



talk about electricity

June 2010

The Regulated Rate Option for Electricity

What is the Regulated Rate Option (RRO)?

The regulated rate is the default electric energy price. It is a permanent option for Albertans—there is no end date. The RRO is the monthly rate for electricity automatically provided to all eligible customers who have not entered into a contract with a competitive electricity retailer.

Who is eligible to receive the RRO?

Residential, farm, irrigation and small commercial customers who consume less than 250,000 kilowatt hours per year are eligible for the regulated rate option.

How is the RRO calculated?

As of July 1, 2010 the RRO will be based entirely on the next month's projected market price of electricity.

RRO providers submit their regulated rate proposals to the appropriate regulatory body for approval. The Alberta Utilities Commission (AUC) regulates investor-owned utilities and approves RRO rates for the cities of Calgary and Edmonton and rural Alberta.

Other municipally owned utilities (Red Deer, Lethbridge, Cardston, Fort MacLeod, Ponoka and Crowsnest Pass) are currently regulated by their municipal councils. Each Rural Electrification Association (REA) board of directors approves the RRO rates.

How was the RRO calculated in the past?

Before July 1, 2010 the RRO was calculated using a mixture of both short and long-term market prices for electricity.

How will this affect my bill?

Consumers will not see a change in the appearance of their bills. The regulated rate will continue to change month-to-month, just like the fluctuating regulated rate for natural gas.

Are there alternatives to the RRO?

Yes. Alberta consumers have the option to consider the retail products and services being offered by the licensed competitive retailers in the province. There are no deadlines for making this choice.

Where can consumers get more information?

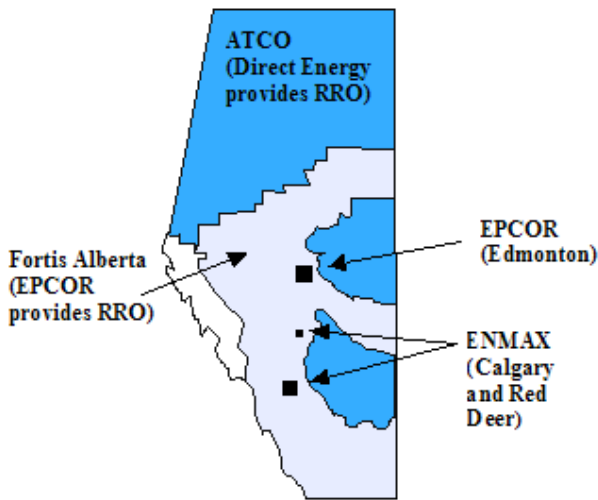
Further details about the RRO can be obtained from your electricity provider. A list of licensed retailers is available from the Utilities Consumer Advocate (UCA).

In addition, the UCA provides consumers with information about Alberta's electricity and natural gas markets. Please visit the UCA website at www.ucahelps.gov.ab.ca or call 310-4-UCA (310-4822).



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Major electricity distribution areas and associated RRO providers



Where can consumers get more information?

More information about electricity options is available from the Utilities Consumer Advocate at www.ucahelps.gov.ab.ca or by calling toll-free 310-4-UCA (310-4822).

More information on the RRO is available at www.energy.alberta.ca. Click on Our Business and then Electricity to find *Talk About Electricity: Regulated Rate Option (RRO) - A Closer Look*.

Direct Energy Regulated Services	1-888-420-3181	www.directenergy.com
ENMAX	310-2010 (toll-free in Alberta)	www.enmax.com
EPCOR	310-4300 (toll-free in Alberta)	www.epcor.ca
Alberta Utilities Commission (AUC)	780-427-9362	www.auc.ab.ca
REAs (Rural Electrification Associations) Please contact the Alberta Federation of REAs (AFREA) to obtain contact information for your local REA.	780-417-3396 1-877-717-3496 (toll-free in Alberta)	www.afrea.ab.ca
Your municipal council	Check your local phone directory	