing*. These amounts were based in part on the application of the labour inflation rate. Instead, the Parties agree that the non-labour inflation rate should be used and that the Commission should approve DRT and RRT revenue requirements for the Test Period based upon Change Management costs inclusive of changes and service requests costs of \$1.64 million in 2024, \$1.67 million in 2025, and \$1.71 million in 2026 as reflected in line 11 of the “5.1.1 DRT Customer Ops” tab of NSA Appendix A and in line 11 of “5.2.1 RRT Customer Ops” tab of NSA Appendix C and detailed in NSA Appendix H.

(ii) In the Amended Application, DERS applied for approval of DRT and RRT revenue requirements for total Change Management costs of \$1.99 million in 2024, \$2.09 million in 2025, and \$1.90 million in 2026. With the above amendments in (h)(i), in addition to agreed changes in (g)(iii) above, the Parties agree that the Commission should approve DRT and RRT revenue requirements for the Test Period based upon total Change Management costs of \$1.89 million in 2024, \$1.94 million in 2025, and \$1.72 million in 2026, as reflected in line 11 of the “5.1.1 DRT Customer Ops” tab of NSA Appendix A and in line 11 of “5.2.1 RRT Customer Ops” tab of NSA Appendix C and detailed in NSA Appendix H.

(i) **Corporate Costs**

In the Amended Application, DERS applied for approval of DRT and RRT revenue requirements that included corporate costs of \$3.35 million in 2024, \$3.40 million in 2025, and \$3.48 million in 2026 as set out in section 5.2.15 of the Amended Application, *Attachment 1 – 2024-2026 DRT Revenue Requirements, Attachment 2 – 2024-2026 RRT Revenue Requirements, and Attachment 48 – 2023-2026 DERS Corporate Shared Cost Analysis*. Instead, the Parties agree that the Commission should approve DRT and RRT revenue requirements for the Test Period based upon corporate costs of \$3.25 million in 2024, \$3.25 million in 2025, and \$3.25 million in 2026, as reflected in line 10 of the “5.1.13

DRT Corporate Costs” tab of NSA Appendix A and in line 10 of the “5.2.13 RRT Corporate Costs” tab of NSA Appendix C.

(j) **2026 Hearing Costs**

In the Amended Application, DERS applied for approval of DRT and RRT revenue requirements that included hearing costs of \$0.3 million in 2026 as set out in section 5.2.6 of the Amended Application, *Attachment 1 – 2024-2026 DRT Revenue Requirements*, and *Attachment 2 – 2024-2026 RRT Revenue Requirements*. Instead, the Parties agree that the Commission should approve DRT and RRT revenue requirements for hearing costs of \$0 in 2026, as reflected in line 19 of the “5.1.6 DRT HRA” tab of NSA Appendix A and line 19 of the “5.2.6 RRT HRA” tab of NSA Appendix C.

(k) **Other Revenue Requirement Reductions**

As reflected in NSA Appendix A and NSA Appendix B, the Parties agree that DERS will reduce its combined DRT and RRT revenue requirements by \$0.2 million per year, for each year in the Test Period, with such cost reductions to be allocated by DERS to any elements of the DRT or RRT revenue requirements that are not subject to deferral account treatment. This reduction is reflected in line 15 of the “5.1.1 DRT Customer Ops” tab of NSA Appendix A and line 15 of the “5.2.1 RRT Customer Ops” tab of NSA Appendix C.

**2.2 Rate Schedules**

(a) **DRT Rate Schedules**

In the Amended Application, DERS applied for approval of DRT rates for the Test Period described in the rate schedules comprising Attachments *51 – DERS North DRT Rate Schedules 2024*, *52 – DERS South DRT Rate Schedules 2024*, *55 – DERS North DRT Rate Schedules 2025*, *56 – DERS South DRT Rate Schedules 2025*, *59 – DERS North DRT Rate Schedules 2026*, and *60 – DERS North DRT Rate Schedules 2026*. Instead, the Parties agree that the Commission should approve the DRT rates described in NSA Appendix B.

(b) **RRT Rate Schedules**

In the Amended Application, DERS applied for approval of RRT rates described in the rate schedules comprising Attachments *53 – DERS RRT Rate Schedules 2024*, *54 – DERS REA Rate Schedules 2024*, *57 – DERS RRT Rate Schedules 2025*, *58 – DERS REA Rate Schedules 2025*, *61 – DERS RRT Rate Schedules 2026*, and *62 – DERS REA Rate Schedules 2026*. Instead, the Parties agree that the Commission should approve the RRT rates described in NSA Appendix D.



### **2.3 Final Orders**

For certainty, except to the extent that DERS' 2026 DRT or RRT revenue requirements or rate schedules may be affected by the Compliance Filing, which is limited to the update to 2026 DRT and RRT site count forecasts (Section 2.1(b)), the update to the regulated-to-competitive site count ratio (Section 2.1(d)) and the update to the 2026 bad debt forecast (Section 2.1(f)), the Parties agree that the Commission should approve DERS' revised DRT and RRT revenue requirements and rate schedules for the Test Period on a final basis.

### **2.4 Orders Requested from the Commission**

For certainty, the Parties agree that the Commission should grant one or more orders:

- (a) Approving this Agreement in its entirety; and
- (b) Granting the relief sought by DERS in the Amended Application except as modified by this Agreement including Sections 2.1 and 2.2 of this Agreement.

### **2.5 Customer Messaging regarding RoLR**

As a further assurance to the UCA and CCA, DERS confirms that:

- (a) DERS will comply with all guidance from the Government of Alberta regarding 90-day customer messaging related to RoLR; and
- (b) DERS will retain copies of all customer communications in accordance with the *Code of Conduct Regulation* and its Code of Conduct Regulation Compliance Plan.

### **2.6 Costs of the CCA**

- (a) Within 30 days following the receipt of invoices from the CCA, DERS will pay the CCA, on a refundable basis, the reasonable costs and expenses incurred by the CCA in connection with retaining consultants and counsel in relation to the Application and the related negotiated settlement process to and including the point of approval of the Agreement. In the event of any difference between the costs paid to the CCA by DERS and the portion of DERS' cost claim (for recovery of costs related to this Application and negotiated settlement process including the CCA costs) associated with the CCA and approved by the AUC, the CCA will refund to DERS any amount by which DERS' approved cost claims differ from the amounts paid to the CCA by DERS within 60 days of the date of the AUC's decision approving DERS' cost claim.
- (b) DERS will, in any event, pay to the CCA the amount of costs and expenses incurred by the CCA and approved by the AUC in connection with the Agreement and the related

negotiated settlement process within 30 days of the date of the AUC's decision approving a CCA cost claim.

