

Financial and Corporate Services

Office of the Deputy City Manager

City of Edmonton
5th Floor, Chancery Hall
3 Sir Winston Churchill Square
Edmonton, AB T5J 2C3



Tel.: 780.496.6602
Email: adam.laughlin@edmonton.ca

edmonton.ca

September 30, 2019

Frank Mannarino, Senior Vice President, Electricity Operations
EPCOR Distribution and Transmission Inc.
2nd Floor North Service Centre
c/o 2000 10423 - 101 Street NW
Edmonton, AB TSH OE8

Dear Mr. Mannarino:

Re: 2020 Electric Power Franchise Fee Rate Notification

Please accept this letter as notice with respect to the rates of electric power franchise fees to be applied, effective January 1, 2020. Consistent with the inflationary and growth provisions within the existing power franchise agreement between EPCOR Distribution Inc. and the City of Edmonton, the rates are to be set to achieve a revenue level of \$66,017,000 for 2020 (\$64,219,000 for 2019). In addition, the rates are to be adjusted to collect the franchise fee revenue shortfall projected for 2019 of \$1,881,892, based on information provided September 12, 2019 by Peter Johanson, Controller of EPCOR Distribution & Transmission Inc.

Based on the projected volume forecasts provided by EPCOR Distribution and Transmission Inc., 2020 rates to be applied for direct connect customers and distribution connect customers are as follows:

	2020 Projected Volume (kWh)	2020 Franchise Fee Rate (\$/kWh)	2019 Franchise Fee Rate (\$/kWh)
Direct Connect Customers	361,377,804	0.0046	0.0041
Distribution Connect Customers	7,357,765,642	0.0090	0.0085

These electric power franchise fee rates are to remain in effect until further notice is given under this agreement.

You may direct related questions or concerns to Jeff Olsen, Manager, Regulatory and Financial Strategies by telephone at (780) 496-8454, or by e-mail at jeff.olsen@edmonton.ca.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Laughlin". The signature is fluid and cursive, with a large initial "A" and a long, sweeping underline.

Adam Laughlin,
Acting Deputy City Manager

- c: Peter Johanson, Controller, EPCOR Distribution and Transmission Inc.
- Amanda Rosychuk, Senior Vice President, Corporate Services, EPCOR
- Stacey Padbury, Deputy City Treasurer and Branch Manager, Financial Services
- Harmalkit Rai, Director Corporate Accounting and Reporting - Operating
- Barry McNabb, Director, Utility Regulation
- Ingrid Johnson, Director, Solicitors