

AUC Utility Payment Billing Deferral Program Manual

On March 18, 2020, the government of Alberta announced that Albertans who are experiencing financial hardship directly related to the COVID-19 pandemic can contact their service provider to defer electricity and natural gas bills until June 18, 2020 without any late fees, added interest charges or the threat of being disconnected or being subjected to collection activity.

This payment deferral option applies to residential, farm, small commercial, or other electricity customers with sites that consume less than 250,000 kilowatt hours of electricity per year and to residential, farm, small commercial and other natural gas customers with sites that consume less than 2,500 gigajoules per year. The program is known as the Utility Payment Deferral Program.

When an eligible Alberta customer opts to defer the payment of their electricity or natural gas bill, there are a number of parties who have a role in the management or delivery of electricity and natural gas services to Albertans that will be involved in the program.

Under the *Utility Payment Deferral Program Act*, the Alberta Utilities Commission is responsible for overseeing the program including certain approvals required to administer the program.

The act also set out the roles of various parties, including the Alberta Electric System Operator, the Balancing Pool, distribution facility owners, distribution owners and the electricity and natural gas service providers who may be eligible for funding under the program. For electricity, the service providers are the regulated rate providers, retailers, the City of Medicine Hat, and rural electrification associations. For natural gas, the service providers are the natural gas retailers, default supply providers, rural gas utilities and municipal gas utilities.

There are three time periods established in the act, which are:

- The deferral period (March 18, 2020 to June 18, 2020).
- The repayment period (June 19, 2020 to June 18, 2021), where an enrolled customer must pay the total amount that the enrolled customer deferred to that service provider.
- The rate rider period (from June 19, 2021 to June 18, 2022), where rate riders may be established by the Commission to collect loan amounts, outstanding transmission charges, and to recover the deferred amounts that were not received from enrolled customers.

Electricity Industry

The entities who will have a role in implementing the program can be briefly summarized as follows:

• **Alberta Electric System Operator (AESO):** The AESO is the transmission planner and, among other things, is responsible for the operation of the electric transmission grid (Alberta Interconnected Electric System). In this role, it charges, in accordance with its Alberta Utilities Commission-approved tariff, the distribution facilities owners (DFOs) and transmission-connected market participants that have an exemption under Section 101(2) of the *Electric Utilities Act* or are legal owners of industrial systems designated by the Commission, the costs of receiving transmission services. This is known as the demand transmission service (DTS) charge or Rate DTS.

The AESO will be providing the financial backstop for customers enrolled in the program by carrying the shortfall between the amounts billed to customers and that would normally be paid by customers under Rate DTS and Rate Riders C and F during the deferral period and the amounts actually paid by customers during the repayment period.

• **Transmission Facilities Owners (TFOs):** These utilities are responsible for owning and operating the transmission voltage wires and related transmission facilities that are used to deliver electricity from generators to the distribution facility owners over the Alberta Interconnected Electric System. Their costs are charged to the AESO through a tariff approved by the Commission.

• **Distribution Facility Owners (DFOs):** These utilities are responsible for owning and operating the distribution voltage wires and related distribution facilities that are used to deliver electricity to Albertans at their homes, farms and businesses. They are responsible for, among other things, the payment of the transmission wire costs (i.e., Rate DTS) to the AESO. The DFOs, in turn, bill their customers, the electricity service providers, for both the DTS charge and their own distribution wires costs. The distribution tariffs compensate DFOs for their wire costs and other costs as approved by the Commission.

The DFOs will continue with their normal routine of billing electricity service providers for the transmission wire costs of the AESO and their own distribution wires costs, collecting payments from the electricity service providers (who are financially backstopped by the Balancing Pool) and after the distribution wire costs obligations of the electricity service providers are satisfied, remitting the residual balance to the AESO to pay for the transmission wire costs.

• **Electricity Service Providers** (electricity retailers, regulated rate providers or rural electrification associations): These are the companies or associations that, among other things, are responsible for billing services and are the direct contacts with Alberta customers, farms and small commercial businesses. As part of the services they provide, they collect from their customers the transmission wires costs (DTS charges) and the distribution wires costs billed by the DFOs and they pay the DFOs for these charges.

