

BYLAW 5792

A BYLAW TO ESTABLISH THE CITY OF LETHBRIDGE
ELECTRIC REGULATED RATE OPTION TARIFF

WHEREAS the City of Lethbridge owns and operates a Municipal Electric Distribution Utility;

AND WHEREAS the City of Lethbridge Municipal Electric Distribution Utility has been designated as a Wire Service Provider pursuant to the ELECTRIC UTILITY ACT, S.A. 2003;

AND WHEREAS it is necessary to establish a Regulated Rate Option and to identify who may qualify for such a rate option;

NOW THEREFORE, THE COUNCIL OF THE CITY OF LETHBRIDGE, DULY ASSEMBLED, HEREBY ENACTS AS FOLLOWS:

1. Bylaw 5792 the City of Lethbridge Electric Regulated Rate Option Bylaw is hereby established.
2. The Electric Regulated Rate Option rates are as set forth in following Rate Schedules:

Rate Code 791 Standard Distribution Regulated Rate
Rate Code 792 Medium Distribution Regulated Rate
Rate Code 794 General Distribution Regulated Rate
Rate Code 795 Dedicated Distribution Regulated Rate
Rate Code 798 Public Lighting Regulated Rate
Rate Code 799 Unmetered Regulated Rate
3. There is hereby established a Regulatory Rate Option Electric Energy

Pricing Plan attached as Schedule "A" hereto.

4. Bylaw 5609 and amendments thereto are hereby repealed.
5. This Bylaw shall take effect on the 1st day of January, 2013.

READ A FIRST TIME this 13 day of NOVEMBER, A.D. 2012

MAYOR

A/ CITY CLERK

READ A SECOND TIME this 26 day of DECEMBER, A.D. 2012

MAYOR

CITY CLERK

READ A THIRD TIME this 26 day of DECEMBER, A.D. 2012

MAYOR

CITY CLERK



City of Lethbridge
ELECTRIC UTILITY

Electric Regulated Rate Option
Rate Schedule

City of Lethbridge
Bylaw 5792

Effective:
January 1, 2013

City of Lethbridge
Infrastructure Services
Electric Utility

Document

Copies of this document available at:

City of Lethbridge City Hall
Infrastructure Services
4th Floor, 910 – 4th Avenue South
Lethbridge, Alberta
T1J 0P6

Electric version (pdf) of this document available at:

<http://www.lethbridge.ca/bylaws>

Other related documents:

City of Lethbridge Electric System Regulation (Bylaw)
Electric Distribution Tariff Rate Schedule (Bylaw)
Electric Utility Terms and Conditions of Electric Service Technical Terms and Conditions of
Distribution Wire Access
Guideline for Generators
Guideline for Power Quality
Distribution Tariff Fee Schedule
Electric Default Supplier Tariff (2006 Bylaw 5369)

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Regulatory & Rates
Infrastructure Services
City of Lethbridge

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Electric Regulated Rate Option (RRO)

Electric RRO Tariff

The current Electric Regulated Rate Option Tariff includes an RRO Electric Energy Price Setting Plan, a Regulated Rate Schedule and Electric Utility Terms and Conditions of Electric Service (Article 5).

Electric RRO Rate

The current Electric Regulated Rate includes: 1) an electric energy component determined through a City of Lethbridge Electric Utility RRO Electric Energy Price Setting Plan, and 2) distribution access and transmission access components applied through the current approved Electric Distribution Tariff.

Electric Utility RRO Electric Energy Price Setting Plan

The RRO Electric Energy Pricing Plan provides for the procurement of electric energy within the framework of RRO Regulation¹.

Electric Distribution Tariff

The current Electric Distribution Tariff includes approved Distribution Access Rates, Transmission Access Rates and Electric Utility Terms and Conditions of Electric Service.

Effective Rate Period

Current Electric RRO Rates take effect January 1, 2013 and remain in effect until replaced by a new or amended rate approved by the City Council of the City of Lethbridge.

Rate Application Authority

The City of Lethbridge undertakes to apply an Electric Regulated Rate Option as per Section 103 of Electric Utility Act of the Province of Alberta (Statutes of Alberta, 2003 Chapter E-5.1) and applicable Regulations.

Rate Approval Authority

The City of Lethbridge Electric Utility undertakes to apply the current Electric RRO under the authority of City of Lethbridge Bylaw 5792.

