

Meetings to discuss Fort McMurray wildfire

Meeting date May to June 2016 **Facilitator** AUC staff
Location Teleconference
 Phone: 1-866-792-1318
 Conference code: 8665992

1 Participants

Company
Alberta Electric System Operator (AESO)
Alberta Utility Billing Inc.
AltaGas Utilities
ATCO Electric Ltd.
ATCO Energy
ATGO Gas
Alberta Utilities Commission (AUC)
Alberta Urban Municipalities Association (AUMA)
Cognera Corp.
Direct Energy
Department of Energy (DOE)
ENMAX Energy
EPCOR Energy Alberta Inc.
Just Energy
Rodan Energy
Service Alberta
Utility Network & Partners Inc.
Utilities Consumer Advocate (UCA)

2 Background

- On May 3, 2016, Fort McMurray and surrounding areas in the Regional Municipality of Wood Buffalo (RMWB) were under threat from an out of control wildfire that resulted in the government issuing a mandatory evacuation order to approximately 80,000 residents in the area. On May 4, 2016, ATCO Electric and ATCO Gas (ATCO) advised market participants that they were actively monitoring the situation in the RMWB area and working with local authorities and provincial officials to keep residents, employees and emergency personnel safe.
- In order to ensure effective oversight of utility delivery, and to support government efforts to minimize the impact on affected Albertans, AUC staff invited industry stakeholders who had customers in the RMWB area to participate in a telephone conference call on May 9, 2016, to discuss potential customer billing and payment issues, along with communication plans.
- As the situation progressed, AUC staff continued to be in communication with stakeholders, and also scheduled the following meetings to allow stakeholders to provide updates on business processes undertaken in response to the wildfire situation, including load settlement, customer billing and collection plans, to coordinate stakeholders' activities, and to develop communication plans to customers affected by the fires:

- May 9, 2016
 - May 26, 2016
 - June 2, 2016
 - June 7, 2016
- Below highlights the discussions and outcomes from these teleconference meetings.

3 Highlights from teleconference meetings held with stakeholders

▪ **May 9, 2016**

- Similar to past emergencies such as the 2011 Slave Lake fires and the 2013 Southern Alberta floods, ATCO suppressed distributor billing as of May 4, 2016 (i.e., no Tariff Bill Files (TBFs) were produced for ATCO Gas' 22,500 sites and ATCO Electric's 42,000 sites).
- On May 5, 2016, ATCO advised that electricity in some areas had been interrupted. An assessment of the damage to ATCO Electric's facilities was taking place, and where possible, a plan was being prepared on how to bring full service back to the community. In addition, natural gas service remained off and a resource plan was being finalized to allow ATCO Gas to complete a system assessment and start restoration work as soon as the fire was under control.
- On May 6, 2016, ATCO Gas implemented a mass de-energization for sites where it was known that no energy was flowing. ATCO Electric implemented a mass de-energization for all sites in the Fort McMurray area.
- Retailers were asked not to send de-energize or de-select requests for affected customers in the Fort McMurray region, and were informed that de-energize requests would be failed. Retailers were also asked to refrain from sending de-energize requests for destroyed sites, and were advised that all destroyed sites would be identified and validated by ATCO in order to ensure that these affected sites did not receive distribution charges after the date of the fire, regardless of whether a de-energize request was received. The status of destroyed sites would be provided to retailers via the standard transactions of the settlement rules.
- Retailers indicated that depending on their billing cycle, customers might still receive a bill for consumption prior to May 3, 2016.
- Retailers also suppressed billing on their side, as well; they suspended collections and late payment fees and were communicating to their customers to not worry about their utility bills at that time.
- Considering retailers were suspending their billing, one party asked whether the AESO would be doing anything in regard to its AESO pool charges, since retailers would still have to bear those costs. AESO staff advised that it would need to take this back to discuss internally.
- The UCA was asked whether it had received any calls regarding customer bills in Fort McMurray. The UCA advised that it had not received a large volume of phone calls, but the Alberta government 310 call centre received numerous calls.
- Since the evacuation was beyond the customer's control, the UCA indicated that it did not want to see customers charged energy usage or accumulate charges during that time period.