The electricity service providers are to allow customers who enrol in the program to defer the payment of their bills during the deferral period and to make arrangements with these customers to enable customers to remit the full repayment of the deferred amounts over the 12-month repayment period. In the meantime, the electricity service providers will continue to receive invoices from the DFOs (transmission- and distribution-related charges) and the AESO (pool

statements), bill these charges and their administration costs to customers, collect payments from their customers and remit payments to the DFOs and to the AESO.

- **The Balancing Pool:** The Balancing Pool was created by the government of Alberta to manage certain assets, liabilities, revenues and expenses arising from the transition to competition in Alberta's electric industry. The Balancing Pool's mandate is to manage the financial accounts arising from the transition to a competitive generation market on behalf of electricity customers; and to meet the obligations and responsibilities relating to Power Purchase Arrangements as defined in the *Electric Utilities Act*.

The Balancing Pool will be providing financial backstop arrangements to electricity service providers for those customers enrolled in the program. This will be done by advancing funds to eligible electricity service providers, who choose to be financially backstopped by the Balancing Pool, to pay for the energy, administration and distribution-related charges that were deferred by customers during the deferral period. The Balancing Pool will then collect payments received by the electricity service providers from customers who begin making payments of the deferred bills during the repayment period.

Natural Gas Industry

The entities who will have a role in implementing the program can be briefly summarized as follows:

- **Distribution Owners:** These utilities are responsible for owning or operating a gas distribution system used to deliver natural gas to Albertans at their homes, farms and businesses. They are responsible for, among other things, the payment of the transmission costs. The distribution owners, in turn, bill their customers, the natural gas service providers, for both the transmission charges and their own distribution costs. Distribution tariffs compensate distribution owners for their costs and other costs as approved by the Commission.

The distribution owners will continue with their normal routine of receiving invoices from the transmission service provider (i.e., NOVA Gas Transmission Ltd.) and billing natural gas service providers for these transmission costs as well as their own distribution costs. However, the distribution owners, when collecting payments from the natural gas service providers during the deferral period, will record any shortfall in transmission payments from the natural gas service providers in a separate account.

- **Natural Gas Service Providers** (natural gas retailers, default supply providers, rural gas utilities or municipal gas utilities): These are the companies that, among other things, are responsible for billing services and are the direct contacts with Alberta customers, farms and small commercial businesses. As part of the services they provide, they collect from their customers the transmission costs and the distribution costs billed by the distribution owners and they pay the distribution owners for these charges.

The natural gas service providers are to allow customers who enrol in the program to defer the payment of their bills during the deferral period and to make arrangements with these customers

to enable customers to remit the full repayment of the deferred amounts over the 12-month repayment period. In the meantime, the natural gas service providers will continue to receive invoices from the distribution owners (transmission- and distribution-related charges), bill these charges and their administration costs to customers, collect payments from its customers and remit payments to the distribution owners.

• **Associate Minister of Natural Gas and Electricity (Minister):** The Minister will provide financial backstop arrangements to natural gas service providers for those customers enrolled in the program, if a natural gas service provider chooses to be financially backstopped. This will be done by advancing funds to eligible gas service providers to pay for the energy, administration, and distribution-related charges and the federal carbon taxes that were deferred by customers during the deferral period. The Minister will then arrange for the collection payments received by the gas service providers from customers who begin making payments of the deferred bills during the repayment period.

Role of the Alberta Utilities Commission

One of the major responsibilities of the Commission will be to review and approve the applications from electricity and gas service providers who request funding as a result of their customers deferring the payment of utility bills. Pursuant the *Utility Payment Deferral Program Act*, the application must be made in the form and manner required by the Commission. Consequently, the Commission has developed a streamlined application, review and approval process for electricity and gas service providers.

The Commission's eFiling System will be the central repository for the service providers' applications, decisions and the related reporting documentation. The eFiling System has been set up such that each service provider's information is kept confidential and is only available to the Commission.

The [How to file a billing deferral application using the eFiling System](#) document sets out instructions on how a service provider can register a proceeding on the eFiling System and how to submit information and documents.

In the event of any inconsistency between this document and the *Utility Payment Deferral Program Act*, the act shall prevail with respect to that inconsistency.