**ARTICLE 3.**  
**CONFIDENTIALITY AND PRIVILEGE**

**3.1 Without Prejudice**

The negotiated settlement reflected in this Agreement is a compromise and was reached as a result of the desire of the Parties to avoid the significant resources and uncertainty associated with a litigated process. This Agreement is without prejudice to the positions that the Parties may take in other mediations, negotiations, or regulatory proceedings.

**3.2 Confidentiality**

All discussions among the Parties during the negotiations are privileged and confidential and, except as set out in the Agreement or in DERS IR responses filed on the record of the Proceeding, no matter discussed or information provided during the negotiated settlement process may be disclosed to any person or to the AUC without the express written consent of all the Parties.

**ARTICLE 4.**  
**RULE 018 REQUIREMENTS**

**4.1 Notice**

DERS confirms that proper notice of the negotiations was provided to all interested parties in the Proceeding by way of the AUC's notice of application, dated April 3, 2024 (Exhibit 28939-X0064), filed on the AUC's e-Filing system for the Proceeding. DERS further confirms that proper notice of its forthcoming application for approval of this Agreement will be effected in accordance with the AUC's directions and practice, including the notice provisions of AUC Rule 001: *Rules of Practice* [AUC Rule 018, section 3 and section 6(3)(a)].

**4.2 Relevant Information & Fair Negotiation Process**

- (a) Each Party represents that it has not withheld information relevant to the Amended Application [AUC Rule 018, section 6(1)]. Further, DERS represents that all information provided to the CCA and the UCA during the negotiations was true and accurate, to the best of DERS' knowledge and belief.
- (b) Each Party acknowledges and agrees that it had a fair opportunity to participate in the negotiation process leading to this Agreement, and that the negotiation process itself was fair.

**4.3 Just and Reasonable Rates**

The DRT rates that will result from the Agreement are described in NSA Appendix B and the RRT rates that will result from the Agreement are described in NSA Appendix D [AUC Rule 018, section 6(3)(e)].

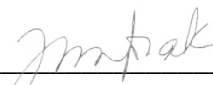
**ARTICLE 5.**  
**APPROVAL BY THE AUC**

**5.1 Agreement Contingent Upon Entire Approval**

This Agreement will be of no force and effect unless the AUC approves this Agreement in its entirety in accordance with Section 28.6 of the GUA and Section 135 of the EUA.

**IN WITNESS WHEREOF**, the Parties have duly executed this Agreement as of the date set out above.

**DIRECT ENERGY REGULATED SERVICES**

By:   
Name: Tanis Kozak  
Title: Vice President & General Manager

**CONSUMERS' COALITION OF ALBERTA**

By: \_\_\_\_\_  
Name:  
Title:

**OFFICE OF THE UTILITIES CONSUMER  
ADVOCATE**

By: \_\_\_\_\_  
Name:  
Title:

Negotiated Settlement Agreement  
DERS 2024-2026 DRT & RRT Non-Energy Application  
AUC Proceeding 28939

**4.3 Just and Reasonable Rates**

The DRT rates that will result from the Agreement are described in NSA Appendix B and the RRT rates that will result from the Agreement are described in NSA Appendix D [AUC Rule 018, section 6(3)(e)].

**ARTICLE 5.**  
**APPROVAL BY THE AUC**

**5.1 Agreement Contingent Upon Entire Approval**

This Agreement will be of no force and effect unless the AUC approves this Agreement in its entirety in accordance with Section 28.6 of the GUA and Section 135 of the EUA.

**IN WITNESS WHEREOF**, the Parties have duly executed this Agreement as of the date set out above.

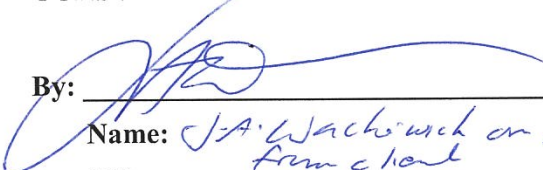
**DIRECT ENERGY REGULATED SERVICES**

By: \_\_\_\_\_

Name: Tanis Kozak

Title: Vice President & General Manager

**CONSUMERS' COALITION OF ALBERTA**

By:  \_\_\_\_\_

Name: *J.A. Wachowich on instructions from client*

Title: *External legal counsel to CCA*

**OFFICE OF THE UTILITIES CONSUMER  
ADVOCATE**

By: \_\_\_\_\_

Name:

Title:

### 4.3 Just and Reasonable Rates

The DRT rates that will result from the Agreement are described in NSA Appendix B and the RRT rates that will result from the Agreement are described in NSA Appendix D [AUC Rule 018, section 6(3)(e)].

## ARTICLE 5. APPROVAL BY THE AUC

### 5.1 Agreement Contingent Upon Entire Approval

This Agreement will be of no force and effect unless the AUC approves this Agreement in its entirety in accordance with Section 28.6 of the GUA and Section 135 of the EUA.

**IN WITNESS WHEREOF**, the Parties have duly executed this Agreement as of the date set out above.

#### **DIRECT ENERGY REGULATED SERVICES**

By: \_\_\_\_\_

**Name:** Tanis Kozak

**Title:** Vice President & General Manager

#### **CONSUMERS' COALITION OF ALBERTA**

By: \_\_\_\_\_

**Name:**

**Title:**

#### **OFFICE OF THE UTILITIES CONSUMER ADVOCATE**

By: Nola Ruzycki

**Name:** Nola Ruzycki

**Title:** Acting Executive Director



**DIRECT ENERGY REGULATED SERVICES**

**2024 FINAL RATE SCHEDULES**

**FOR DRT SERVICE IN ATCO GAS NORTH SERVICE TERRITORY**

**EFFECTIVE JANUARY 1, 2024**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE G1 – LOW AND MID USE DELIVERY SERVICE  
ATCO GAS NORTH SERVICE TERRITORY**

Available to all customers eligible for ATCO Gas and Pipelines Ltd. North (AGPLN) Low Use Delivery Service.

**CHARGES:**

**Fixed Charges:**

plus DERS Customer Charge **\$0.350 per Day**  
DERS – Riders (as applicable)

plus AGPLN Delivery – Fixed Charge including Riders

**Variable Charges:**

plus DERS Gas Cost Flow-through Rate **Rider “F”**  
AGPLN Delivery – Variable Charge including Riders

Minimum Monthly Charge: **Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE G3 – HIGH USE SERVICE  
ATCO GAS NORTH SERVICE TERRITORY**

Available to all customers eligible for ATCO Gas and Pipelines Ltd. North (AGPLN) High Use Delivery Service.

**CHARGES:**

**Fixed Charges:**

plus DERS Customer Charge **\$0.592 per Day**  
plus DERS – Riders (as applicable)

plus AGPLN Delivery – Fixed Charge including Riders

**Variable Charges:**

plus DERS Gas Cost Flow-through Rate **Rider “F”**  
plus AGPLN Delivery – Variable Charge including Riders

Minimum Monthly Charge: **Fixed Charges**





**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
Rider "F" GAS COST FLOW-THROUGH  
ATCO GAS NORTH SERVICE TERRITORY**

To be applied to all energy sold to customers served under Rates Low Use Delivery Service, Mid Use Delivery Service, High Use Delivery Service.

