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## **Filed on AUC Engage**

Alberta Utilities Commission  
Suite 1300, 10130 – 103 Street  
Edmonton, Alberta, T5J 3N9

**Attention: Laura Johnson**

### **RE: Bulletin 2024-01 Consultation on proposed rule development for emergency billing relief**

In Bulletin 2024-01, the Alberta Utilities Commission (“AUC”) initiated a consultation to incorporate requirements for emergency billing relief into a new rule to provide predictability and transparency for stakeholders. ENMAX Power Corporation (“ENMAX Power”) and ENMAX Energy Corporation (“ENMAX Energy”) (collectively referred to as “ENMAX”) appreciates the opportunity to provide input to help formalize the billing relief process. ENMAX Energy is a retailer and billing entity, ENMAX Power is the owner of an electric distribution system.

#### **1 General ENMAX Comments**

ENMAX recognizes that being evacuated from one’s community in an emergency can be a traumatic experience and supports emergency billing relief for those who are impacted by a prolonged evacuation. As such, ENMAX suggests that an Emergency Billing Relief Program (“EBRP”) should be robust enough to cover all mandatory emergency evacuation situations, as listed on the Alberta government’s active evacuations webpage,<sup>1</sup> rather than focusing only on wildfire situations.

The focus of relief during an evacuation period should be customer centric. Namely, relief should be meaningful, transparent, and provided in a timely manner. As further outlined below, previous EBRP processes have not met these goals. For this reason, ENMAX suggests and would be supportive of a government initiative to directly fund billing relief to customers impacted by mandatory emergency evacuation events in lieu of a formal process through the AUC. A government-initiated rebate would be more efficient and would avoid the administrative complexities experienced in past emergency billing relief situations and could be tailored to

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<sup>1</sup> <https://www.alberta.ca/alberta-emergency-alert.aspx>

provide more holistic relief than may be required beyond billing for electricity and natural gas. For example, during the 2013 Alberta floods, the government initiated a relief fund where eligible evacuated residents received up to \$1,250 per adult and \$500 per child in pre-loaded debit cards to help with their immediate needs.<sup>2</sup>

As discussed in more detail below, implementing billing relief through the distribution facility owners and the retailers has been administratively burdensome in the past, resulting in relief only appearing on customer bills many months after the evacuation event. Further, with respect to regulated utilities, the term "relief" is misleading as the funds required to implement such relief to impacted customers are ultimately trued up and collected from all ratepayers, including those impacted customers receiving the relief. In other words, the "relief" provided through past EBRPs are not true billing relief but instead a deferral. A government funded and administered rebate would be more akin to true relief, could be implemented in a more immediate fashion and would avoid the administrative burden experienced in past EBRP events.

If a government-driven billing relief program is not viable, ENMAX is supportive of the AUC creating a new rule for emergency billing relief using the recommendations set out in this written submission. ENMAX also recommends an EBRP consider and provide clear direction for both electricity and natural gas customers and address both delivery and commodity costs. The remainder of ENMAX's written feedback pertains to the creation of a new AUC rule regarding emergency billing relief.

During the most recent wildfire season, the AUC issued Bulletin 2023-04 which initiated an EBRP with roles and responsibilities set out in the supplementary EBRP manual. At the time, the EBRP generated considerable confusion for the parties involved as evident by the amount of email correspondence and technical sessions held between the AUC, retailers, the Alberta Electric System Operator ("AESO") and gas and electric distribution facility owners ("DFOs"). Accordingly, ENMAX supports the Commission's effort to codify a process as soon as reasonable given that the spring flood, summer storm, and wildfire season is quickly approaching.

ENMAX suggests that the current EBRP manual be used as a starting point for the creation of a new rule with the below considerations incorporated, such as the introduction of EBRP tariffs to be used during the evacuation period(s) by DFOs, standardized OTC codes, and using existing tools such as VLTrader to the greatest extent possible to allow for an efficient and clearer process.