Section 2: Process steps and filing requirements for Electricity Service Providers

Electricity Service Providers (ESPs) application process

ESPs will be required to submit an application to the Commission to seek approval for funding from the Balancing Pool for the bill payment amounts deferred. The Balancing Pool is prepared to advance funding to eligible electricity service providers two times during the deferral period. Consequently, the Commission's application process has been designed to accommodate the Balancing Pool's funding schedule.

Application deadlines have been established to align with the Balancing Pool's funding schedule. The deadlines will allow the Commission to process and review the applications and inform the Balancing Pool in a timely manner.

Applications are to be submitted using the Commission's [eFiling System](#). ESPs who are not familiar with the eFiling System can refer to the eFiling System User Guide or contact info@auc.ab.ca. Service providers can refer to the [How to file a billing deferral application using the eFiling System](#) document for instructions on how to register a proceeding on the eFiling System.

A submitted application and all related documents will be treated as confidential by the eFiling System. No external party will have access to the information submitted or be able to register as an interested party.

The first application will consider an ESP's funding request related to deferred billing amounts for the period March 18, 2020 to May 8, 2020.

The deadline for submitting the first application will be May 22, 2020.

The second application will consider an ESP's funding request related to deferred billing amounts for the period May 9, 2020 to June 18, 2020.

The deadline for submitting the second application will be July 10, 2020.

Information requirements

Only ESP invoices with a due date for payment no earlier than March 18, 2020 and no later than June 18, 2020 are eligible to be deferred by a customer and be considered for funding by the Balancing Pool.

Only charges related to the current billing period, excluding transmission-related charges, are eligible for funding by the Balancing Pool. Charges related to a prior billing period and which remained unpaid as of March 18, 2020 are not eligible for funding by the Balancing Pool. See the [Sample electricity service bill](#) for more information.

The Commission requires the following information:

1. The ESP's contact information and details of the application, including:
 - Legal name of the ESP.
 - Aggregate number of customers who deferred making payments.
 - Aggregated dollar value of the invoices deferred (current billing period only).
 - Funding amount being requested.

2. The aggregate dollar value of the invoices deferred for enrolled customers are to be further broken down into the following components:
 - Energy charges
 - ESP's administration charges
 - Distribution-related charges
 - Transmission-related charges
 - GST

3. The application is to be accompanied by an attestation letter from a senior official of the ESP (i.e., president, chief operation officer, chief financial officer, vice-president finance, managing partner, general manager) confirming the accuracy, completeness and validity of the information submitted. See the [Sample senior officer's attestation letter](#) here.

Upon the Commission's approval of the funding request, the Balancing Pool will enter into an agreement with the ESP for funding in the amount approved.

The Commission has prepared two filing templates to assist ESPs with providing the required information. The [Utility Payment Billing Deferral Program service provider application spreadsheet template](#) is to be completed and submitted with the [Utility Payment Billing Deferral Program application template](#).

The Commission has the authority to audit an ESP at any time during the deferral period and repayment period to confirm the funding amount and any other transaction amounts associated with the program. The ESP must retain any documentation necessary to support the funding amount being requested. The ESP is to make this documentation available to the Commission upon request.

Roles and responsibilities

The roles and responsibilities of the various entities during the deferral period, during the repayment period and during the rate rider period are described below.

During the deferral period

Electricity Service Providers (ESPs)

ESPs are to maintain a record of the number of electricity customers enrolled in the program and the aggregate dollar amount of the invoices in which the enrolled customers deferred payment.

ESPs are to maintain a record of the amounts that were received from the Balancing Pool.

ESPs are to arrange a repayment schedule with electricity customers enrolled in the program that is to commence after June 19, 2020 so that the full amount of the deferred payments funded by the Balancing Pool and the AESO is repaid by June 18, 2021.

During the deferral period, ESPs are not to charge an enrolled electricity customer late penalty fees on eligible billing amounts that are deferred by that enrolled customer.

During the deferral period, ESPs are not to charge an enrolled electricity customer late penalty fees on prior period charges on the customer's bill that were due prior to the deferral period.

During the deferral period, ESPs are not to take collection actions against an enrolled electricity customer for eligible billing amounts that are deferred by that enrolled customer or for prior period charges on the customer's bill that were due prior to the deferral period.