**CHARGES:**

**Gas Cost Flow-through Rate:**

For customers served by ATCO Gas North:

For the Period TBD

**\$TBD per GJ**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
PRICE SCHEDULE**

1. Connection Charge (Section 4.1)	Amount of any applicable ATCO Gas charge
2. Reconnection Charge (Section 8.7)	Amount of any applicable ATCO Gas charge
3. Meter Reads, Off-Cycle Meter Reads or Meter Disputes	Amount of any applicable ATCO Gas charge
4. Meter Handling or Meter Relocations	Amount of any applicable ATCO Gas charge
5. Customer Usage Information	Amount of any applicable ATCO Gas charge
6. Dishonored Cheque	\$25.00
7. Late Payment Fee	1.5% per month of the amount outstanding
8. Fee for Credit Check	Amount equal to the cost of the credit check

**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
GENERAL CONDITIONS  
ATCO GAS NORTH SERVICE TERRITORY**

**1. Approval of the Alberta Utilities Commission (AUC)**

All Rates and Riders of DERS are subject to approval by the AUC.

**2. Terms and Conditions of Service**

Service under all DERS' Rates and Riders are subject to the Terms and Conditions of Default Rate Service of DERS as approved by the AUC.

**3. Other ATCO Gas and Pipelines Ltd. (AGPL) Charges**

In addition to the AGPL charges specifically identified in these Rate Schedules, customer bills will include, as applicable, all AGPL charges or riders approved by the AUC.



**DIRECT ENERGY REGULATED SERVICES**  
**2024 FINAL RATE SCHEDULES**  
**FOR DRT SERVICE IN ATCO GAS SOUTH SERVICE TERRITORY**  
**EFFECTIVE JANUARY 1, 2024**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE G1 – LOW AND MID USE DELIVERY SERVICE  
ATCO GAS SOUTH SERVICE TERRITORY**

Available to all customers eligible for ATCO Gas and Pipelines Ltd. South (AGPLS) Low Use Delivery Service

**CHARGES:**

**Fixed Charges:**

plus DERS Customer Charge **\$0.350 per Day**  
DERS – Riders (as applicable)

plus AGPLS Delivery – Fixed Charge including Riders

**Variable Charges:**

plus DERS Gas Cost Flow-through Rate **Rider “F”**  
AGPLS Delivery – Variable Charge including Riders

Minimum Monthly Charge: **Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE G3 – LARGE USE SERVICE  
ATCO GAS SOUTH SERVICE TERRITORY**

Available to all customers eligible for ATCO Gas and Pipelines Ltd. South (AGPLS) High Use Delivery Service.

**CHARGES:**

**Fixed Charges:**

plus DERS Customer Charge **\$0.592 per Day**  
DERS – Riders (as applicable)

plus AGPLS Delivery – Fixed Charge including Riders

**Variable Charges:**

DERS Gas Cost Flow-through Rate **Rider “F”**  
plus AGPLS Delivery – Variable Charge including Riders

Minimum Monthly Charge: **Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE G5 – IRRIGATION DELIVERY SERVICE  
ATCO GAS SOUTH SERVICE TERRITORY**

Available to all customers eligible for ATCO Gas and Pipelines Ltd. South (AGPLS)  
Irrigation Delivery Service

**CHARGES:**

**Fixed Charges:**

plus DERS Customer Charge **\$0.382 per Day**  
DERS – Riders (as applicable)

plus  
AGPLS Delivery – Fixed Charge including Riders

**Variable Charges:**

DERS Gas Cost Flow-through Rate **Rider “F”**  
plus

AGPLS Delivery – Variable Charge including Riders

Minimum Monthly Charge: **Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
Rider "F" GAS COST FLOW-THROUGH  
ATCO GAS SOUTH SERVICE TERRITORY**

To be applied to all energy sold to customers served under Rates Low Use Delivery Service, Mid Use Delivery Service, High Use Delivery Service and Irrigation Delivery Service

**CHARGES:**

**Gas Cost Flow-through Rate:**

For customers served by ATCO Gas South:

For the Period TBD

**\$TBD per GJ**





**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
PRICE SCHEDULE**

1. Connection Charge (Section 4.1)	Amount of any applicable ATCO Gas charge
2. Reconnection Charge (Section 8.7)	Amount of any applicable ATCO Gas charge
3. Meter Reads, Off-Cycle Meter Reads or Meter Disputes	Amount of any applicable ATCO Gas charge
4. Meter Handling or Meter Relocations	Amount of any applicable ATCO Gas charge
5. Customer Usage Information	Amount of any applicable ATCO Gas charge
6. Dishonored Cheque	\$ 25.00
7. Late Payment Fee	1.5% per month of the amount outstanding
8. Fee for Credit Check	Amount equal to the cost of the credit check



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
GENERAL CONDITIONS  
ATCO GAS SOUTH SERVICE TERRITORY**

**1. Approval of the Alberta Utilities Commission (AUC)**

All Rates and Riders of DERS are subject to approval by the AUC.

**2. Terms and Conditions of Service**

Service under all DERS' Rates and Riders are subject to the Terms and Conditions of Default Rate Service of DERS as approved by the AUC.

**3. Other ATCO Gas and Pipelines Ltd. (AGPL) Charges**

In addition to the AGPL charges specifically identified in these Rate Schedules, customer bills will include, as applicable, all AGPL charges or riders approved by the AUC.



**DIRECT ENERGY REGULATED SERVICES**

**2025 FINAL RATE SCHEDULES**

**FOR DRT SERVICE IN ATCO GAS NORTH SERVICE TERRITORY**

**EFFECTIVE JANUARY 1, 2025**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE G1 – LOW AND MID USE DELIVERY SERVICE  
ATCO GAS NORTH SERVICE TERRITORY**

Available to all customers eligible for ATCO Gas and Pipelines Ltd. North (AGPLN) Low Use Delivery Service.

**CHARGES:**

**Fixed Charges:**

plus DERS Customer Charge **\$0.385 per Day**  
DERS – Riders (as applicable)

plus AGPLN Delivery – Fixed Charge including Riders

**Variable Charges:**

plus DERS Gas Cost Flow-through Rate **Rider “F”**  
AGPLN Delivery – Variable Charge including Riders

Minimum Monthly Charge: **Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE G3 – HIGH USE SERVICE  
ATCO GAS NORTH SERVICE TERRITORY**

Available to all customers eligible for ATCO Gas and Pipelines Ltd. North (AGPLN) High Use Delivery Service.