Terms and Conditions

Electric Regulated Rate Option customers are subject to Terms and Conditions of Electric Service, Technical Terms and Conditions for Distribution Wire Access, Guidelines for Generators, Guidelines for Power Quality and Distribution Tariff Fee Schedule.

Price Adjustments and Riders

Electric Regulated Rate Option riders noted herein are provided for information and are not intended to be part of the City of Lethbridge RRO Tariff. Adjustments and Riders retain specific approvals, effective periods and terms and conditions.

¹ Current Regulations as noted in Schedule C.

Definitions

Billing Period	The period of time for which distribution rate calculations apply.
Cumulative Meter	A metering device that measure system usage by continuously adding current use to prior use. Current consumption is determined as the difference between a current reading and a prior reading.
Customer	Means the recipient of electric services.
Demand Meter	Means the metering device used to determine Demand.
Distribution Access	Means access to the City of Lethbridge Electric Distribution System.
Electric Service Area	The area determined under the <i>Hydro and Electric Energy Act</i> in which the City of Lethbridge as owner of an electric distribution system may distribute electricity.
Interval Meter	Means a meter that measures, at intervals of 60 minutes or less, the amount of electricity consumed, and satisfies the standards for revenue collection under the <i>Electricity and Gas Inspection Act</i> (Canada) and the <i>Weights and Measures Act</i> (Canada).
kVA	Means Kilovolt ampere and is the unit of measure used for Demand, Contract Maximum, Contract Minimum and Contract Ratchet.
kWh	Means Kilowatt-hour (one kilowatt of power supplied/taken for one hour) and is the unit of measure used for System Usage.
LEU	Means the Lethbridge Electric Utility owned and operated by the City of Lethbridge and includes it directors, officers and employees.
Losses	Means allocated distribution losses.
Procurement	Means the purchase of the RRO energy component
Regulated Rate Option	Means the Tariff an owner of an electric distribution system must prepare for the purpose of recovering prudent costs for providing electric energy services to eligible customers that are not enrolled with a retailer.
RFP	Means a Request for Proposals
Risk Margin	Means an addition to the RRO energy component price representing LEU's direct exposure to energy volume risk, price risk, credit risk and unaccounted for energy and losses.
Secondary Voltage	Means the output of a load-supply City of Lethbridge Electric Distribution Transformer.
Service Connection	Means the point of connection to the City of Lethbridge Electric Distribution System.
Single-Phase Connection	Means a 3-wire connection point.
Three-Phase Connection	Means a 4-wire connection point.
Transmission Access	Means access to the Alberta Interconnected Electric System.
Unaccounted for	Means the difference between distribution system total load for an hour and the

Energy (UFE)

sum of allocated hourly loads at the customer meters.

Unmetered

Means a Service Connection without a City of Lethbridge Electric Utility provided metering device.

Electric Regulated Rate Option Rates

Rate Code	RRO Description
791	Standard Distribution Regulated Rate – for service metered through a single cumulative or demand meter. <ul style="list-style-type: none"> ▪ Demand less than 12 kVa
792	Medium Distribution Regulated Rate - for single-phase service metered through a single demand meter. <ul style="list-style-type: none"> ▪ Rate Classification eligible customers as defined under RRO Regulation² ▪ Annual consumption of 250 megawatt hours or less ▪ Demand of 12 kVA or greater and less and 150 kVA
794	General Distribution Regulated Rate – for three-phase service metered through a single demand meter. <ul style="list-style-type: none"> ▪ Rate Classification eligible customers as defined RRO Regulation¹ ▪ Annual consumption of 250 megawatt hours or less ▪ Demand less than 150 kVA
795	Dedicated Distribution Regulated Rate – for service through a dedicated three-phase connection at secondary voltage metered through a single demand meter. <ul style="list-style-type: none"> ▪ Annual consumption of 250 megawatt hours or less ▪ Demand of 150 kVA or greater and less than 300 kVA
798	Public Lighting Regulated Rate – for unmetered municipally owned and provincial owned public lighting systems and individual customer subscribed unmetered security lighting. <ul style="list-style-type: none"> ▪ Annual consumption of 250 megawatt hours or less
799	Unmetered Regulated Rate – for unmetered service connections with small, consistent and predictable system usage. Rate also applicable to qualifying Rate Classification Customers under the Regulated Rate Option Tariff. <ul style="list-style-type: none"> ▪ Annual consumption of 250 megawatt hours or less ▪ For small, consistent and predictable system usage

² Current Regulations as noted in Schedule C.