ESPs will continue to receive from DFOs their tariff bill files in the manner prescribed in AUC Rule 004: *Alberta Tariff Billing Code* and invoices in the manner prescribed in a DFO's terms and conditions of service.

ESPs will continue to receive from the ISO their pool statements in the manner prescribed in the ISO's terms and conditions of service.

ESPs are to continue billing their enrolled customers and remitting payments to the DFOs and to the ISO, including the amounts received from the Balancing Pool to fund any deferred payments.

In order to recover the transmission-related charges (including GST) that an ESP has paid since March 18, 2020, the following steps are to be taken:

1. Identify the customers who have deferred payment of their bills, including the time period (e.g., March 18, 2020 to May 8, 2020).
2. Identify and calculate the transmission-related charges (including GST) related to the enrolled customers' deferred bills.
3. Aggregate the total transmission-related charges (including GST).

4. Inform the DFO that on a future invoice from the DFO, the ESP will be deducting from the invoice amount, the aggregate transmission-related charges (including GST) calculated in step 3 and remitting the remaining balance to the DFO.
5. Continue steps 1-4 for the recovery of transmission-related charges (including GST) for subsequent periods (e.g., from May 9, 2020 to June 18, 2020).

ESPs are to provide to the Commission, on a monthly basis, the following information concerning its customers enrolled in the program:

- The aggregate number of customers for whom the ESP is no longer the retailer of record (departed customers).
- The reason for the ESP no longer being the retailer of record (i.e., customer switched retailers or the ESP dropped the customer).
- The aggregate dollar amount of the deferred bills associated with the departed customers.

Distribution Facility Owners (DFO)

DFOs will continue to receive the ISO's statement of account for system access service in the manner prescribed in the ISO Tariff approved by the Commission under Section 119(4) of the *Electric Utilities Act*. They will continue to issue their tariff bill files in the manner prescribed in AUC Rule 004 and invoice ESPs in the manner prescribed in distribution owner's terms and conditions of service.

Payments received from ESPs are to be applied first to distribution-related invoice charges.

DFOs are to remit to the ISO payments collected from ESPs in excess of the amount required to satisfy their distribution-related charges.

DFOs are to record the difference between the amounts invoiced to ESPs and the amounts received from ESPs in a separate account. Distribution owners are not to include these differences in other ISO-related transmission rate accounts such as the quarterly transmission adjustment rider account.

During the deferral period, DFOs may not disconnect an eligible customer for non-payment of a bill or install a device to limit or reduce the amount of electric energy provided to that eligible customer.

Alberta Electric System Operator acting as the Independent System Operator (ISO)

The ISO will continue to prepare and issue a statement of account for system access service to DFOs in the manner described and approved in its tariff.

Upon receipt of payment from each DFO, the ISO will record the difference between the dollar value of the amount set out on the statement of account for charges billed under Rate DTS, Rider C and Rider F and any payment received from the DFO related to the statement of account.

At the conclusion of the deferral period, the ISO will determine the transmission charges that are outstanding from each DFO and inform the Commission by way of letter as soon as practicable after June 18, 2021.

During the repayment period

Electricity Service Providers (ESPs)

ESPs are to maintain records and accounts that indicate the payments that were deferred by the customers enrolled in the program, and the aggregate amount outstanding from enrolled customers at the beginning of the repayment period.

ESPs will receive from distribution owners their tariff bill files in the manner prescribed in AUC Rule 004 and invoices in the manner prescribed in DFO's terms and conditions of service.

During the repayment period, ESPs are required to:

- Issue bills to customers enrolled in the program in accordance with the ESP's terms and conditions of service that are composed of unpaid prior period balances, if any, current billing period balances and the deferred amount scheduled for repayment.
- Collect payments from customers and remit funds to the DFOs and to indicate on their remittance the amount collected from customers pertaining to deferred transmission charges. ESPs are to indicate the amount that pertains to the deferred transmission charges through the use of the applicable transmission charge code of AUC Rule 004.
- Collect payments from customers and remit funds to the Balancing Pool that pertain to deferred energy and distribution-related charges and related GST (i.e., outstanding amounts other than transmission charges, which were funded by the Balancing Pool) pursuant to the ESP's funding agreements with the Balancing Pool.
- Follow their normal collection and bad debt practices (as before the program) during the repayment period.

