



BYLAW 6234 – Electric Default Supply Tariff
DATE OF CONSOLIDATION: December 13, 2021

Amendment History:

| | |
|------------|--|
| BYLAW 6327 | <i>Amended by deleting and replacing text in Rate Code 694, 695 and 696; Deletes and replaces Schedule A s.A6.</i> |
|------------|--|

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Bylaw last revised: November 30, 2021
Effective: January 1, 2022
Bylaw 6327

BYLAW NO. 6234

A CONSOLIDATED BYLAW TO ESTABLISH
THE CITY OF LETHBRIDGE ELECTRIC
DEFAULT SUPPLIER 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 UTILITIES ACT, S.A. 2003, c. E-5.1;

AND WHEREAS it is necessary to establish a 2021 Default Supplier Rate and to identify when the rate applies;

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

- 1. Bylaw 6234 the City of Lethbridge Electric Default Supplier Rate Bylaw is established.
- 2. The 2021 Electric Default Supplier Rates are contained in the following Rate Schedules:

- Rate Code 694 General Default Supplier Rate
- Rate Code 695 Dedicated Default Supplier Rate
- Rate Code 696 Large Dedicated Default Supplier Rate
- Rate Code 697 Primary Default Supplier Rate

attached to this Bylaw as "Appendix 1 – Electric Default Supplier Rate Schedule".

3. A Default Supplier Electric Energy Pricing Plan is established and is attached to this Bylaw as "Schedule A – Electric Default Supplier Rate Schedule".
4. The Electric Distribution Tariff Rates contained in "Schedule B: Electric Distribution Tariff Rates" are included in the RDS option.
5. The "Regulated Rate Option Regulation" is referenced in this Bylaw in "Schedule C: RRO Regulation".
6. The fees applicable to Default Supply customers are set out in "Schedule D: Fees."
7. The Terms and Conditions applicable to Default Supply customers are set forth in Schedule E: Terms and Conditions of Default Supplier.
8. Bylaws 5304 and 5369, and any amendments thereto are repealed.
9. This Bylaw shall take effect on the 1st day of January, 2021.

SIGNED A FIRST TIME THIS 21ST DAY OF SEPTEMBER, 2020.

SIGNED A SECOND TIME THIS 14TH DAY OF DECEMBER, 2020.

SIGNED A THIRD TIME THIS 14TH DAY OF DECEMBER, 2020.

(Sgd.) C.A Spearman
MAYOR

(Sgd.) David Sarsfield
A/CITY CLERK

Appendix 1



City of Lethbridge
ELECTRIC UTILITY

Electric Default
Supplier Rate
Schedule

City of
Lethbridge
Bylaw 6234

Effective:
January 1, 2021

City of Lethbridge
Infrastructure
Services Electric
Utility

Document

Contact Information:

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Electric version (pdf) of this document available at:

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

Other related documents available on the City of Lethbridge website:

City of Lethbridge Electric System Bylaw (Current Bylaw)

City of Lethbridge Electric Distribution Tariff Bylaw (Current Bylaw), including:

- Rate Schedule
- Electric Utility Terms and Conditions of Electric Service

Technical Terms and Conditions of Distribution Wire Access

Guideline for Generators

Guideline for Power Quality

City of Lethbridge Electric Regulated Rate Option Bylaw (Current Bylaw)

Document Author:

City of Lethbridge Electric Utility

Regulatory & Rates

Infrastructure Services

City of Lethbridge

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Electric Default Supplier (DS)

Electric DS Tariff

The current Electric Default Supplier Tariff includes a DS Electric Energy Price Setting Plan, a Default Rate Schedule, Terms and Conditions for Default Supplier and Electric Utility Terms and Conditions of Electric Service.

Electric DS Rate

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

Electric Utility DS Electric Energy Price Setting Plan

The DS Electric Energy Pricing Plan provides for the procurement of electric energy within the framework Regulation 169/2003, the Roles, Relationships and Responsibilities, 2003 regulation enacted under the Electric Utilities Act.

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 DS Rates take effect January 1, 2021 (midnight December 31, 2020) 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 Default Supplier Rate as per Section 105 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 Default Supply under the authority of City of Lethbridge Bylaw 6234.