City of Lethbridge Electric Utility Electric Regulated Rate Option Rate Schedule

Rate Code 791: Standard Distribution Regulated Rate

Service

Rate Classification eligible customers as defined under RRO Regulation³

Service connected within the City of Lethbridge electric service area

Metered through a single cumulative or demand meter

Demand less than 12 kVa

Charges

- | | |
|-----------------------------|--|
| a) Electric Energy Rate | per Schedule A: RRO Electric Energy Price Plan |
| b) Administration Fee | per Schedule D: Fees |
| c) Distribution Access Rate | per Schedule B: Electric Distribution Rate |
| d) Transmission Access Rate | per Schedule B: Electric Distribution Rate |
| e) Local Access Fee | per Schedule B: Electric Distribution Rate |

Application

The billing period is monthly

The City of Lethbridge Terms and Conditions of Electric Service apply to this rate

The City of Lethbridge Electric Utility requires at least 60 days notice to enter or exit the Regulated Rate Option

³ Current Regulations as noted in Schedule C.

City of Lethbridge Electric Utility Electric Regulated Rate Option Rate Schedule

Rate Code 792: Medium Distribution Regulated Rate

Service

Other Customer eligible customers as defined under RRO Regulation⁴

Single phase service connected within the City of Lethbridge electric service area

Metered through a single demand meter

Demand of 12 kVa or greater and less than 150 kVa

Annual consumption of 250 megawatt hours or less

Charges

- | | |
|-----------------------------|--|
| a) Electric Energy Rate | per Schedule A: RRO Electric Energy Price Plan |
| b) Administration Fee | per Schedule D: Fees |
| c) Distribution Access Rate | per Schedule B: Electric Distribution Rate |
| d) Transmission Access Rate | per Schedule B: Electric Distribution Rate |
| e) Local Access Fee | per Schedule B: Electric Distribution Rate |

Application

The billing period is monthly

The City of Lethbridge Terms and Conditions of Electric Service apply to this rate

The City of Lethbridge Electric Utility requires at least 60 days notice to enter or exit the Regulated Rate Option

⁴ Current Regulations as noted in Schedule C.

City of Lethbridge Electric Utility Electric Regulated Rate Option Rate Schedule

Rate Code 794: General Distribution Regulated Rate

Service

Other Customer eligible customers as defined under RRO Regulation⁵

Three-phase service connected within the City of Lethbridge electric service area

Metered through a single demand meter

Demand less than 150 kVA

Annual consumption of 250 megawatt hours or less

Charges

- | | |
|-----------------------------|--|
| a) Electric Energy Rate | per Schedule A: RRO Electric Energy Price Plan |
| b) Administration Fee | per Schedule D: Fees |
| c) Distribution Access Rate | per Schedule B: Electric Distribution Rate |
| d) Transmission Access Rate | per Schedule B: Electric Distribution Rate |
| e) Local Access Fee | per Schedule B: Electric Distribution Rate |

Application

The billing period is monthly

The City of Lethbridge Terms and Conditions of Electric Service apply to this rate

The City of Lethbridge Electric Utility requires at least 60 days notice to enter or exit the Regulated Rate Option

⁵ Current Regulations as noted in Schedule C.

City of Lethbridge Electric Utility Electric Regulated Rate Option Rate Schedule

Rate Code 795: Dedicated Distribution Regulated Rate

Service

Other Customer eligible customers as defined under RRO Regulation⁶

Service connected within the City of Lethbridge electric service area

Connected through a dedicated three-phase service

Metered through a single demand meter

Demand of 150 kVA or greater and less than 300 kVA

Annual consumption of 250 megawatt hours or less

Charges

- | | |
|-----------------------------|--|
| a) Electric Energy Rate | per Schedule A: RRO Electric Energy Price Plan |
| b) Administration Fee | per Schedule D: Fees |
| c) Distribution Access Rate | per Schedule B: Electric Distribution Rate |
| d) Transmission Access Rate | per Schedule B: Electric Distribution Rate |
| e) Local Access Fee | per Schedule B: Electric Distribution Rate |

Application

The billing period is monthly

The City of Lethbridge Terms and Conditions of Electric Service apply to this rate

The City of Lethbridge Electric Utility requires at least 60 days notice to enter or exit the Regulated Rate Option

⁶ Current Regulations as noted in Schedule C.