The EBRP should also clarify requirements on all parties regarding billing relief, including but not limited to, the requirements for retailers (e.g., administration charges, commodity charges, rate riders, local access fees, *et cetera*) and billing for other services (e.g., municipal services).

## **1.1 Customer Eligibility**

ENMAX is supportive of applying the EBRP to any emergency evacuation order that lasts 96 hours

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<sup>2</sup> <https://globalnews.ca/news/667282/alberta-government-approves-1-evacuation-order-lifted-for-many-calgarians/>

or more if a simplified process is established. The EBRP manual currently concentrates on wildfires, however any evacuation event should be considered, including but not limited to, wildfires, floods, ice storms, or tornadoes, and not necessarily limited to natural disasters.

Customer eligibility for emergency billing relief should continue to apply to residential, farm, irrigation and small commercial rate classes that consume less than 250,000 kWh of electricity annually and for residential, farm, and small commercial customers who consume less than 2,500 GJ of natural gas annually, as set out in section 2 of the EBRP manual. For customers that have more than one site, where a retailer cannot easily distinguish between separate sites, whether a customer meets the EBRP threshold of 250,000 kWh and/or 2,500 GJ should be evaluated against a customer's entire portfolio.

ENMAX has reviewed the current eligibility requirements to receive emergency billing relief for customers and feels that no additional changes are warranted. Specifically, customers should receive billing relief related to flowthrough DFO charges and AESO power pool credits. Additional consideration should be done to assess if there is an efficient way to provide billing relief for natural gas consumption given that there is no natural gas equivalent to the AESO, which was instrumental in handling electricity consumption billing relief for impacted customers.

Qualifying evacuation events should continue to meet the criteria set out in section 3 of the EBRP manual. ENMAX notes that the EBRP lists the Alberta Emergency Alert website as the source for mandatory evacuation orders. While the Alberta Emergency Alert website should continue to be considered as the appropriate source of information regarding emergency evacuations, during the last set of wildfires, ENMAX was required to supplement this information using the Alberta Wildfire Status website to provide the appropriate billing relief to its customers. As such, ENMAX recommends that the AUC work with the Alberta government to update the Alberta Emergency Alert website to ensure that it has the required information available for parties to determine which sites have been impacted. During an emergency evacuation event, the Alberta Emergency Alert website should be updated in real time to reflect the most up-to-date information. Access to historical information regarding evacuated areas should also remain available.

As discussed above, the current EBRP manual focuses on wildfire. ENMAX is supportive of expanding the EBRP for other situations when evacuations are required and suggests an AUC rule could contain a definition of what constitutes an emergency event. ENMAX recommends that an emergency event should be defined as a government directed mandatory evacuation initiated in an area for 96 hours or more.

## **2 ENMAX Energy Retailer Considerations**

### **2.1 Collections Activities**

In past emergency events, there was a time lag between when the EBRP was declared and when the DFOs were able to provide retailers with a list of impacted sites. In the most recent wildfires

of 2023, it took the impacted DFOs approximately 16 weeks to provide ENMAX Energy with a list of impacted sites. Consequently, ENMAX Energy was often required to make an educated guess as to which sites it should suspend collection activities prior to receiving the list of impacted sites which increased administrative burden. As it did not have a list of impacted sites, ENMAX Energy used the postal codes of areas where the Alberta Emergency Alert and Wildfire status indicated there were evacuations, however this approach led to an over inclusion of sites and created additional bad debt risk. Rural Alberta postal codes can span large areas capturing customers not impacted by the evacuations allowing some customers to benefit from a hold on collection activities despite not being impacted by the evacuations. This is further exacerbated by the delay in timing between when the evacuations occur and when the official site lists are forwarded to retailers. While ENMAX is cognizant that providing a site list of evacuated customers to retailers is not the most pressing matter for DFOs during an emergency evacuation, more timely notifications and credit flowthroughs would help aid the process.