Terms and Conditions

Electric Default Supplier customers are subject to Terms and Conditions of Default Supplier, 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 DS adjustments and riders noted herein are provided for information and are not intended to be part of the City of Lethbridge DS Tariff. Adjustments and Riders retain specific approvals, effective periods and terms and conditions.

Definitions

| | |
|------------------------------------|--|
| Billing Period | The period of time for which 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. |
| Default Supplier (DS) | Means rates and terms and conditions for the provision of electric services applicable under Alberta Regulation 169/2003 Electric Utility Act, Roles Relationships and Responsibilities. |
| 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. |
| Regulated Rate Option (RRO) | 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. |
| 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 Energy (UFE)** Means the difference between distribution system total load for an hour and the sum of allocated hourly loads at the customer meters.

Electric Default Supplier Rates

Rate Code DS Description

- 694 **General Default Supplier Rate** – for service metered through a single demand meter.
- Customer NOT eligible as Rate Classification or Other Customer as defined under RRO Regulation¹
 - Customer that is unable to obtain or continue with electricity services.
 - Annual consumption of greater than 250 megawatt hours
 - Demand less than 150 kVA
 - Includes Electric General Distribution Rate 994
- 695 **Dedicated Default Supplier Rate** – for service through a dedicated three-phase connection at secondary voltage metered through a single demand meter.
- Customer NOT eligible as Rate Classification or Other Customer as defined under RRO Regulation¹
 - Customer that is unable to obtain or continue with electricity services.
 - Annual consumption of greater than 250 megawatt hours
 - Demand of 150 kVA or greater and less than 300 kVA
 - Includes Electric Dedicated Distribution Rate 995
- 696 **Large Dedicated Default Supplier Rate** – for service through a dedicated three-phase connection at secondary voltage metered through a single interval meter.
- Customer NOT eligible as Rate Classification or Other Customer as defined under RRO Regulation¹
 - Customer that is unable to obtain or continue with electricity services.
 - Annual consumption of greater than 250 megawatt hours
 - Demand of 300 kVA or greater
 - Includes Electric Large Dedicated Distribution Rate 996
- 697 **Primary Default Supplier Rate** – for service through a dedicated three-phase connection at primary voltage metered through a single interval meter.
- Customer NOT eligible as Rate Classification or Other Customer as defined under RRO Regulation¹
 - Customer that is unable to obtain or continue with retail electricity services.
 - Annual consumption of greater than 250 megawatt hours
 - Demand of less than 15 MVA
 - Includes Electric Primary Distribution Rate 997

City of Lethbridge Electric Utility Electric Default Supplier Rate Schedule

Rate Code 694: General Default Supplier Rate

Service

For the provision of electricity services in accordance with the Electric Utility Act, Roles, Relationships and Responsibilities Regulation AR 169/2003

For service connected within the City of Lethbridge electric service area

For non-eligible Rate Classification Customer or Other Customer as defined under RRO Regulation²

For a customer that is unable to purchase retail electricity services for any reason

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For service metered through a single demand meter

For service with demand less than 150 kVA

For service with annual consumption greater than 250 megawatt hours

Charges

- | | |
|-----------------------------|---|
| a) Electric Energy Rate | per Schedule A: DS 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, contained in the City of Lethbridge Electric Distribution Tariff Bylaw, apply to this rate

Terms and Conditions of Default Supplier apply to this rate

² Current RRO Regulations as noted in Schedule C.

City of Lethbridge Electric Utility Electric Default Supplier Rate Schedule

Rate Code 695: Dedicated Default Supplier Rate

Service

For the provision of electricity services in accordance with the Electric Utility Act: Roles, Relationships and Responsibilities Regulation AR 169/2003

For service connected within the City of Lethbridge electric service area

For non-eligible Rate Classification Customer or Other Customer as defined under RRO Regulation³

For a customer that is unable to purchase retail electricity services for any reason

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For service metered through a single demand meter

For service with demand of 150 kVA or greater and less than 300 kVA

For service with annual consumption greater than 250 megawatt hours

Charges

- | | |
|-----------------------------|---|
| a) Electric Energy Rate | per Schedule A: DS 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, contained in the City of Lethbridge Electric Distribution Tariff Bylaw, apply to this rate

Terms and Conditions of Default Supplier apply to this rate

³ Current RRO Regulations as noted in Schedule C.