Each month during the repayment period, ESPs are to provide a statement to the Commission and to the Balancing Pool setting out the aggregate amount the ESPs received from customers enrolled in the program during the month and itemizing the amounts received as follows:

- The aggregate amount that is not in respect of the deferred payment of transmission charges.
- The aggregate amount that is in respect of the deferred payment of transmission charges.

Each month during the repayment period, ESPs are to provide a statement to the Commission and to the Balancing Pool setting out the aggregate deferred amounts that are still outstanding from customers enrolled in the program and itemizing the amounts still outstanding as follows:

- The aggregate amount that is not in respect of the deferred payment of transmission charges.
- The aggregate amount that is in respect of the deferred payment of transmission charges.

Each month during the repayment period, ESPs are to provide to the Commission the following information concerning its customers enrolled in the program:

- The aggregate number of customers who were originally enrolled in the program for whom the ESP is no longer the retailer of record (departed customers).
- The reason for the ESP no longer being the retailer of record (i.e., customer switched retailers or the ESP dropped the customer).
- The aggregate dollar amount of the deferred bills associated with the departed customers.

Distribution Facility Owners (DFO)

DFOs will continue to receive the ISO's statement of account for system access service in the manner prescribed in the ISO tariff. They will continue to issue tariff bill files in the manner prescribed in AUC Rule 004 and invoice ESPs in the manner prescribed in DFO's terms and conditions of service.

Payments received from ESPs are to be applied first to distribution-related invoice charges.

DFOs are not to charge late payment fees to ESPs whose payments are less than the invoiced amount if the ESP informed the DFO prior to payment that the amount remitted will be less than the invoiced amount and the shortfall in payment was due to customers deferring payment.

DFOs are to remit to the ISO payments collected from ESPs in excess of the amount required to satisfy their distribution-related charges.

Alberta Electric System Operator acting as the Independent System Operator (ISO)

The ISO will continue to prepare and issue a statement of account for system access service to distribution owners in the manner described in the ISO tariff.

Upon receipt of payment from each distribution owner, the ISO will record the difference between the dollar value of the amount stated on the statement of account for charges billed under Rate DTS, Rider C and Rider F and payment received from the DFO related to the statement of account.

During the rate rider period

Electricity Service Providers (ESPs)

ESPs are to provide to the Commission at the end of the repayment period and quarterly thereafter, a statement indicating:

- For each distribution service area, the aggregate number of customers and the deferred amounts that were uncollected from enrolled customers in the repayment period.
- The aggregate loan amount that remains outstanding with the Balancing Pool.
- The aggregate number of customers who were originally enrolled in the program for whom the ESP is no longer the retailer of record (departed customers).
- The reason for the ESP no longer being the retailer of record (i.e., customer switched retailers or the ESP dropped the customer).
- The aggregate dollar amount of the deferred bills outstanding that are associated with the departed customers.
- An explanation of the efforts made to collect the deferred payments from enrolled customers.

If, after the repayment period, an ESP receives a payment from an enrolled electricity customer in respect of amounts that customer had deferred, the electricity service provider must notify the Commission and remit the payment to the DFO to pay to the ISO for the deferred transmission charges and to the Balancing Pool to repay the loan in the proportions determined by the Commission using its discretion under the act.

Distribution Facility Owners (DFO)

DFOs can apply for recovery of their costs associated with administering the program to the extent that the costs qualify for Y-factor treatment under the DFO's performance-based regulation plan.

Alberta Electric System Operator acting as the Independent System Operator (ISO)

The ISO must determine the transmission charges that are outstanding from each distribution owner as of June 18, 2021 and inform the Commission of the charges as soon as practicable after June 18, 2021.

The ISO shall apply to the Commission for approval of a rate rider to recover the transmission charges that were outstanding for deferred transmission costs for enrolled customers from each distribution owner as of June 18, 2021.

Balancing Pool

The Balancing Pool must determine the loans that are outstanding from each ESP as of June 18, 2021 and inform the Commission of the aggregate amount as soon as practicable after June 18, 2021.