**CHARGES:**

**Fixed Charges:**

plus DERS Customer Charge **\$0.644 per Day**  
plus DERS – Riders (as applicable)

plus AGPLN Delivery – Fixed Charge including Riders

**Variable Charges:**

plus DERS Gas Cost Flow-through Rate **Rider “F”**  
plus AGPLN Delivery – Variable Charge including Riders

Minimum Monthly Charge: **Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
Rider "F" GAS COST FLOW-THROUGH  
ATCO GAS NORTH SERVICE TERRITORY**

To be applied to all energy sold to customers served under Rates Low Use Delivery Service, Mid Use Delivery Service, High Use Delivery Service.

**CHARGES:**

**Gas Cost Flow-through Rate:**

For customers served by ATCO Gas North:

For the Period TBD

**\$TBD per GJ**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
PRICE SCHEDULE**

1. Connection Charge (Section 4.1)	Amount of any applicable ATCO Gas charge
2. Reconnection Charge (Section 8.7)	Amount of any applicable ATCO Gas charge
3. Meter Reads, Off-Cycle Meter Reads or Meter Disputes	Amount of any applicable ATCO Gas charge
4. Meter Handling or Meter Relocations	Amount of any applicable ATCO Gas charge
5. Customer Usage Information	Amount of any applicable ATCO Gas charge
6. Dishonored Cheque	\$25.00
7. Late Payment Fee	1.5% per month of the amount outstanding
8. Fee for Credit Check	Amount equal to the cost of the credit check

**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
GENERAL CONDITIONS  
ATCO GAS NORTH SERVICE TERRITORY**

**1. Approval of the Alberta Utilities Commission (AUC)**

All Rates and Riders of DERS are subject to approval by the AUC.

**2. Terms and Conditions of Service**

Service under all DERS' Rates and Riders are subject to the Terms and Conditions of Default Rate Service of DERS as approved by the AUC.

**3. Other ATCO Gas and Pipelines Ltd. (AGPL) Charges**

In addition to the AGPL charges specifically identified in these Rate Schedules, customer bills will include, as applicable, all AGPL charges or riders approved by the AUC.





**DIRECT ENERGY REGULATED SERVICES**  
**2025 FINAL RATE SCHEDULES**  
**FOR DRT SERVICE IN ATCO GAS SOUTH SERVICE TERRITORY**  
**EFFECTIVE JANUARY 1, 2025**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE G1 – LOW AND MID USE DELIVERY SERVICE  
ATCO GAS SOUTH SERVICE TERRITORY**

Available to all customers eligible for ATCO Gas and Pipelines Ltd. South (AGPLS) Low Use Delivery Service

**CHARGES:**

**Fixed Charges:**

plus DERS Customer Charge **\$0.385 per Day**  
DERS – Riders (as applicable)

plus AGPLS Delivery – Fixed Charge including Riders

**Variable Charges:**

plus DERS Gas Cost Flow-through Rate **Rider “F”**  
AGPLS Delivery – Variable Charge including Riders

Minimum Monthly Charge: **Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE G3 – LARGE USE SERVICE  
ATCO GAS SOUTH SERVICE TERRITORY**

Available to all customers eligible for ATCO Gas and Pipelines Ltd. South (AGPLS) High Use Delivery Service.

**CHARGES:**

**Fixed Charges:**

plus DERS Customer Charge **\$0.644 per Day**  
DERS – Riders (as applicable)

plus AGPLS Delivery – Fixed Charge including Riders

**Variable Charges:**

DERS Gas Cost Flow-through Rate **Rider “F”**  
plus AGPLS Delivery – Variable Charge including Riders

Minimum Monthly Charge: **Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE G5 – IRRIGATION DELIVERY SERVICE  
ATCO GAS SOUTH SERVICE TERRITORY**

Available to all customers eligible for ATCO Gas and Pipelines Ltd. South (AGPLS)  
Irrigation Delivery Service

**CHARGES:**

**Fixed Charges:**

plus DERS Customer Charge **\$0.422 per Day**  
DERS – Riders (as applicable)

plus  
AGPLS Delivery – Fixed Charge including Riders

**Variable Charges:**

DERS Gas Cost Flow-through Rate **Rider “F”**

plus  
AGPLS Delivery – Variable Charge including Riders

Minimum Monthly Charge: **Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
Rider "F" GAS COST FLOW-THROUGH  
ATCO GAS SOUTH SERVICE TERRITORY**

To be applied to all energy sold to customers served under Rates Low Use Delivery Service, Mid Use Delivery Service, High Use Delivery Service and Irrigation Delivery Service

**CHARGES:**

**Gas Cost Flow-through Rate:**

For customers served by ATCO Gas South:

For the Period TBD

**\$TBD per GJ**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
PRICE SCHEDULE**

1. Connection Charge (Section 4.1)	Amount of any applicable ATCO Gas charge
2. Reconnection Charge (Section 8.7)	Amount of any applicable ATCO Gas charge
3. Meter Reads, Off-Cycle Meter Reads or Meter Disputes	Amount of any applicable ATCO Gas charge
4. Meter Handling or Meter Relocations	Amount of any applicable ATCO Gas charge
5. Customer Usage Information	Amount of any applicable ATCO Gas charge
6. Dishonored Cheque	\$ 25.00
7. Late Payment Fee	1.5% per month of the amount outstanding
8. Fee for Credit Check	Amount equal to the cost of the credit check



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
GENERAL CONDITIONS  
ATCO GAS SOUTH SERVICE TERRITORY**

**1. Approval of the Alberta Utilities Commission (AUC)**

All Rates and Riders of DERS are subject to approval by the AUC.

**2. Terms and Conditions of Service**

Service under all DERS' Rates and Riders are subject to the Terms and Conditions of Default Rate Service of DERS as approved by the AUC.

**3. Other ATCO Gas and Pipelines Ltd. (AGPL) Charges**

In addition to the AGPL charges specifically identified in these Rate Schedules, customer bills will include, as applicable, all AGPL charges or riders approved by the AUC.



**DIRECT ENERGY REGULATED SERVICES**

**2026 INTERIM RATE SCHEDULES**

**FOR DRT SERVICE IN ATCO GAS NORTH SERVICE TERRITORY**

**EFFECTIVE JANUARY 1, 2026**





**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE G1 – LOW AND MID USE DELIVERY SERVICE  
ATCO GAS NORTH SERVICE TERRITORY**

Available to all customers eligible for ATCO Gas and Pipelines Ltd. North (AGPLN) Low Use Delivery Service.

**CHARGES:**

**Fixed Charges:**

plus DERS Customer Charge **\$0.417 per Day**  
plus DERS – Riders (as applicable)

plus AGPLN Delivery – Fixed Charge including Riders

**Variable Charges:**

plus DERS Gas Cost Flow-through Rate **Rider “F”**  
plus AGPLN Delivery – Variable Charge including Riders

Minimum Monthly Charge: **Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE G3 – HIGH USE SERVICE  
ATCO GAS NORTH SERVICE TERRITORY**

Available to all customers eligible for ATCO Gas and Pipelines Ltd. North (AGPLN) High Use Delivery Service.