## **2.2 Billing**

Section 4.2.2(2) of the EBRP manual states, that for sites identified in the evacuation list, retailers should pause normal bill issuance processes until a Tariff Billing File (“TBF”) with the associated billing credit amount is received. ENMAX Energy submits that pausing billing processes is inefficient, impractical and may contribute to additional complications, especially if evacuation periods are extended for a prolonged period. Likewise, delaying DFO billing actions as set out in section 4.1.2.1(1) may lead to similar inefficiencies and complications.

More specifically, pausing billing processes as contemplated in the EBRP manual is impractical for retailers. As discussed above, in past wildfire events, it has taken significant time for a DFO to provide the TBF to retailers (e.g., 16 weeks) and retailers have been required to use other methods to identify potentially impacted sites. Accordingly, the requirement to suspend billing puts the retailer in a difficult position. Specific examples include the following:

- delaying customer invoicing for a prolonged period may put a retailer offside AUC Rule 32 requirements;
- delaying customer invoices could lead to a negative customer experience when the billing process resumes, and a customer receives multiple months of bills all at once;
- customers’ invoices may include additional services that the retailer is required to collect on behalf of other parties (for example water services) that are not subject to the EBRP;
- customers who were not impacted, but shared the same postal code as customers ordered to evacuate, would unnecessarily have their invoices delayed; and
- delaying invoices would create unnecessary carrying costs and bad debt risk for retailers.

ENMAX Energy suggests the AUC not include the suspension of billing in any new rule addressing future EBRPs. Instead, the AUC should provide clear messaging to customers regarding who will be eligible for emergency billing relief and communicate to customers that no collection activities will occur as a result of the evacuation orders.

## **2.3 Technical Recommendations**

ENMAX Energy has also identified several technical changes that should be incorporated into the rule, if feasible. Past EBRP processes have required several manual processes. Automation of these processes would minimize the administrative burden and opportunity for human error while ensuring provided billing relief to customers is timely and efficient. This would be beneficial for both customers and retailers.

Under the existing approach:

- ENMAX Energy must request site information from the AESO to provide billing relief for the electricity commodity. In response to this request, the AESO provides an excel workbook containing site IDs, start date, end date, consumption, average daily price, and the credited amount. Without this supplemental information, ENMAX Energy is unable to flow through the credits as the AESO Pool statement presents information by zone, whereas site level data is needed to invoice ENMAX Energy's customers.
- ENMAX Energy takes the emailed excel workbooks received from the AESO and then transposes this data into an internal adjustment file. Within the adjustment file, ENMAX Energy creates a new EBRP charge type, adjusts its reporting, and uses this adjustment file to upload into ENMAX Energy's billing system. ENMAX Energy is then required to generate queries and map the information to crosscheck the data against ENMAX Energy's existing site ownership files, as well as the AESO pool statement's aggregate amounts by zone.

ENMAX Energy proposes that:

- The AUC should work with impacted Load Settlement Agents ("LSA") to create a new standard specification for emergency evacuation billing relief that includes the information necessary for customers to receive the applicable billing relief at the site level. This new standard could be included as part of AUC Rule 21, AUC Rule 28 and AUC Rule 004, respectively.
- This new standard specification will enable the associated files to be transmitted by the LSAs through VLTrader to the impacted retailers. This process would enable retailers to build a loader that could download and automate the transactions such that there would be limited, if any, manual workload once implemented.
- The process for credits to keep customers whole for retailer charges is complex. Similar to previous AUC revisions to existing tariff-related rules, ENMAX recommends the AUC should host workshops with DFO's, retailers and the AESO to work through requirements and timing that will work for all the affected parties.

## **3 ENMAX Power Electric DFO Considerations**

### **3.1 Creation of specific EBRP tariff rate**

ENMAX Power is an electric DFO and provides comments from an electric DFO perspective.

