



October 1, 2018

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: 2019 Electric Power Franchise Fee Rate Notification

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Please accept this letter as notice with respect to the rates of electric power franchise fees to be applied, effective January 1, 2019. 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 \$64,219,000 for 2019. In addition, the rates are to be adjusted to collect the franchise fee revenue shortfall projected for 2018 of \$273,858, based on information provided September 14, 2018 by Peter Johanson, Controller of EPCOR Distribution & Transmission Inc.

Based on the projected volume forecasts provided by EPCOR Distribution and Transmission Inc., 2019 rates to be applied for direct connect customers and distribution connect customers are as follows:

	Projected Volume (kWh)	Franchise Fee Rate (\$/kWh)
Direct Connect Customers	373,259,838	0.0041
Distribution Connect Customers	7,447,890,398	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](mailto:jeff.olsen@edmonton.ca).

Office of the Deputy City Manager  
FINANCIAL AND CORPORATE SERVICES

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Edmonton, AB T5J 2R7



Tel.: 780.496.5120  
Email: [todd.burge@edmonton.ca](mailto:todd.burge@edmonton.ca)  
[edmonton.ca](http://edmonton.ca)

Sincerely,

A handwritten signature in black ink, appearing to be "Todd Burge".

Todd Burge, CPA, CMA  
Deputy City Manager and Chief Financial Officer

- 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, Branch Manager, Financial Strategies, Budget & Utility Regulation
- Deborah Fisher, Law Branch, Corporate Services