City of Lethbridge Electric Utility Electric Default Supplier Rate Schedule

Rate Code 696: Large Dedicated Default Supplier Rate

Service

For the provision of electricity services in accordance with the Electric Utilities Act, Roles, Relationships and Responsibilities Regulation AR 169/2003

For service connected within the City of Lethbridge electric service area

For non-eligible Rate Classification Customer or Other Customer as defined under RRO Regulation⁴

For a customer that is unable to purchase retail electricity services for any reason

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For service metered through a single interval meter

For service with demand of greater than 300 kVA

For service with annual consumption greater than 250 megawatt hours

Charges

- | | |
|-----------------------------|---|
| a) Electric Energy Rate | per Schedule A: DS 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, contained in the City of Lethbridge Electric Distribution Tariff Bylaw, apply to this rate

Terms and Conditions of Default Supplier apply to this rate

⁴ Current RRO Regulations as noted in Schedule C.

City of Lethbridge Electric Utility Electric Default Supplier Rate Schedule

Rate Code 697: Primary Default Supplier Rate

Service

For the provision of electricity services in accordance with the Electric Utility Act: Roles, Relationships and Responsibilities Regulation AR 169/2003

For service connected within the City of Lethbridge electric service area

For non-eligible Rate Classification Customer or Other Customer as defined under RRO Regulation⁵

For a customer that is unable to continue to purchase retail electricity services from the customer's retailer for any reason; or

For a customer that is unable to obtain retail electricity services for any reason

For service metered through a single interval meter

For service with demand of less than 15 MVA

For service with annual consumption greater than 250 megawatt hours

Charges

- | | |
|-----------------------------|---|
| a) Electric Energy Rate | per Schedule A: DS 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, contained in the City of Lethbridge Electric Distribution Tariff Bylaw, apply to this rate

Terms and Conditions of Default Supplier apply to this rate

⁵ Current RRO Regulations as noted in Schedule C.

Schedule Amended: January 1, 2022

Effective Date: January 1, 2022

Bylaw 6325

Schedule A: Default Supplier Electric Energy Pricing Plan

The City of Lethbridge Electric Utility Default Supplier Electric Energy Charge provides for the pricing of the electric energy component of the City of Lethbridge DS Rate within the context of the Roles, Relationships and Responsibilities Regulation AR 169/2003.

A1. Default Supplier Energy Charge Formula:

The Default Supplier energy charge is determined as follows:

$$DS(\$) = \sum_{h=1}^{hrb} (DSE_h * MC_h)$$

h = hour

hrb = number of hours in the billing period

$DS(\$)$ = Default Supplier Energy Charge in \$ for the billing period

DSE_h = is the Default Supplier Energy Price in \$/kWh (for hour

h) MC_h = is the metered consumption (kW consumed) in hour

h .

A2. Default Supplier Energy Price Formula

The Default Supplier energy price is determined based on the following formula:

$$DSE_h = (PPP_h + DSL_h + UFE_h + DSM_h + ROC_h)$$

h = hour

DSE_h = Default Supplier Energy Price in \$/kWh (for hour h)

PPP_h = is the actual Alberta Power Pool price in \$/kWh (for hour h)

DSL_h = is the System Losses in \$/kWh (for hour h)

UFE_h = is the Unaccounted for Energy in \$/kWh (for hour h)

DSM_h = is the Default Supplier Rate Risk Margin in \$/kWh (for hour h)

ROC_h = is Other Costs for providing the Default Supplier Rate in \$/kWh (for hour h)

A3. Default Supplier Energy Price

The DS energy price based on the formula in A2 is:

| Period | Energy (PPP) | System Losses (DSL) | Unaccounted For Energy | Risk Margin (DSM) | Other Costs (ROC) |
|---------------|-------------------------------|------------------------|---------------------------|----------------------|----------------------|
| | | Plan A4 | Plan A4 | Plan A5 | Plan A6 |
| Current Month | Power Pool Price in each hour | 3.75% | 2.0% | Pricing Plan (A5) | Pricing Plan (A6) |

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 Default Supplier Rate electric energy for the period.

