

EXECUTIVE SUMMARY

This information package was developed to assist all parties participating in the monthly Gas Cost Flow Through Rate (GCFR) process for Direct Energy Regulated Services Deferred Gas Account (DGA).

This document contains information used to derive a Rider F of \$4.079/GJ for Direct Energy Regulated Services (DERS) gas customers for October 2021.

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As Applicable

**SCHEDULE M-1
MONTHLY DGA COSTS AND RECOVERIES**

Line	Description	Units	A	B	C	D	E
			Previous Period Adjustment	Actual Jul-21	Estimate Aug-21	Estimate Sep-21	Forecast Oct-21
1	Opening Cumulative DGA Balance	\$,000	1,027	1,044	406	332	(219)
<u>Gas Supply Costs</u>							
2	Purchases	\$,000	0	5,464	5,982	8,986	27,072
3	Daily Trade Averaging Adjustment	\$,000	0	0	0	0	0
4	Financial Gas Settlement*	\$,000	(4)	(384)	(129)	0	0
5	Total Gas Supply Costs	\$,000	(4)	5,079	5,853	8,986	27,072
<u>Adjustments</u>							
6	Adjustments For Interim Rates	\$,000	0	0	0	0	0
7	Procurement**	\$,000	0	34	34	34	34
8	Net Gas Costs	\$,000	(4)	5,113	5,887	9,020	27,106
<u>Recoveries</u>							
9	Net Calendar Sales***	\$,000	13	4,447	5,813	8,230	27,325
10	Excess System Sales	\$,000	0	28	(0)	239	0
11	Total Recoveries	\$,000	13	4,475	5,813	8,469	27,325
12	Current DGA Balance	\$,000	18	(639)	(74)	(551)	219
13	Closing Cumulative DGA Balance	\$,000	1,044	406	332	(219)	(0)

* Decision 26013-D01-2021

** Decision 26207-D01-2021 approved the amount of \$33,995 effective July 1, 2021

*** Net Calendar Sales excludes return margin amounts

**SCHEDULE M-2
MONTHLY DGA ENERGY BALANCE**

Line	Description	Units	A	B	C	D
			Actual Jul-21	Estimate Aug-21	Estimate Sep-21	Forecast Oct-21
<u>Gas Supply Costs</u>						
1	Purchases	TJ	1,663	1,858	2,529	6,907
2	Imbalances	TJ	0	0	0	0
3	Total Energy	TJ	1,663	1,858	2,529	6,907
<u>Recoveries</u>						
4	Net Calendar Sales	TJ	1,508	1,789	2,439	6,831
5	Excess System Sales	TJ	7	0	65	0
6	Total Recoveries	TJ	1,515	1,789	2,503	6,831
7	Load Balancing / UFG Estimate	TJ	(148)	(69)	(25)	(76)

SPECIAL NOTES:

Schedule M-3 shows the financial gas settlement by ATCO Gas.

SCHEDULE M-3
FINANCIAL GAS SETTLEMENT

Line	Description	Units	May-21	Jun-21	Jul-21	Aug-21
<u>Financial Gas Settlement*</u>						
1	ATCO Gas Settlement					
2	S1 - B1	\$,000	61	69	90	129
3	S2 - S1		(27)	320	294	
4	S3 - S2		4			
5	Total Financial Gas Settlement	\$,000	38	389	384	129

SPECIAL NOTES:

* Decision 26013-D01-2021, where a positive value represents recovery from ATCO Gas

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-1 shows the forecast and actual DGA cost and recovery components for July 2021 as of June 24, 2021 and September 24, 2021 respectively. Schedule R-2 shows the forecast and actual DGA energy balance for July 2021 as of June 24, 2021 and September 24, 2021. It also shows the normal and actual degree days for July 2021.

SCHEDULE R-1
FORECAST & ACTUAL DGA COSTS AND RECOVERIES
July 2021

Line	Description	Units	Forecast June 24, 2021	Actual September 24, 2021	Actual Less Forecast
<u>Gas Supply Costs</u>					
1	Purchases	\$,000	6,182	5,464	(719)
2	Daily Trade Averaging Adjustment	\$,000	0	0	0
3	Imbalances	\$,000	0	0	0
4	Total Gas Supply Costs	\$,000	6,182	5,464	(719)
<u>Adjustments</u>					
5	Adjustments For Interim Rates	\$,000	0	0	0
6	Procurement	\$,000	34	34	0
7	Bad Debts	\$,000	0	0	0
8	Working Capital	\$,000	0	0	0
9	Credit Charge	\$,000	0	0	0
10	Net Gas Costs	\$,000	6,216	5,498	(719)
<u>Recoveries</u>					
11	Net Calendar Sales*	\$,000	5,826	4,447	(1,380)
12	Excess System Sales	\$,000	0	28	28
13	Penalty Revenue	\$,000	0	0	0
14	Total Recoveries	\$,000	5,826	4,475	(1,352)

* Net Calendar Sales excludes return margin amounts.