- The UCA also mentioned that through the Performance Based Regulation scheme, there may be a measure for cost recovery for the suspension of billing.
- ATCO staff advised that it planned on having more detailed discussions internally about how to handle charges during the evacuation period. It also noted that since there is more than one rate class in the Fort McMurray area, it would need to be clear on how customers could be affected differently depending on how it chose to handle the charges .
- **May 26, 2016**
 - This meeting was organized to discuss communication and action plans for customer re-entry given that Fort McMurray evacuees were anticipated to return home starting June 1, 2016.
 - ATCO reported that it continued to suspend billing for all sites in the RMWB. ATCO mentioned that the billing suspension was extended to include the entire region because ATCO did not yet know the extent of the damage.
 - ATCO also stated that once residents were allowed to return to their communities, it would start sending TBF files in order to comply with the requirement in Rule 004 concerning no gaps in billing. This meant that retailers would receive TBF files for the evacuation period. However, ATCO mentioned it was still determining what, if any, charges would appear in the TBF file.
 - Retailers confirmed that they would not be billing customers as long as they were not receiving TBF files.
 - ATCO continued to monitor the situation in Fort McMurray, and although it did not have any further updates to provide regarding the status of individual sites within the region, it mentioned that approximately 2,500 sites (electric and gas) had been damaged.
 - ATCO Gas extended its call centre hours to be 7 a.m. to 9 p.m. for RMWB customers only. ATCO Electric advised that it would also be extending its call centre hours to be 7 a.m. to 9 p.m. starting the following week.
 - ATCO informed parties to continue to visit the RMWB website and atcoresponds.com for the latest updates.
- **June 2, 2016**
 - This meeting was organized to continue discussion around communication and action plans for customer re-entry including: how to identify returning customers, whose responsibility would it be to identify returning customers, communication between retailers and distributors, how to handle returning customers versus customers who had decided to either delay their return or not return at all, when billing would start again and for which customers, and timelines.
 - As of June 1, 2016, customers were allowed to enter the RMWB, except for three communities which were still under mandatory evacuation.
 - ATCO gave a status update, including that there would be a staged re-entry for different areas of Fort McMurray. ATCO continued to update its messaging on atcoresponds.com.
 - ATCO advised stakeholders that once billing recommenced, it would be providing a one-time credit to customers in the RMWB area (with the exception of industrial sites) for distribution charges incurred during the evacuation period (i.e., May 4 to June 4, 2016,

inclusive). ATCO also confirmed that it would not be charging reconnection fees for customers who were impacted by the Fort McMurray fires.

- ATCO confirmed it would be obtaining meter reads to be used for billing dated June 4, 2016. Usage during the evacuation period would be provided in the daily cumulative meter consumption to retailers and Load Settlement Agent transaction (DCM) and displayed in the TBF file.
- ATCO Gas confirmed it would be providing credits to the gas retailer settlement accounts for usage during this time period.
- In light of this, retailers were asked how they planned on handling retailer charges for the evacuation period. The majority of retailers, who had also suspended billing during the evacuation period, expressed that they would not be charging administration or late payment fees for this time period. However, before a determination could be made on whether other retailer charges would be credited or not, given the difference in settlement processes between natural gas and electricity, electricity retailers were waiting to see if the AESO would be providing a credit for the retailer pool statement.
- Regarding how electric wholesale settlement would be handled for the time period where customers were evacuated from the RMWB area, the AESO advised it would need to follow-up internally.
- Stakeholders discussed the situation where, if a customer cancelled their electricity contract but did not request a de-energize, the customer would automatically be dropped to the Regulated Rate Option and continue to be charged for electricity and electricity service. In order to help Direct Energy Regulated Services (DERS), the Regulated Rate Option provider, identify which sites had been impacted by the Fort McMurray fires, when a customer called to cancel their contract, competitive retailers were requested to gather certain information from customers and provide this information to DERS. Subsequently, DERS provided a list of information to competitive retailers, which was intended to help identify those customers who may not understand what their responsibilities are, once a site is returned to DERS by a retailer.
- There was also discussion around the timing of settlement, enrollment and billing transactions, considering the re-entry process. More detailed information was provided by ATCO in one of its email updates to stakeholders.