**CHARGES:**

**Fixed Charges:**

plus DERS Customer Charge **\$0.662 per Day**  
DERS – Riders (as applicable)

plus AGPLN Delivery – Fixed Charge including Riders

**Variable Charges:**

plus DERS Gas Cost Flow-through Rate **Rider “F”**  
AGPLN Delivery – Variable Charge including Riders

Minimum Monthly Charge: **Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
Rider "F" GAS COST FLOW-THROUGH  
ATCO GAS NORTH SERVICE TERRITORY**

To be applied to all energy sold to customers served under Rates Low Use Delivery Service, Mid Use Delivery Service, High Use Delivery Service.

**CHARGES:**

**Gas Cost Flow-through Rate:**

For customers served by ATCO Gas North:

For the Period TBD

**\$TBD per GJ**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
PRICE SCHEDULE**

1. Connection Charge (Section 4.1)	Amount of any applicable ATCO Gas charge
2. Reconnection Charge (Section 8.7)	Amount of any applicable ATCO Gas charge
3. Meter Reads, Off-Cycle Meter Reads or Meter Disputes	Amount of any applicable ATCO Gas charge
4. Meter Handling or Meter Relocations	Amount of any applicable ATCO Gas charge
5. Customer Usage Information	Amount of any applicable ATCO Gas charge
6. Dishonored Cheque	\$25.00
7. Late Payment Fee	1.5% per month of the amount outstanding
8. Fee for Credit Check	Amount equal to the cost of the credit check



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
GENERAL CONDITIONS  
ATCO GAS NORTH SERVICE TERRITORY**

**1. Approval of the Alberta Utilities Commission (AUC)**

All Rates and Riders of DERS are subject to approval by the AUC.

**2. Terms and Conditions of Service**

Service under all DERS' Rates and Riders are subject to the Terms and Conditions of Default Rate Service of DERS as approved by the AUC.

**3. Other ATCO Gas and Pipelines Ltd. (AGPL) Charges**

In addition to the AGPL charges specifically identified in these Rate Schedules, customer bills will include, as applicable, all AGPL charges or riders approved by the AUC.



**DIRECT ENERGY REGULATED SERVICES**

**2026 INTERIM RATE SCHEDULES**

**FOR DRT SERVICE IN ATCO GAS SOUTH SERVICE TERRITORY**

**EFFECTIVE JANUARY 1, 2026**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE G1 – LOW AND MID USE DELIVERY SERVICE  
ATCO GAS SOUTH SERVICE TERRITORY**

Available to all customers eligible for ATCO Gas and Pipelines Ltd. South (AGPLS) Low Use Delivery Service

**CHARGES:**

**Fixed Charges:**

plus DERS Customer Charge **\$0.417 per Day**  
DERS – Riders (as applicable)

plus AGPLS Delivery – Fixed Charge including Riders

**Variable Charges:**

plus DERS Gas Cost Flow-through Rate **Rider “F”**  
AGPLS Delivery – Variable Charge including Riders

Minimum Monthly Charge: **Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE G3 – LARGE USE SERVICE  
ATCO GAS SOUTH SERVICE TERRITORY**

Available to all customers eligible for ATCO Gas and Pipelines Ltd. South (AGPLS) High Use Delivery Service.

**CHARGES:**

**Fixed Charges:**

plus DERS Customer Charge **\$0.662 per Day**  
DERS – Riders (as applicable)

plus AGPLS Delivery – Fixed Charge including Riders

**Variable Charges:**

DERS Gas Cost Flow-through Rate **Rider “F”**  
plus AGPLS Delivery – Variable Charge including Riders

Minimum Monthly Charge: **Fixed Charges**





**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE G5 – IRRIGATION DELIVERY SERVICE  
ATCO GAS SOUTH SERVICE TERRITORY**

Available to all customers eligible for ATCO Gas and Pipelines Ltd. South (AGPLS)  
Irrigation Delivery Service

**CHARGES:**

**Fixed Charges:**

plus DERS Customer Charge **\$0.457 per Day**  
DERS – Riders (as applicable)

plus  
AGPLS Delivery – Fixed Charge including Riders

**Variable Charges:**

DERS Gas Cost Flow-through Rate **Rider “F”**  
plus

AGPLS Delivery – Variable Charge including Riders

Minimum Monthly Charge: **Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
Rider "F" GAS COST FLOW-THROUGH  
ATCO GAS SOUTH SERVICE TERRITORY**

To be applied to all energy sold to customers served under Rates Low Use Delivery Service, Mid Use Delivery Service, High Use Delivery Service and Irrigation Delivery Service

**CHARGES:**

**Gas Cost Flow-through Rate:**

For customers served by ATCO Gas South:

For the Period TBD

**\$TBD per GJ**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
PRICE SCHEDULE**

1. Connection Charge (Section 4.1)	Amount of any applicable ATCO Gas charge
2. Reconnection Charge (Section 8.7)	Amount of any applicable ATCO Gas charge
3. Meter Reads, Off-Cycle Meter Reads or Meter Disputes	Amount of any applicable ATCO Gas charge
4. Meter Handling or Meter Relocations	Amount of any applicable ATCO Gas charge
5. Customer Usage Information	Amount of any applicable ATCO Gas charge
6. Dishonored Cheque	\$ 25.00
7. Late Payment Fee	1.5% per month of the amount outstanding
8. Fee for Credit Check	Amount equal to the cost of the credit check



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
GENERAL CONDITIONS  
ATCO GAS SOUTH SERVICE TERRITORY**

**1. Approval of the Alberta Utilities Commission (AUC)**

All Rates and Riders of DERS are subject to approval by the AUC.

**2. Terms and Conditions of Service**

Service under all DERS' Rates and Riders are subject to the Terms and Conditions of Default Rate Service of DERS as approved by the AUC.

**3. Other ATCO Gas and Pipelines Ltd. (AGPL) Charges**

In addition to the AGPL charges specifically identified in these Rate Schedules, customer bills will include, as applicable, all AGPL charges or riders approved by the AUC.



**DIRECT ENERGY REGULATED SERVICES**

**2024 FINAL RATE SCHEDULES**

**FOR ELECTRICITY RRT SERVICE**

**EFFECTIVE JANUARY 1, 2024**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE E1 – RESIDENTIAL SERVICE**

Available to all customers eligible for ATCO Electric Ltd. (AE) Price Schedule D11 – Standard Residential Service.