SCHEDULE R-2
DGA ENERGY BALANCE & DEGREE DAYS
July 2021

Line	Description	Units	Forecast June 24, 2021	Actual September 24, 2021	Actual Less Forecast
<u>Gas Supply Costs</u>					
1	Purchases	TJ	1,998	1,663	(335)
2	Imbalances	TJ	0	0	0
3	Total Energy	TJ	1,998	1,663	(335)
<u>Recoveries</u>					
4	Calendar Sales	TJ	1,976	1,508	(468)
5	Excess System Sales	TJ	0	7	7
6	Total Recoveries	TJ	1,976	1,515	(461)
7	DGA UFG	TJ	(22)	(148)	(126)
8	Degree Days	DD	1	44	43

SECTION 2
RECONCILIATION MONTH SCHEDULES

Schedule R-3 shows the actual gas purchases for DGA NOVA Field Receipts and DGA Nova Inventory Transfer supplies for July 2021 as of September 24, 2021.

SCHEDULE R-3
ACTUAL GAS PURCHASES
July 2021
Actual - As of September 24, 2021

Line	Description	TJ	\$/GJ	\$,000
1	Nova Inventory Transfer Supplies (Monthly)	1,550	3.258	5,049
2	Nova Inventory Transfer Supplies (Daily Index)	113	3.671	414
3	Total Gas Purchases	1,663	3.286	5,464

Schedule R-4 shows the forecast and actual unit gas prices for July 2021 as of June 24, 2021 and September 24, 2021 respectively.

SCHEDULE R-4
FORECAST AND ACTUAL UNIT GAS PRICES
July 2021

Line	Description	Units	Forecast June 24, 2021	Actual September 24, 2021	Actual Less Forecast
1	AECO Monthly Index	\$/GJ	3.0880	3.2509	0.1629
2	AECO Daily Index	\$/GJ	3.1169	3.7271	0.6102

Notes:

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including June 23, 2021 on the AECO/NGX Intra-Alberta July (Near Month) instrument as reported by NGX.
2. The actual unit price in Line 1 was the weighted average price of the transactions made up to and including June 30, 2021 on the AECO/NGX Intra-Alberta July (Near Month) instrument as reported by NGX.
3. The forecast unit price in Line 2 is the arithmetic average of the July, AECO/NGX Intra-Alberta Settlement prices on June 17, 18, 21, 22 & 23, 2021.
4. The actual unit price in Line 2 is the total weighted average price of the daily, weighted average prices each day in July 2021 as reported by NGX and includes all weekend deals.

SECTION 2
RECONCILIATION MONTH SCHEDULES

The R5-R8 schedules show the actual day gas sales and purchases for the reconciliation month as at the filing date. Short term transaction totals in schedules R5 are shown only if all four of these criteria are satisfied:

1. Transactions are done for the same time frame (e.g. same day or yesterday).
2. Transactions are done for the same point (i.e. NIT).
3. Transactions are done using the same pricing regime (i.e. fixed vs. index based).
4. Both regulated and deregulated deals are transacting in the same direction (i.e. both selling or both buying).

