Rate of Last Resort

What is the Rate of Last Resort?

In Alberta, customers have a choice of energy retail service providers and can choose between a fixed-rate contract, a variable-rate contract or the default rate. The default rate is called the Rate of Last Resort (ROLR). The ROLR was previously known as the regulated rate option, or RRO.

The ROLR is a fixed default rate for two years starting January 1, 2025. Every two years, the rate will be re-evaluated. Any proposed changes cannot normally exceed 10 per cent of the current rate.

How is the charge on your bill determined?

The energy charge on your bill is determined by the amount of electricity you use (measured in kilowatt-hours (kWh)) and the price for that electricity, which is derived from the open and competitive electricity market. Utility customers in Alberta have a choice of retail service providers and can educate themselves and inform their choice of providers on the Utilities Consumer Advocate (UCA) website.

For ROLR customers, the energy charge (or commodity charge) on your bill is based on the amount you consume (kWh) multiplied by the fixed two-year rate approved for your default supplier. These rates are based on a settlement agreement between the default providers and the Office of the Utilities Consumer Advocate, which was approved by the Commission in Decision 29204-D01-2024.

This charge does not include any costs related to delivery of the energy to your home or business or any administration fee charged by your retailer.

If a customer does not choose a retail contract for service, that service is typically provided by the default regulated service provider and the customer will be charged the ROLR rate. To compare current rates, please visit the UCA website. At least every 90 days, the UCA will be contacting customers on the ROLR to provide consumers an opportunity to review their options and consider other providers.

More information about the charges on your electricity bill can found on the AUC's How rates are set or rate riders webpages.