

ENERGY REGULATORY REPORT

Regulatory Law Chambers ("RLC") is a Calgary based boutique law firm, specializing in energy and utility regulated matters. RLC works at understanding clients' business objectives and develops legal and business strategies with clients, consistent with the legislative scheme and public interest requirements. RLC follows a team approach, including when working with our clients and industry experts. <u>Visit our website to learn more about RLC.</u>

ALBERTA UTILITIES COMMISSION

Apex Utilities Inc. 2024 Annual Performance-Based Regulation Rate Adjustment, AUC Decision 28583-D02-2024

Rates - Special Charges

Application

Apex Utilities Inc. ("AUI") applied for approval of the 2024 annual performance-based regulation ("PBR") rate adjustment filed according to the third generation PBR ("PBR3") plan.

Decision

The AUC found that the applied-for 2024 rates were determined following the provisions of the PBR3 plan approved in Decision 27388-D01-2023, except for the following revisions:

- (a) a modification to the K bar retirements calculation;
- (b) the approval of a residential Remove and Test Meter fee of \$274 instead of the proposed \$417 fee; and
- (c) the denial of a reallocation of \$0.22 million to Delivery revenue from other revenue due to the special charges fees update.

Pertinent Issues

On October 4, 2023, the AUC issued Decision 27388-D01-2023 setting out the parameters of the new PBR3 plan in place for the 2024-2028 term. As directed in that decision, on November 3, 2023, AUI submitted its compliance filing by way of a 2024 annual PBR rate adjustment filing, requesting approval of its 2024 going-in delivery revenue, deferral accounts and riders, and billing determinants and corresponding rate schedules. AUI also requested approval of updates to its terms and conditions of service and special charges.

The AUC ordered that AUI's 2024 distribution rates, including the deferral accounts and riders, approved in Decision 28583-D01-2023, shall continue to apply on an interim basis. The AUC approved AUI's terms and conditions for gas distribution service, approved in Decision 28583-D01-2023, on a final basis. The AUC also approved AUI's Special Charge Schedule for 2024, on a final basis, effective April 1, 2024.