



September 30, 2020

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: 2021 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, 2021. 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 \$67,375,000 for 2021 (\$66,017,000 for 2020). In addition, the rates are to be adjusted to collect the franchise fee revenue shortfall projected for 2020 of \$2,888,426, based on information provided September 14, 2019 by Tammy Haydey, Controller of EPCOR Distribution & Transmission Inc.

Based on the projected volume forecasts provided by EPCOR Distribution and Transmission Inc., 2021 rates to be applied for direct connect customers and distribution connect customers are as follows:

	<b>2021 Projected Volume (kWh)</b>	<b>2021 Franchise Fee Rate (\$/kWh)</b>	<b>2020 Franchise Fee Rate (\$/kWh)</b>
Direct Connect Customers	344,398,165	0.0042	0.0046
Distribution Connect Customers	7,100,180,186	0.0097	0.0090

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 at (780) 721-8317, or by e-mail at [jeff.olsen@edmonton.ca](mailto:jeff.olsen@edmonton.ca).

Sincerely,

A handwritten signature in blue ink, consisting of a stylized initial 'M' followed by a long horizontal line.

Mary Persson,  
Deputy City Manager and Chief Financial Officer

- c: Tony Scossafava Senior Vice President & Chief Financial Officer
- Tammy Haydey, Controller, EPCOR Distribution and Transmission Inc.
- Stacey Padbury, Deputy City Treasurer and Branch Manager, Financial Services
- Harmalkit Rai, Director Corporate Accounting and Reporting - Operating
- Barry McNabb, Director, Utility Regulation
- Ingrid Johnson, Director, Solicitors
- Jeff Olsen, Manager, Regulatory and Financial Strategies