The Balancing Pool shall apply to the Commission for approval of a rate rider to recover the aggregate loans that were outstanding from the ESPs as of June 18, 2021.

Section 3: Process steps and filing requirements for Natural Gas Service Providers

Gas Service Providers (GSPs) application process

GSPs will be required to submit an application to the Commission to seek approval for funding from the Minister for the bill payment amounts deferred. Funding will be advanced to eligible gas service providers two times during the deferral period. Consequently, the Commission's application process has been designed to accommodate the Minister's funding schedule.

Application deadlines have been established to align with the Minister's funding schedule. The deadlines will allow the Commission to process and review the applications and inform the Minister in a timely manner.

Applications are to be submitted using the Commission's eFiling System. GSPs who are not familiar with the eFiling System can refer to the eFiling System User Guide or contact info@auc.ab.ca. Service providers can refer to the [How to file a billing deferral application using the eFiling System](#) document for instructions on how to register a proceeding on the eFiling System.

A submitted application and all related documents will be treated as confidential by the eFiling System. No external party will have access to the information submitted or be able to register as an interested party.

The first application will consider a GSP's funding request related to deferred billing amounts for the period March 18, 2020 to May 8, 2020.

The deadline for submitting the first application will be May 22, 2020.

The second application will consider a GSP's funding request related to deferred billing amounts for the period May 9, 2020 to June 18, 2020.

The deadline for submitting the second application will be July 10, 2020.

Information requirements

Only GSP invoices with a due date for payment no earlier than March 18, 2020 and no later than June 18, 2020 are eligible to be deferred by a customer and be considered for funding by the Minister.

Only charges related to the current billing period, excluding transmission-related charges, are eligible for funding by the Minister. Charges related to a prior billing period and which remained unpaid as of March 18, 2020 are not eligible for funding by the Minister. See the [Sample natural-gas service bill](#) for more information.

The application must include:

1. The GSPs contact information and the details of the application, including:
 - Legal name of the GSP.
 - Aggregate number of customers who deferred making payments.

- Aggregated dollar value of the invoices deferred (current billing period only).
 - Funding amount being requested.
2. The aggregate dollar value of the invoices deferred for enrolled customers are to be further broken down by the following components:
 - Energy charges
 - GSP's administration charges
 - Distribution-related charges
 - Transmission-related charges
 - Federal carbon tax
 - GST
 3. The application is to be accompanied by an attestation letter from a senior official of the GSP (i.e., president, chief operation officer, chief financial officer, vice-president finance, managing partner, general manager) confirming the accuracy, completeness and validity of the information submitted. See the [Sample senior officer's attestation letter](#) here.

Upon the Commission's approval of the funding request, the GSP will be required to enter into a loan agreement with the Minister.

The Commission has prepared two filing templates to assist GSPs with providing the required information. The [Utility Payment Billing Deferral Program service provider application spreadsheet template](#) is to be completed and submitted with the [Utility Payment Billing Deferral Program application template](#).

The Commission has the authority to audit a GSP at any time during the deferral period and repayment period to confirm the funding amount and any other transaction amounts associated with the program. The GSP must retain any documentation necessary to support the funding amount being requested. The GSP is to make this documentation available to the Commission upon request.

Roles and responsibilities

The roles and responsibilities of the various entities during the deferral period, during the repayment period and during the rate rider period are described below.

During the deferral period

Natural Gas Service Providers (GSPs)

GSPs are to maintain a record of the number of eligible natural gas customers enrolled in the program and the aggregate dollar amount of the invoices in which the enrolled customers deferred payment.

GSPs are to maintain a record of the amounts that were received from the Minister.

GSPs are to arrange a repayment schedule with natural gas customers enrolled in the program that is to commence after June 19, 2020 so that the full amount of the deferred payments funded by the Minister is repaid by June 18, 2021.

During the deferral period, GSPs are not to charge an enrolled natural gas customer late penalty fees on eligible billing amounts that are deferred by that enrolled customer.

During the deferral period, GSPs are not to charge an enrolled natural gas customer late penalty fees on prior period charges on the customer's bill that were due prior to the deferral period.

During the deferral period, GSPs are not to take collection actions against an enrolled natural gas customer for eligible billing amounts that are deferred by that enrolled customer or for prior period charges on the customer's bill that were due prior to the deferral period.