Schedule R5 - Actual Spot Gas Transactions by Trade Day
July 2021

Direct Energy Regulated Services
Nova Inventory Transfer Supplies

Day	Yesterday (YD)			AECO YD Daily Avg (\$/GJ)	Same Day (SD)					AECO Daily Index (\$/GJ)
	GJs	Avg Cost (\$/GJ)	Total Cost (\$)		Fixed (GJs)	Avg Cost (\$/GJ)	Index Related (GJs)	Avg Cost (\$/GJ)	Total Cost (\$)	
1	1,000	(1.0000)	(1,000.00)	(2.7246)	3,500	4.0650	1,500	4.1305	20,423.25	3.5086
2	0	0.0000	0.00	3.2912	0	0.0000	5,000	3.5126	17,563.00	3.4701
3	200	3.3000	660.00	2.9134	0	0.0000	5,000	3.5126	17,563.00	3.8142
4	0	0.0000	0.00	3.5126	0	0.0000	9,500	3.3658	31,974.70	3.2026
5	(300)	3.4200	(1,026.00)	3.4584	0	0.0000	9,500	3.5411	33,640.60	3.5728
6	0	0.0000	0.00	3.4684	0	0.0000	5,500	3.4745	19,109.75	3.4725
7	0	0.0000	0.00	3.5626	0	0.0000	4,500	3.4853	15,683.85	3.4848
8	(1,200)	3.6050	(4,326.00)	3.6127	0	0.0000	4,500	3.5985	16,193.25	3.5955
9	0	0.0000	0.00	3.6516	0	0.0000	1,800	3.6560	6,580.80	3.6424
10	0	0.0000	0.00	3.3372	0	0.0000	1,800	3.6560	6,580.80	3.6363
11	(400)	3.4450	(1,378.00)	3.4447	0	0.0000	5,800	3.5672	20,690.00	3.5273
12	0	0.0000	0.00	3.7221	0	0.0000	0	0.0000	0.00	3.6399
13	700	3.7500	2,625.00	3.7505	0	0.0000	0	0.0000	0.00	3.7352
14	0	0.0000	0.00	3.7117	0	0.0000	1,000	3.7497	3,749.70	3.7447
15	0	0.0000	0.00	3.3297	0	0.0000	1,000	3.7217	3,721.70	3.7182
16	0	0.0000	0.00	3.5738	1,100	3.6275	1,000	3.6376	7,627.85	3.6283
17	3,500	3.5771	12,520.00	3.6156	0	0.0000	3,100	3.6175	11,214.19	3.6079
18	6,200	3.9900	24,738.00	3.8902	0	0.0000	3,000	3.6921	11,076.20	3.7193
19	1,100	3.8300	4,213.00	3.8190	1,000	3.7200	1,000	3.7746	7,494.60	3.7706
20	600	3.8300	2,298.00	3.8567	1,000	3.8200	0	0.0000	3,820.00	3.8315
21	1,100	3.8800	4,268.00	3.9100	0	0.0000	1,500	3.8977	5,846.55	3.8937
22	2,500	3.9580	9,895.00	3.9530	500	4.0000	5,000	3.9352	21,676.00	3.9312
23	100	4.2700	427.00	4.2030	0	0.0000	5,000	4.0053	20,026.50	4.0019
24	0	0.0000	0.00	4.0208	1,000	4.2000	3,000	4.0059	16,217.70	4.1874
25	0	0.0000	0.00	4.1231	0	0.0000	3,000	4.0059	12,017.70	4.0224
26	0	0.0000	0.00	3.9643	0	0.0000	2,000	4.0954	8,190.80	4.0919
27	0	0.0000	0.00	3.6481	0	0.0000	0	0.0000	0.00	3.8609
28	500	4.1000	2,050.00	4.0604	0	0.0000	0	0.0000	0.00	3.6150
29	(400)	4.1500	(1,660.00)	4.0367	0	0.0000	800	3.9016	3,121.28	3.8966
30	(600)	3.9450	(2,367.00)	3.9833	(1,000)	3.9000	0	0.0000	(3,900.00)	3.8474
31	0	0.0000	0.00	2.5760	0	0.0000	(1,000)	3.9474	(3,947.40)	3.9449
TOTAL	14,600		51,937.00		7,100		83,800		333,956.37	

**Schedule R6 - Actual Spot Gas Purchases by Delivery Day
July 2021
PEAKING Demand Supply Contracts
Nova Inventory Transfer Supplies**