▪ **June 7, 2016**

- This meeting was organized to discuss the return to regular business processes.
- ATCO provided an update to stakeholders. ATCO Gas had re-lit about 70 per cent of sites and advised that its call centre hours would return back to normal on June 13, 2016. ATCO Electric advised its call centre was back to regular business hours. ATCO continued to update its messaging on atcoresponds.com.
- There was discussion around the timing of settlement, enrollment and billing transactions and the return to regular business processes. More detailed information was provided by ATCO in one of its email updates to stakeholders.
- In follow-up to the June 2, 2016, teleconference, AESO staff advised the group that retailers would receive a credit from the AESO for those sites that were impacted by the Fort McMurray fires (with the exception of industrial sites) for the time spanning May 4, 2016, to June 4, 2016. If there was a difference between interim and final settlement for this time period, the AESO would adjust the credit accordingly.
- AESO staff indicated the credit would not appear until the next retailer invoice is issued.

- So that retailers could identify which sites were excluded from the credit, ATCO emailed an Excel spreadsheet to each retailer indicating which industrial sites were excluded from receiving a credit.
- Once the AESO received the relevant settlement data from ATCO, AESO staff advised it would have a better sense of what the credit would be. The AESO's expectation was that the credit would be based on the affected sites each retailer had and the specific hourly pool prices for each of those sites. The AESO would work with ATCO to obtain a list of the sites for each respective hour.
- Subsequent to these meetings, the AESO released the following statement to electricity retailers:
 - "Residents and businesses in the Fort McMurray area were evacuated from their homes and premises during the fires for the period (evacuation period) of May 4th- June 4th, 2016. Billing to customer homes in the affected area was suspended by retailers during this evacuation period. Post evacuation, ATCO Electric (the utility services provider), retailers operating in the Fort McMurray area, the Alberta Electric System Operator (AESO) and the Alberta Utilities Commission (AUC) convened to discuss how customers should be billed for the evacuation period, including whether customers should be charged for services they were unable to use. As a result, The Independent System Operator, operating as the AESO is providing a credit to you the Retailer to flow through to your non-industrial customers in the Fort McMurray fire affected areas for electricity consumed during the evacuation period. The credit is meant to align with you the retailer not charging these same non-industrial customers in the affected area during the evacuation period.
 - The energy credit for the May portion of evacuation period is to be included on the July Statement (issued August 22, 2016). The energy credit for the June portion of the evacuation period is to be included on the August Statement (issued September 22, 2016). The corresponding energy charges for this evacuation period have been included on the appropriate production month statements as per the normal settlement cycle and process."
- A stakeholder asked whether there would be any impacts to electricity settlement. AESO staff advised the credit would be considered a financial adjustment; therefore nothing would change from a settlement and volume perspective.
- Because of billing cycles, there was recognition that after a customer had returned, it could receive one bill that could contain charges for services prior to May 3, for services between May 4 and June 4, along with a one-time credit for this evacuation period, as well as charges for services after June 4.
- Considering the various customer billing scenarios that could arise, AUC staff suggested perhaps a standardized list of questions and answers could be developed so customers could understand what they should be expecting in terms of billing.
- With input from ATCO and industry stakeholders, AUC staff developed the following table (see attached) which addressed a number of questions that customers were likely to have with respect to billing as they returned to the RMWB area. The table was revised by stakeholders and was intended to be used by stakeholders who had been regularly participating in the teleconferences. It was also intended to allow stakeholders to provide a consistent message when answering customer questions regarding billing, and help provide customers with more clarity on what they could expect in terms of billing.

- AUC staff thanked all stakeholders for their dedication and commitment to work collaboratively to ensure affected Albertans received timely and accurate information during a very challenging time.