GSPs will continue to receive from distribution owners their tariff bill files in the manner prescribed in AUC Rule 004 and invoices in the manner prescribed in distribution owner's terms and conditions of service.

GSPs are to continue billing their enrolled customers and remitting payments to the distribution owners, including the amounts received from the Minister to fund any deferred payments.

In order to recover the transmission-related charges (including GST) that an GSP has paid since March 18, 2020, the following steps are to be taken:

1. Identify the customers who have deferred payment of their bills, including the time period (e.g., March 18, 2020 to May 8, 2020).
2. Identify and calculate the transmission-related charges (including GST) related to the enrolled customers' deferred bills.
3. Aggregate the total transmission-related charges (including GST).

4. Inform the distribution owner that on a future invoice from the distribution owner, the GSP will be deducting from the invoice amount, the aggregate transmission-related charges (including GST) calculated in step 3 and remitting the remaining balance to the distribution owner.
5. Continue steps 1-4 for the recovery of transmission-related charges (including GST) for subsequent periods (e.g., from May 9, 2020 to June 18, 2020).

GSPs are to provide to the Commission, on a monthly basis, the following information concerning its customers enrolled in the program:

- The aggregate number of customers who were originally enrolled in the program for whom the GSP is no longer the retailer of record (departed customers).
- The reason for the GSP no longer being the retailer of record (i.e., customer switched retailers or the GSP dropped the customer).
- The total dollar amount of the deferred bills associated with the departed customers.

Distribution Owners

Distribution owners will continue to issue their tariff bill files in the manner prescribed in AUC Rule 004 and invoice GSPs in the manner prescribed in distribution owner's terms and conditions of service.

Payments received from GSPs are to be applied first to distribution-related invoice charges.

Distribution owners are not to charge late payment fees to GSPs whose payments are less than the invoiced amount if the GSP informed the distribution owner prior to payment that the amount remitted will be less than the invoiced amount and the shortfall in payment was due to customers deferring payment.

Distribution owners may apply to the Commission to establish a deferral account to record any deferral of payments for gas services or transmission charges.

Distribution owners are to record the difference between the amounts invoiced to GSPs and the amounts received from GSPs in a separate account. The difference should equal the amount the distribution owners paid to the gas transmission system owner and the amount remaining from the GSP's payments after distribution-related invoice charges are satisfied.

During the deferral period, distribution owners may not disconnect an eligible customer for non-payment of a bill.

At the conclusion of the deferral period, the distribution owners will determine the transmission charges that are outstanding from each GSP and inform the Commission as soon as practicable after June 18, 2021.

During the repayment period

Natural Gas Service Providers (GSPs)

GSPs are to maintain records and accounts that indicate the payments that were deferred by the customers enrolled in the program, and the aggregate amount outstanding from enrolled customers at the beginning of the repayment period.

GSPs will receive from distribution owners tariff bill files in the manner prescribed in AUC Rule 004 and invoices in the manner prescribed in the distribution owner's terms and conditions of service.

During the repayment period, GSPs are required to:

- Issue bills to customers enrolled in the program in accordance with the GSP's terms and conditions of service that are composed of unpaid prior period balances, if any, current billing period balances and the deferred amount scheduled for repayment.
- Collect payments from customers and remit funds to the distribution owners and to indicate on their remittance the amount collected from customers pertaining to deferred transmission charges. GSPs are to indicate the amount that pertains to the deferred transmission charges through the use of the applicable transmission charge code of AUC Rule 004.
- Collect payments from customers and remit funds to the Minister that pertain to deferred energy charges, distribution-related charges, federal carbon tax and related GST (i.e., outstanding amounts other than transmission charges), which were funded by the Minister.
- Follow their normal collection and bad debt practices (as before the program) during the repayment period.

Each month during the repayment period GSPs are to provide a statement to the Commission and to the Minister setting out the aggregate amount the GSPs received from customers enrolled in the program during the month and itemizing the amounts received as follows:

- The aggregate amount that is not in respect of the deferred payment of transmission charges.
- The aggregate amount that is in respect of the deferred payment of transmission charges.