**CHARGES:**

**Fixed Charges:**

DERS Customer Charge	<b>\$0.626 per Day</b>
plus	
DERS – Riders (as applicable)	

plus  
AE Delivery – Customer Charge including Riders

**Variable Charges:**

DERS Energy Charge Applicable to Rate E1	<b>Rider “P”</b>
plus	
AE Delivery – Energy Charge including Riders	

**Minimum Monthly Charge:** **Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE E2 – SMALL GENERAL SERVICE**

Available to all customers eligible for ATCO Electric Ltd. (AE) Price Schedule D21 Standard Small General Service and Price Schedule D22 Small General Service – Energy Only

**CHARGES:**

**Fixed Charges:**

DERS Customer Charge **\$0.785 per Day**  
plus  
DERS – Riders (as applicable)

plus  
AE Delivery - Customer Charge including Riders

plus  
AE Delivery - Demand Charge including Riders

**Variable Charges:**

DERS Energy Charge Applicable to Rate E2 **Rider “P”**  
plus  
AE Delivery - Energy Charge including Riders

**Minimum Monthly Charge: Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE E3 – LARGE GENERAL SERVICE**

Available to all customers eligible for ATCO Electric Ltd. (AE) Price Schedule D31 Large General Service/Industrial, Price Schedule T31 Large General Service/Industrial Transmission Connected, and Price Schedule D32 Generator Interconnection and Standby Power.

**CHARGES:**

**Fixed Charges:**

DERS Customer Charge **\$1.270 per Day**

plus

DERS – Riders (as applicable)

plus

AE Delivery - Customer Charge including Riders

plus

AE Delivery - Demand Charge including Riders

**Variable Charges:**

DERS Energy Charge Applicable to Rate E3 **Rider “P”**

plus

AE Delivery – Energy Charge including Riders

**Minimum Monthly Charge:**

**Fixed Charges**





**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE E4 – OILFIELD SERVICE**

Available to all customers eligible for ATCO Electric Ltd. (AE) Price Schedule D41 Small Oilfield and Pumping Power.

**CHARGES:**

**Fixed Charges:**

DERS Customer Charge **\$0.614 per Day**  
plus  
DERS – Riders (as applicable)

plus  
AE Delivery - Customer Charge including Riders  
plus  
AE Delivery - Demand Charge including Riders

**Variable Charges:**

DERS Energy Charge Applicable to Rate E4 **Rider “P”**  
plus  
AE Delivery – Energy Charge including Riders

**Minimum Monthly Charge: Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE E5 – FARM SERVICE**

Available to all customers eligible for ATCO Electric Ltd. (AE) Price Schedule D56 Farm Service.

**CHARGES:**

**Fixed Charges:**

DERS Customer Charge	<b>\$0.643 per Day</b>
plus DERS – Riders (as applicable)	
plus AE Delivery - Customer Charge including Riders	
plus AE Delivery – Demand Charge including Riders	

**Variable Charges:**

DERS Energy Charge Applicable to Rate E5	<b>Rider “P”</b>
plus AE Delivery – Energy Charge including Riders	

**Minimum Monthly Charge:** **Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE E6 – LIGHTING SERVICE**

Available to all customers eligible for ATCO Electric Ltd. (AE) Price Schedule D61 Street Lighting Service and Price Schedule D63 Private Lighting Service.

**CHARGES:**

**Fixed Charges:**

DERS Customer Charge\* **\$0.414 per Day**  
plus  
DERS – Riders (as applicable)

plus  
AE Delivery - Customer Charge including Riders  
plus  
AE Delivery - Demand Charge including Riders

**Variable Charges:**

DERS Energy Charge Applicable to Rate E6 **Rider “P”**

**Minimum Monthly Charge:** **Fixed Charges**

\* The Customer Charge applies per Site



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE E7 – IRRIGATION PUMPING SERVICE**

Available to all customers eligible for ATCO Electric Ltd. (AE) Price Schedule D25 Irrigation Pumping Service.

**CHARGES:**

**Fixed Charges:**

DERS Customer Charge **\$0.760 per Day**  
plus  
DERS – Riders (as applicable)

plus  
AE Delivery - Customer Charge including Riders  
plus  
AE - Demand Charge including Riders

**Variable Charges:**

DERS Energy Charge Applicable to Rate E7 **Rider "P"**  
plus  
AE Delivery - Energy Charge including Riders

**Minimum Monthly Charge: Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
Rider "P" ENERGY CHARGE SCHEDULE**

To be applied to all energy sold to customers served under Rates E1, E2, E3, E4, E5, E6 and E7.

**Energy Charge Schedule:**

Energy Charge Applicable to Rate <b>E1</b>	<b>\$TBD per kWh</b>
Energy Charge Applicable to Rate <b>E2</b>	<b>\$TBD per kWh</b>
Energy Charge Applicable to Rate <b>E3</b>	<b>\$TBD per kWh</b>
Energy Charge Applicable to Rate <b>E4</b>	<b>\$TBD per kWh</b>
Energy Charge Applicable to Rate <b>E5</b>	<b>\$TBD per kWh</b>
Energy Charge Applicable to Rate <b>E6</b>	<b>\$TBD per kWh</b>
Energy Charge Applicable to Rate <b>E7</b>	<b>\$TBD per kWh</b>



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
PRICE SCHEDULE**

- |   |   |
|---|---|
| 1. Reconnection Charge<br>(Section 8.7)                           | Amount of any applicable ATCO Electric charge |
| 2. Meter Reads,<br>Supplementary Meter<br>Reads or Meter Disputes | Amount of any applicable ATCO Electric charge |
| 3. Interval Meter Usage Data                                      | Amount of any applicable ATCO Electric charge |
| 4. Dishonored Cheque  | \$25.00                                       |
| 5. Late Payment Fee   | 1.5% per month of the amount outstanding      |
| 6. Fee for Credit Check   | Amount equal to the cost of the credit check  |

## **DIRECT ENERGY REGULATED SERVICES (DERS) GENERAL CONDITIONS**

### **1. Approval of the Alberta Utilities Commission (AUC)**

All Rates and Riders of DERS are subject to approval by the AUC.

### **2. Terms and Conditions of Service**

Service under all DERS' Rates and Riders are subject to the Terms and Conditions of Regulated Rate Service of DERS as approved by the AUC.

### **3. Other ATCO Electric Ltd. (AE) Charges**

In addition to the AE charges specifically identified in these Rate Schedules, customer bills will include, as applicable, all other AE charges and Riders as well as any Power Factor Corrections and Price Options, levied by AE and approved by the AUC.



**DIRECT ENERGY REGULATED SERVICES**

**2025 FINAL RATE SCHEDULES**

**FOR ELECTRICITY RRT SERVICE**

**EFFECTIVE JANUARY 1, 2025**





**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE E1 – RESIDENTIAL SERVICE**

Available to all customers eligible for ATCO Electric Ltd. (AE) Price Schedule D11 – Standard Residential Service.