City of Lethbridge Electric Utility Electric Regulated Rate Option Rate Schedule

Rate Code 798: Public Lighting Regulated Rate

Service

Other Customer eligible customers as defined under RRO Regulation⁷

Service connected within the City of Lethbridge electric service area

Customer subscribed security lighting provided by the City of Lethbridge

Unmetered

Annual consumption of 250 megawatt hours or less

Charges

- | | |
|-----------------------------|--|
| a) Electric Energy Rate | per Schedule A: RRO Electric Energy Price Plan |
| b) Administration Fee | per Schedule D: Fees |
| c) Distribution Access Rate | per Schedule B: Electric Distribution Rate |
| d) Transmission Access Rate | per Schedule B: Electric Distribution Rate |
| e) Local Access Fee | per Schedule B: Electric Distribution Rate |

Application

The billing period is monthly

The City of Lethbridge Terms and Conditions of Electric Service apply to this rate

The City of Lethbridge Electric Utility requires at least 60 days notice to enter or exit the Regulated Rate Option

⁷ Current Regulations as noted in Schedule C.

City of Lethbridge Electric Utility Electric Regulated Rate Option Rate Schedule

Rate Code 799: Unmetered Regulated Rate

Service

Rate Classification eligible customers as defined under RRO Regulation⁸

Service connected within the City of Lethbridge electric service area

Unmetered

Service connections with small, consistent and predictable system usage

Annual consumption of 250 megawatt hours or less

Charges

- | | |
|-----------------------------|--|
| a) Electric Energy Rate | per Schedule A: RRO Electric Energy Price Plan |
| b) Administration Fee | per Schedule D: Fees |
| c) Distribution Access Rate | per Schedule B: Electric Distribution Rate |
| d) Transmission Access Rate | per Schedule B: Electric Distribution Rate |
| e) Local Access Fee | per Schedule B: Electric Distribution Rate |

Application

The billing period is monthly

The City of Lethbridge Terms and Conditions of Electric Service apply to this rate

The City of Lethbridge Electric Utility requires at least 60 days notice to enter or exit the Regulated Rate Option

⁸ Current Regulations as noted in Schedule C.

Schedule A: RRO Electric Energy Price Setting Plan

The City of Lethbridge Electric Utility RRO Electric Energy Pricing Plan undertakes to provide for the pricing of the electric energy component of the City of Lethbridge RRO Rate within the context of RRO Regulation⁹.

A1. Regulated Rate Option Energy Price Formula

The RRO energy price is established based on the following RRO Energy Price formula:

$$RRE_m = (PEP_m + RSL_m + UFE_m + RRM_m + ROC_m)$$

m = month

RRE_m = is the Regulated Rate Option energy price in \$/kWh (for month m).

PEP_m = is the Procured Energy Price in \$/kWh (for month m). The Procured Energy Price is calculated on a weighted basis (procured energy versus forwards energy) as per the requirements of the current RRO Regulation.

RSL_m = is the System Losses in \$/kWh (for month m)

UFE_m = is the Unaccounted for Energy in \$/kWh (for month m)

RRM_m = is the Regulated Rate Risk Margin in \$/kWh (for month m)

ROC_m = is Other Costs for providing the Regulated Rate in \$/kWh (for month m)

A2. Regulated Rate Option Energy Price

The RRO energy price, RRE_m in the formula in A1 is calculated using the following factors:

Period	Energy (PEP)	System Losses (RSL)	Unaccounted For Energy (UFE)	Risk Margin (RRM)	Other Costs (ROC)
	Schedule A3	Schedule A4	Schedule A4	Schedule A5	Schedule A6
2007	Procurement Plan (A3)	3.75%	2.0%	Pricing Plan (A5)	\$ 0.00359/kwhr

The City of Lethbridge RRO Energy Price will be posted on the City of Lethbridge website (<http://www.lethbridge.ca/electric>) no later than 5 business days prior to the beginning of the period to which the energy price applies.