Each month during the repayment period, GSPs are to provide a statement to the Commission and to the Minister setting out the aggregate deferred amounts that are still outstanding from customers enrolled in the program and itemizing the amounts still outstanding as follows:

- The aggregate amount that is not in respect of the deferred payment of transmission charges.

- The aggregate amount that is in respect of the deferred payment of transmission charges.

Each month during the repayment period, GSPs are to provide to the Commission the following information concerning its customers enrolled in the program:

- The aggregate number of customers who were originally enrolled in the program for whom the GSP is no longer the retailer of record (departed customers).
- The reason for the GSP no longer being the retailer of record (i.e., customer switched retailers or the GSP dropped the customer).
- The aggregate dollar amount of the deferred bills associated with the departed customers.

Distribution Owners

Distribution owners will continue to issue tariff bill files in the manner prescribed in AUC Rule 004 and invoice GSPs in the manner prescribed in distribution owners' terms and conditions of service.

Payments received from GSPs are to be applied first to distribution-related invoice charges.

Distribution owners are to record the difference between the amounts invoiced to GSPs and the amounts received from GSPs in a separate account. The difference should equal the amount the distribution owners paid to the gas transmission system owner and the amount remaining from the GSP's payments after distribution-related invoice charges are satisfied.

During the rate rider period

Natural Gas Service Providers (GSPs)

GSPs are to provide to the Commission at the end of the repayment period and quarterly thereafter, a statement indicating:

- The aggregate number of customers and the deferred amounts that were uncollected from enrolled customers in the repayment period.
- The amounts that remain uncollected from enrolled natural gas customers in the repayment period.
- The aggregate loan amount that remains outstanding.
- The aggregate number of customers who were originally enrolled in the program for whom the GSP is no longer the retailer of record (departed customers).
- The reason for the GSP no longer being the retailer of record (i.e., customer switched retailers or the GSP dropped the customer).

- The aggregate dollar amount of the deferred bills outstanding that are associated with the departed customers.
- An explanation of the efforts made to collect the deferred payments from enrolled customers.

If, after the repayment period, a GSP receives a payment from an enrolled natural gas customer in respect of amounts that customer had deferred, the natural gas service provider must notify the Commission and remit the payment to the distribution owner to pay for the deferred transmission charges and to the Minister to repay the loan in the proportions determined by the Commission using its discretion under the act.

Distribution Owners

The distribution owners must determine the transmission charges and including carrying costs that are outstanding from each GSP as of June 18, 2021 and inform the Commission by way of letter as soon as practicable after June 18, 2021.

The distribution owners shall apply to the Commission for approval of a rate rider to recover the transmission charges that were outstanding from GSPs as of June 18, 2021.

Distribution owners can apply for recovery of their costs associated with administering the program to the extent that the costs qualify for Y factor treatment under the distribution owner's performance-based regulation plan.

Section 4: Regulated rate service providers who self-finance

Service providers not requiring financial backstopping from the Balancing Pool, the Alberta Electric System Operator, gas distribution utilities or the Minister

The following section applies to regulated rate service providers who self-finance deferred utility payments under the Utility Payment Deferral Program.

Regulated rate service providers

Regulated rate service providers (referred to as regulated rate providers for electricity and default supply providers for natural gas) may incur incremental costs to administer the program. In addition, regulated rate service providers may incur incremental bad debt expenses related to the amounts deferred under the program during the repayment period.

Consequently, regulated rate service providers, with the approval of the Commission, may establish a deferral account for the purposes of recovering the costs for administering the deferral of customer payments under the program, and any incremental bad debts accrued with respect to those customers who have deferred payment under the program. Regulated rate service providers may track such costs in their deferral account.

The act allows for the carrying charges to be applied to the deferral account balances to be calculated at the regulated rate service provider's weighted average cost of capital. If the regulated rate service provider does not have a weighted average cost of capital established by the Commission, then the regulated rate service provider may propose a proxy for the calculation of its carrying costs, with supporting evidence, to be approved by the Commission and to be applied to deferral account balances.

Section 5: Rate riders

As soon as practicable after June 18, 2021, the ISO, the Balancing Pool, transmission provider (gas) or gas distributor is to apply to the Commission for approval of a rate rider to recover the prudently incurred costs that are outstanding and any expenses recoverable under the act.