ENMAX Power suggests the creation of a specific EBRP tariff rate to be used during the evacuation periods. The AUC should direct electric DFOs to create idle rates to be used temporarily during the evacuation period for an impacted site that would have a rate of zero for all wires charges. Under the AUC's direction, ENMAX Power and other electric DFOs could create an EBRP tariff rate for each of their existing rate classes, which could then be used for the impacted customers during an evacuation period. Implementing this rate would be relatively easy and would be less administratively burdensome than manually removing the billing history from each of the impacted sites during evacuation periods. Introducing a new EBRP rate also has the advantage of maintaining a continuous record for each impacted customer and will allow electric DFOs to quickly identify which sites were impacted by an evacuation order and for what periods. Since each site's billing determinant history would be maintained with only the rates changing, electric DFOs could more readily demonstrate the billing relief provided for both audit purposes and for recovery of the funds in a subsequent rate filing from ratepayers.

### **3.2 Creation of a new EBRP One-Time Credit ("OTC") standardized code**

The AUC should also consider how the OTCs are flowed from the electric DFOs to the retailers. Under the existing process, OTCs are flowed through to retailers from the electric DFOs using an existing standard code (i.e., miscellaneous). This leads to additional work for some retailers as an agent is required to manually post the EBRP credits for each customer. A new electric DFO created OTC code (e.g., ERBP) would enable retailers to automatically flow through the credits to the impacted customers. This distinction is important because without the electric DFO creating a new standard code, the retailer has no ability to differentiate between the OTCs that were invoiced due to the EBRP and those invoiced for other reasons.

## **4 Additional Considerations**

### **4.1 More precise language**

Section 4.3 of the EBRP Manual states that "[t]he AESO will provide credits to off-set the charges it issues to retailers and recover the cost of the credit through the AESO energy market trading charge, following the practice utilized for previous evacuation events." As noted above, there were considerable issues and back-and-forth with the AESO to eventually arrive at a solution.

ENMAX recommends that the EBRP provide greater clarity on the specific information the AESO is directed to provide, including providing information by site ID rather than by retailer zone and the timelines for providing the required information.

### **4.2 Clear Communication Channels Required**

In an EBRP, the AUC should establish clear communication channels. The EBRP Frequently Asked Questions ("FAQ") states that for general inquiries or clarifications about the EBRP, customers should contact the AUC at [info@auc.ab.ca](mailto:info@auc.ab.ca) for additional information. ENMAX Energy

recommends that the AUC direct customers to contact their retailer as the first point of contact in emergency situations as retailers have the necessary customer information and can provide the best direction in these situations. If further escalation is needed, the retailer should direct the customer to the Utilities Consumer Advocate for additional assistance.

### **4.3 Cost recovery**

The AUC should consider changes to how cost recovery is handled. ENMAX has seen a rise in emergency events in recent years in Alberta and given the serious and unpredictable nature of such events, industry requires a robust and streamlined process to ensure it is prepared for any similar events that may arise in the future. This includes a streamlined cost recovery process to ensure billing credits are issued in a timely manner to impacted customers and both DFOs and retailers are kept whole in the process. As part of a new rule, the AUC should clearly identify which costs are eligible for cost recovery and these costs should be allowed to be included in a distribution utilities' performance-based ratemaking annual application as a Y-factor adjustment or through a cost recovery mechanism for retailers similar to what was used for the Natural Gas Rebate Program introduced by the Government. Further, to the extent retailers or RRO providers are required to invest in systems or additional resources to accommodate an EBRP, they should be able to recover those costs.

## **5 Conclusion**

ENMAX is supportive of a government initiative to directly fund billing relief to customers impacted by emergency evacuation events as such a program would avoid the administrative burden related to issuing credits through utility bills. In the alternative, the AUC should create a new rule to address emergency billing relief. The rule should address both electricity and natural gas, and both the delivery and commodity costs for both. This rule should incorporate ENMAX's recommended changes identified above, including, but not limited to, allowing for a new EBRP tariff rate, the creation of an EBRP-specific OTC standardized code, clarifications of the role of the AESO, and refinements to the cost recovery process. Incorporating the above recommendations will improve the efficiency, accuracy, timeliness, and the customer experience related to the EBRP during a time of stress for all impacted.

Sincerely,

*Wesley Manfro*

Wesley Manfro

ENMAX Energy Regulatory Manager, ENMAX Corporation