**CHARGES:**

**Fixed Charges:**

DERS Customer Charge	<b>\$0.672 per Day</b>
plus	
DERS – Riders (as applicable)	

plus  
AE Delivery – Customer Charge including Riders

**Variable Charges:**

DERS Energy Charge Applicable to Rate E1	<b>Rider “P”</b>
plus	
AE Delivery – Energy Charge including Riders	

**Minimum Monthly Charge:** **Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE E2 – SMALL GENERAL SERVICE**

Available to all customers eligible for ATCO Electric Ltd. (AE) Price Schedule D21 Standard Small General Service and Price Schedule D22 Small General Service – Energy Only

**CHARGES:**

**Fixed Charges:**

DERS Customer Charge **\$0.828 per Day**  
plus  
DERS – Riders (as applicable)

plus  
AE Delivery - Customer Charge including Riders

plus  
AE Delivery - Demand Charge including Riders

**Variable Charges:**

DERS Energy Charge Applicable to Rate E2 **Rider “P”**  
plus  
AE Delivery - Energy Charge including Riders

**Minimum Monthly Charge: Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE E3 – LARGE GENERAL SERVICE**

Available to all customers eligible for ATCO Electric Ltd. (AE) Price Schedule D31 Large General Service/Industrial, Price Schedule T31 Large General Service/Industrial Transmission Connected, and Price Schedule D32 Generator Interconnection and Standby Power.

**CHARGES:**

**Fixed Charges:**

DERS Customer Charge	<b>\$1.286 per Day</b>
plus DERS – Riders (as applicable)	
plus AE Delivery - Customer Charge including Riders	
plus AE Delivery - Demand Charge including Riders	

**Variable Charges:**

DERS Energy Charge Applicable to Rate E3	<b>Rider “P”</b>
plus AE Delivery – Energy Charge including Riders	

**Minimum Monthly Charge:** **Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE E4 – OILFIELD SERVICE**

Available to all customers eligible for ATCO Electric Ltd. (AE) Price Schedule D41 Small Oilfield and Pumping Power.

**CHARGES:**

**Fixed Charges:**

DERS Customer Charge **\$0.655 per Day**  
plus  
DERS – Riders (as applicable)

plus  
AE Delivery - Customer Charge including Riders  
plus  
AE Delivery - Demand Charge including Riders

**Variable Charges:**

DERS Energy Charge Applicable to Rate E4 **Rider “P”**  
plus  
AE Delivery – Energy Charge including Riders

**Minimum Monthly Charge: Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE E5 – FARM SERVICE**

Available to all customers eligible for ATCO Electric Ltd. (AE) Price Schedule D56 Farm Service.

**CHARGES:**

**Fixed Charges:**

DERS Customer Charge **\$0.685 per Day**  
plus  
DERS – Riders (as applicable)

plus  
AE Delivery - Customer Charge including Riders  
plus  
AE Delivery – Demand Charge including Riders

**Variable Charges:**

DERS Energy Charge Applicable to Rate E5 **Rider “P”**  
plus  
AE Delivery – Energy Charge including Riders

**Minimum Monthly Charge: Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE E6 – LIGHTING SERVICE**

Available to all customers eligible for ATCO Electric Ltd. (AE) Price Schedule D61 Street Lighting Service and Price Schedule D63 Private Lighting Service.

**CHARGES:**

**Fixed Charges:**

DERS Customer Charge\* **\$0.466 per Day**  
plus  
DERS – Riders (as applicable)

plus  
AE Delivery - Customer Charge including Riders  
plus  
AE Delivery - Demand Charge including Riders

**Variable Charges:**

DERS Energy Charge Applicable to Rate E6 **Rider "P"**

**Minimum Monthly Charge:** **Fixed Charges**

\* The Customer Charge applies per Site



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE E7 – IRRIGATION PUMPING SERVICE**

Available to all customers eligible for ATCO Electric Ltd. (AE) Price Schedule D25 Irrigation Pumping Service.

**CHARGES:**

**Fixed Charges:**

DERS Customer Charge **\$0.789 per Day**  
plus  
DERS – Riders (as applicable)

plus  
AE Delivery - Customer Charge including Riders  
plus  
AE - Demand Charge including Riders

**Variable Charges:**

DERS Energy Charge Applicable to Rate E7 **Rider "P"**  
plus  
AE Delivery - Energy Charge including Riders

**Minimum Monthly Charge: Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
Rider "P" ENERGY CHARGE SCHEDULE**

To be applied to all energy sold to customers served under Rates E1, E2, E3, E4, E5, E6 and E7.

**Energy Charge Schedule:**

Energy Charge Applicable to Rate <b>E1</b>	<b>\$TBD per kWh</b>
Energy Charge Applicable to Rate <b>E2</b>	<b>\$TBD per kWh</b>
Energy Charge Applicable to Rate <b>E3</b>	<b>\$TBD per kWh</b>
Energy Charge Applicable to Rate <b>E4</b>	<b>\$TBD per kWh</b>
Energy Charge Applicable to Rate <b>E5</b>	<b>\$TBD per kWh</b>
Energy Charge Applicable to Rate <b>E6</b>	<b>\$TBD per kWh</b>
Energy Charge Applicable to Rate <b>E7</b>	<b>\$TBD per kWh</b>





**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
PRICE SCHEDULE**

- |   |   |
|---|---|
| 1. Reconnection Charge<br>(Section 8.7)                           | Amount of any applicable ATCO Electric charge |
| 2. Meter Reads,<br>Supplementary Meter<br>Reads or Meter Disputes | Amount of any applicable ATCO Electric charge |
| 3. Interval Meter Usage Data                                      | Amount of any applicable ATCO Electric charge |
| 4. Dishonored Cheque  | \$25.00                                       |
| 5. Late Payment Fee   | 1.5% per month of the amount outstanding      |
| 6. Fee for Credit Check   | Amount equal to the cost of the credit check  |

## **DIRECT ENERGY REGULATED SERVICES (DERS) GENERAL CONDITIONS**

### **1. Approval of the Alberta Utilities Commission (AUC)**

All Rates and Riders of DERS are subject to approval by the AUC.

### **2. Terms and Conditions of Service**

Service under all DERS' Rates and Riders are subject to the Terms and Conditions of Regulated Rate Service of DERS as approved by the AUC.

### **3. Other ATCO Electric Ltd. (AE) Charges**

In addition to the AE charges specifically identified in these Rate Schedules, customer bills will include, as applicable, all other AE charges and Riders as well as any Power Factor Corrections and Price Options, levied by AE and approved by the AUC.



**DIRECT ENERGY REGULATED SERVICES**  
**2026 INTERIM RATE SCHEDULES**  
**FOR ELECTRICITY RRT SERVICE**  
**EFFECTIVE JANUARY 1, 2026**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE E1 – RESIDENTIAL SERVICE**

Available to all customers eligible for ATCO Electric Ltd. (AE) Price Schedule D11 – Standard Residential Service.

**CHARGES:**

**Fixed Charges:**

DERS Customer Charge **\$0.780 per Day**  
plus  
DERS – Riders (as applicable)

plus  
AE Delivery – Customer Charge including Riders

**Variable Charges:**

DERS Energy Charge Applicable to Rate E1 **Rider “P”**  
plus  
AE Delivery – Energy Charge including Riders

**Minimum Monthly Charge: Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE E2 – SMALL GENERAL SERVICE**

Available to all customers eligible for ATCO Electric Ltd. (AE) Price Schedule D21 Standard Small General Service and Price Schedule D22 Small General Service – Energy Only

**CHARGES:**

**Fixed Charges:**

DERS Customer Charge **\$0.955 per Day**  
plus  
DERS – Riders (as applicable)

plus  
AE Delivery - Customer Charge including Riders

plus  
AE Delivery - Demand Charge including Riders

**Variable Charges:**

DERS Energy Charge Applicable to Rate E2 **Rider “P”**  
plus  
AE Delivery - Energy Charge including Riders

**Minimum Monthly Charge: Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE E3 – LARGE GENERAL SERVICE**

Available to all customers eligible for ATCO Electric Ltd. (AE) Price Schedule D31 Large General Service/Industrial, Price Schedule T31 Large General Service/Industrial Transmission Connected, and Price Schedule D32 Generator Interconnection and Standby Power.

**CHARGES:**

**Fixed Charges:**

	DERS Customer Charge	<b>\$1.457 per Day</b>
plus	DERS – Riders (as applicable)	
plus	AE Delivery - Customer Charge including Riders	
plus	AE Delivery - Demand Charge including Riders	

**Variable Charges:**

	DERS Energy Charge Applicable to Rate E3	<b>Rider “P”</b>
plus	AE Delivery – Energy Charge including Riders	

**Minimum Monthly Charge:** **Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE E4 – OILFIELD SERVICE**

Available to all customers eligible for ATCO Electric Ltd. (AE) Price Schedule D41 Small Oilfield and Pumping Power.

**CHARGES:**

**Fixed Charges:**

DERS Customer Charge **\$0.764 per Day**  
plus  
DERS – Riders (as applicable)

plus  
AE Delivery - Customer Charge including Riders  
plus  
AE Delivery - Demand Charge including Riders

**Variable Charges:**

DERS Energy Charge Applicable to Rate E4 **Rider “P”**  
plus  
AE Delivery – Energy Charge including Riders

**Minimum Monthly Charge: Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE E5 – FARM SERVICE**

Available to all customers eligible for ATCO Electric Ltd. (AE) Price Schedule D56 Farm Service.

**CHARGES:**

**Fixed Charges:**

DERS Customer Charge **\$0.792 per Day**  
plus  
DERS – Riders (as applicable)

plus  
AE Delivery - Customer Charge including Riders  
plus  
AE Delivery – Demand Charge including Riders

**Variable Charges:**

DERS Energy Charge Applicable to Rate E5 **Rider “P”**  
plus  
AE Delivery – Energy Charge including Riders

**Minimum Monthly Charge: Fixed Charges**





**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE E6 – LIGHTING SERVICE**

Available to all customers eligible for ATCO Electric Ltd. (AE) Price Schedule D61 Street Lighting Service and Price Schedule D63 Private Lighting Service.

**CHARGES:**

**Fixed Charges:**

DERS Customer Charge\* **\$0.564 per Day**  
plus  
DERS – Riders (as applicable)

plus  
AE Delivery - Customer Charge including Riders  
plus  
AE Delivery - Demand Charge including Riders

**Variable Charges:**

DERS Energy Charge Applicable to Rate E6 **Rider “P”**

**Minimum Monthly Charge:** **Fixed Charges**

\* The Customer Charge applies per Site



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
RATE E7 – IRRIGATION PUMPING SERVICE**

Available to all customers eligible for ATCO Electric Ltd. (AE) Price Schedule D25 Irrigation Pumping Service.

**CHARGES:**

**Fixed Charges:**

DERS Customer Charge **\$0.908 per Day**  
plus  
DERS – Riders (as applicable)

plus  
AE Delivery - Customer Charge including Riders  
plus  
AE - Demand Charge including Riders

**Variable Charges:**

DERS Energy Charge Applicable to Rate E7 **Rider "P"**  
plus  
AE Delivery - Energy Charge including Riders

**Minimum Monthly Charge: Fixed Charges**



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
Rider "P" ENERGY CHARGE SCHEDULE**

To be applied to all energy sold to customers served under Rates E1, E2, E3, E4, E5, E6 and E7.

**Energy Charge Schedule:**

Energy Charge Applicable to Rate <b>E1</b>	<b>\$TBD per kWh</b>
Energy Charge Applicable to Rate <b>E2</b>	<b>\$TBD per kWh</b>
Energy Charge Applicable to Rate <b>E3</b>	<b>\$TBD per kWh</b>
Energy Charge Applicable to Rate <b>E4</b>	<b>\$TBD per kWh</b>
Energy Charge Applicable to Rate <b>E5</b>	<b>\$TBD per kWh</b>
Energy Charge Applicable to Rate <b>E6</b>	<b>\$TBD per kWh</b>
Energy Charge Applicable to Rate <b>E7</b>	<b>\$TBD per kWh</b>



**DIRECT ENERGY REGULATED SERVICES  
(DERS)  
PRICE SCHEDULE**

- |   |   |
|---|---|
| 1. Reconnection Charge<br>(Section 8.7)                           | Amount of any applicable ATCO Electric charge |
| 2. Meter Reads,<br>Supplementary Meter<br>Reads or Meter Disputes | Amount of any applicable ATCO Electric charge |
| 3. Interval Meter Usage Data                                      | Amount of any applicable ATCO Electric charge |
| 4. Dishonored Cheque  | \$25.00                                       |
| 5. Late Payment Fee   | 1.5% per month of the amount outstanding      |
| 6. Fee for Credit Check   | Amount equal to the cost of the credit check  |

## **DIRECT ENERGY REGULATED SERVICES (DERS) GENERAL CONDITIONS**

### **1. Approval of the Alberta Utilities Commission (AUC)**

All Rates and Riders of DERS are subject to approval by the AUC.

### **2. Terms and Conditions of Service**

Service under all DERS' Rates and Riders are subject to the Terms and Conditions of Regulated Rate Service of DERS as approved by the AUC.

### **3. Other ATCO Electric Ltd. (AE) Charges**

In addition to the AE charges specifically identified in these Rate Schedules, customer bills will include, as applicable, all other AE charges and Riders as well as any Power Factor Corrections and Price Options, levied by AE and approved by the AUC.