Day	Same Day (SD)			AECO Daily Index (\$/GJ)
	Index Related (GJs)	Avg Cost (\$/GJ)	Total Cost (\$)	
1	0	0.0000	0	3.5086
2	0	0.0000	0	3.4701
3	0	0.0000	0	3.8142
4	0	0.0000	0	3.2026
5	0	0.0000	0	3.5728
6	0	0.0000	0	3.4725
7	0	0.0000	0	3.4848
8	0	0.0000	0	3.5955
9	0	0.0000	0	3.6424
10	0	0.0000	0	3.6363
11	0	0.0000	0	3.5273
12	0	0.0000	0	3.6399
13	0	0.0000	0	3.7352
14	0	0.0000	0	3.7447
15	0	0.0000	0	3.7182
16	0	0.0000	0	3.6283
17	0	0.0000	0	3.6079
18	0	0.0000	0	3.7193
19	0	0.0000	0	3.7706
20	0	0.0000	0	3.8315
21	0	0.0000	0	3.8937
22	0	0.0000	0	3.9312
23	0	0.0000	0	4.0019
24	0	0.0000	0	4.1874
25	0	0.0000	0	4.0224
26	0	0.0000	0	4.0919
27	0	0.0000	0	3.8609
28	0	0.0000	0	3.6150
29	0	0.0000	0	3.8966
30	0	0.0000	0	3.8474
31	0	0.0000	0	3.9449
TOTAL	0		0	

Schedule R7- Monthly Index Purchases
July 2021
Direct Energy Regulated Services
Nova Inventory Transfer Supplies

<u>Trade</u>	<u>From</u>	<u>To</u>	<u>Volume (GJ)</u>	<u>Price</u>	<u>Total Cost (\$)</u>
10480999	11/1/2020	11/1/2021	310,000	3.258	1,010,104
10585454	11/1/2020	11/1/2021	310,000	3.257	1,009,639
11282009	4/1/2021	11/1/2021	310,000	3.253	1,008,554
11343258	4/1/2021	11/1/2021	310,000	3.259	1,010,259
11703118	7/1/2021	8/1/2021	310,000	3.261	1,010,879
Total Term and Monthly Index Purchases			1,550,000	3.258	5,049,435

SECTION 3
FORECAST MONTH SCHEDULES

This section provides details of the Deferred Gas Account (DGA) components for October 2021.

Schedule M-1 in Section 1 shows the forecast costs for the various gas supply categories, gas cost adjustments and the forecast dollars for the various recovery components for October 2021.

Schedule M-2 in Section 1 shows the forecast energy balance of the DGA for October 2021.

Schedule F-1 shows the forecast of gas purchases for October 2021 by pricing mechanism. As shown in Schedule F-1, most of the gas purchases have AECO Monthly or Daily Index pricing mechanism.

Most of the Other purchase category is also influenced by AECO index pricing mechanism.

SCHEDULE F-1
FORECAST GAS PURCHASES
October 2021

Line	Description	Unit	Forecast September 24, 2021
1	AECO Monthly Index	TJ	4,030
2	AECO Daily Index	TJ	2,877
3	Other	TJ	76
4	Total	TJ	6,984

Schedule F-2 shows the forecast of the unit gas prices for October 2021.

SCHEDULE F-2
FORECAST UNIT GAS PRICES
October 2021

Line	Description	Unit	Forecast September 24, 2021
1	AECO Monthly Index	\$/GJ	3.9980
2	AECO Daily Index	\$/GJ	3.8090

Notes:

1. The forecast unit price in Line 1 is the weighted average price of the transactions made up to and including September 23, 2021 on the AECO/NGX Intra-Alberta October (Near Month) instrument as reported by NGX.
2. The forecast unit price in Line 2 is the arithmetic average of the October, AECO/NGX Intra-Alberta Settlement prices on September 17, 20, 21, 22 & 23, 2021.

SECTION 3
FORECAST MONTH SCHEDULES

In order to zero the forecast balance of the DGA on October 31, 2021, a Rider F of \$4.079/GJ should be implemented on October 01, 2021. Schedule F-3 shows how this rate is calculated.

SCHEDULE F-3
RIDER F RATE DERIVATION

Line	Description	Unit	Reference	Value
1	Opening Cumulative DGA Balance	,\$000	Schedule M-1, Line 1, Column E	(219)
2	Net Gas Cost Estimate	,\$000	Schedule M-1, Line 8, Column E	27,106
3	Net Monthly Gas Cost Recovery	,\$000	Schedule M-1, Line 11, Column E	27,325
4	Forecast Monthly Sales	TJ	Schedule M-2, Line 4, Column D	6,831
5	GCFR	\$/GJ	Line 3 divided by Line 4	4.000
6	Approved Energy Related Charges	\$/GJ	Decision 26207-D01-2021	0.027
7	Approved Return Margin	\$/GJ	Decision 26207-D01-2021	0.052
8	Rider F	\$/GJ	Line 5 + Line 6 + Line 7	4.079