A5. Default Supplier Energy Risk Margin

The City of Lethbridge Electric Utility Risk Margin Plan provides for the recovery of a margin on the purchase and sale of the electric energy component of the DS.

The risk margin represents the material risk that the charges from providing Default Supplier energy will not be sufficient to cover the City of Lethbridge's actual costs of Power Pool purchases and other costs.

RRO Risk Margin is established based on the following formula:

$$DSM_h = (DVR_h + DPR_h + DCR_h)$$

h = hour

DSM_h = is the Default Supplier Risk Margin in \$/kWh (for hour h)

DVR_h = is the Default Supplier Energy volume risk margin in \$/kWh (for hour

h) DPR_h = is the Default Supplier Energy price risk margin in \$/kWh (for

hour h) DCR_h = is the Default Supplier Energy credit risk margin in \$/kWh

(for hour h)

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

| Other Cost | Description |
|-----------------------------------|--|
| AESO Energy Market Trading Charge | <ul style="list-style-type: none"> • The AESO recovers the costs of operating the real-time energy market through an energy market trading charge on all electricity traded. • In addition to the recovery of the AESO's operating costs, the energy market trading charge also includes charges from the Alberta Utilities Commission (AUC) and the Market Surveillance Administrator (MSA). • The amount is set on a yearly basis by AESO and posted on their website. • \$0.3820 MWh or \$0.0003820/KWh |
| Administrative and External Costs | <ul style="list-style-type: none"> • The City of Lethbridge recovers the costs of managing the Regulated Rate Option. • The amount is set after year-end financial statements have been finalized by Finance department • \$1.7667/MWh or \$0.0017667/KWh |

| | |
|---------------------------------------|---|
| <p>PILOT (Payment in Lieu of Tax)</p> | <ul style="list-style-type: none"> • This is the amount that the municipal entity would be required to pay as tax for that year pursuant to: a) Parts I and I.3 of the Income Tax Act (Canada) and b) the Alberta Corporate Tax Act. • Per Regulation AR 112/2003, as amended or replaced from time to time • Payment is made to the Balancing Pool for the year. • The amount is set after year-end financial statements have been finalized by Finance department. • \$0.6667/MWh or \$0.0006667/KWh |
| <p>Total Other Costs</p> | <ul style="list-style-type: none"> • Other costs are the total of the above listed costs • These costs are calculated on a per kWh basis for pricing of the monthly Regulated Rate Option" • 2.8154/MWh or \$0.0028154/KWh |

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Schedule B: Electric Distribution Tariff Rates

The City of Lethbridge RDS Rate includes currently approved Distribution Rates (Distribution Tariff) and applicable City of Lethbridge Local Access Fees as follows:

| Rate Code | Rate | Electric Distribution Access Rate | Electric Transmission Access Rate | DT Rate Fee⁶ |
|------------------|---------------------------------------|--|--|--|
| 694 | General Default Supplier Rate | Rate 994 | Rate 994 | Riders A, B, and C per Current Distribution Tariff |
| 695 | Dedicated Default Supplier Rate | Rate 995 | Rate 995 | Riders A, B, and C per Current Distribution Tariff |
| 696 | Large Dedicated Default Supplier Rate | Rate 996 | Rate 996 | Riders A, B, and C per Current Distribution Tariff |
| 697 | Primary Default Supplier Rate | Rate 997 | Rate 997 | Riders A, B, and C per Current Distribution Tariff |

⁶ 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 Utilities Act, S.A. 2003 c. E-5.1 and applicable Regulations.

ELECTRIC UTILITIES ACT, Alberta Regulation 262/2005 Regulated Rate Option Regulation, as amended or replaced from time to time.

Access to current RRO Regulations will be available through the Alberta Utilities Commission website (<https://www.auc.ab.ca/pages/acts-and-regulations.aspx>)

Schedule D: Fees

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

Schedule E: Terms & Conditions of Default Supplier

As per the City of Lethbridge Terms and Conditions of Electric Service contained in the City of Lethbridge Electric Distribution Tariff Bylaw.