⁹ Current Regulations as noted in Schedule C.

A3. Regulated Rate Option Energy Procurement Plan

The City of Lethbridge Electric Utility manages the RRO Energy Procurement Plan, which provides for the ongoing procurement of Electric Energy for the hedged or procured energy component of the RRO within the context of RRO Regulation. Future energy procurement will be managed through City Council Resolution(s).

A4. System Losses and Unaccounted for Energy

System Losses and Unaccounted for Energy (UFE) are determined by the designated Load Settlement Agent. Losses represent energy that is lost through the process of transmitting and distributing electricity. UFE is the hourly difference between the distribution system total load, including allocated losses, and the sum of the allocated load over all customer meters.

System Losses and UFE are applied as a percentage of the Regulated Rate option electric energy procurement price for the forecast period.

A5. Regulated Rate Option Risk Margin Plan

The City of Lethbridge Electric Utility Risk Margin Plan provides for the recovery of a margin on the procurement and sale of the electric energy component of the RRO within the context of the current RRO Regulation.

The risk margin represents the material risk that the amount of energy purchased under the procurement plan as well as other fixed costs will not be sufficient to cover the City of Lethbridge's actual costs of providing the Regulated Rate.

The RRO Risk Margin is determined based on energy volume risk, energy price risk and credit risk.

The Risk Margin is adjusted monthly as required to cover the City of Lethbridge's actual costs of providing the Regulated Rate for that month. All adjustments to the Risk Margin are communicated to Council prior to the rate being posted.

A6. Other Costs

Other costs to the City of Lethbridge for providing the Regulated Rate Option include the Power Pool trading fee direct administrative and external costs.

Other Cost	Per MWh	Per kWh
Power Pool Trading Fee	\$0.36	\$0.00036
Administrative & External Costs	\$1.95	\$.00195
PILOT (Payment in Lieu of	\$1.28	\$0.00128

Tax)

\$3.59

\$0.00359

Other costs are updated on an annual basis as required with formal notification to Council.

Schedule B: Electric Distribution Tariff Rates

The City of Lethbridge RRO Rate includes currently approved Distribution Rates (DT) and applicable City of Lethbridge Distribution Tariff (DT) Rate Riders as follows:

Rate Code	Rate	Electric Distribution Access Rate	Electric Transmission Access Rate	DT Rate Riders
791	Standard Distribution Regulated Rate	Rate 991	Rate 991	Riders A, B, and C per Current Distribution Tariff
792	Medium Distribution Regulated Rate	Rate 992	Rate 992	Riders A, B, and C per Current Distribution Tariff
794	General Distribution Regulated Rate	Rate 994	Rate 994	Riders A, B, and C per Current Distribution Tariff
795	Dedicated Distribution Regulated Rate	Rate 995	Rate 995	Riders A, B, and C per Current Distribution Tariff
798	Public Lighting Regulated Rate	Rate 998	Rate 998	Riders A, B, and C per Current Distribution Tariff
799	Unmetered Regulated Rate	Rate 999	Rate 999	Riders A, B, and C per Current Distribution Tariff

Distribution Tariff Rate Rider A: Local Access Fee (LAF) also referred to as a Municipal Consent and Access Fee (MCAF).

Distribution Tariff Rate Rider B: Balancing Pool Consumer Allocation Rider.

Distribution Tariff Rate Rider C: Transmission Deferral Rider.

Schedule C: RRO Regulation

The City of Lethbridge undertakes to apply an Electric Regulated Rate Option as per Section 103 of Electric Utility Act of the Province of Alberta (Statutes of Alberta, 2003 Chapter E-5.1) and applicable Regulations.

ELECTRIC UTILITY ACT, Alberta Regulation 262/2005T REGULATED DEFAULT SUPPLY REGULATION

Subsequent additions, amendments or replacement of Alberta Regulation 262/2005T

Access to current RRO Regulations is available through the City of Lethbridge website (<http://www.lethbridge.ca/bylaws>).

Schedule D: Fees

City of Lethbridge Electric Utility RRO customers are subject to fees as per the current City of Lethbridge Electric Bylaw including Schedule D, and the City of Lethbridge Electric Distribution Tariff Bylaw.

Schedule F: Terms & Conditions

As per the City of Lethbridge Terms and Conditions of Electric Service: