

MEMBER NEWSLETTER

West Wetaskiwin REA Scholarship Winner 2019

This year the Board of Directors of the West Wetaskiwin REA voted unanimously to initiate a scholarship program.

Following aspects of other successful REA programs, we developed an application form, established criteria and created a grading system to ensure equal consideration to all applicants. As part of the process applicants must provide school transcripts, letter of reference and a personal letter outlining their chosen field of study and why they chose it.

We are exceptionally pleased to announce our first winner, Tayla Fiveland and would like to share some details about Tayla with the membership.



West Wetaskiwin REA Chair, Dean Knull presenting cheque to Tayla Fiveland.

Tayla is studying for a Bachelor of Arts degree at the University of Alberta (U of A) and she is a player on the U of A Augustana Campus Basketball team.



She chose the Bachelor of Arts program because she wants to pursue a psychology degree relating to nutrition. She also feels that if she changes direction in the future, this degree will allow for flexibility.

Her family has been of member of the West Wetaskiwin REA for several generations; a co-op that many neighbors and friends are part of.

Volunteer involvement includes mentoring younger athletes and refereeing basketball games. She and her family have been involved with the Lakedell Agricultural Curling Club and many sporting events at the Pigeon Lake Regional High School.

One of her teachers wrote in the reference letter that anything Tayla tackled, she did with passion and enthusiasm seldom seen in a high school student. He also noted that Tayla "demonstrated her many leadership qualities not only in basketball as captain of the team, but also in class by working with her classmates to help them better understand the material once she had mastered it."

Tayla says balancing a post-secondary school commitment and active sports involvement, leaves limited availability for part time work to offset tuition costs and that this \$1000.00 scholarship is greatly appreciated.

For power troubles or service requests, contact: FortisAlberta (the distribution system operator for West Wetaskiwin REA): Toll-free: 1-855-333-9473 or 780-310-9473 For REA inquiries contact: West Wetaskiwin REA R.R. #1 Station Main, Wetaskiwin, Alberta T9A 1W8 Phone: 780-335-9378 (WEST) E-mail: <u>westwet@telus.net</u> www. westwetaskiwinrea.com For billing or account inquiries contact: Battle River Power Coop Box 1420 Camrose, Alberta T4V 1X3 Toll-free: 1-877-428-3972 E-mail: <u>brpc@brpower.coop</u> <u>www.brpower.coop</u>



Understanding Energy-Only and Capacity Markets

To understand Alberta's electricity market, and the differences that exist here compared to other jurisdictions in Canada, a little history is helpful.

The Electric Utilities Act, enacted by the Alberta Government in 1996, deregulated the Alberta electricity market to a greater degree than anywhere else in Canada. The Alberta Electric System Operator (AESO) was created and charged with managing a system in which independent companies became responsible for electricity generation. The Alberta power pool became the vehicle for selling electricity to distribution utilities, at wholesale prices that are set hourly according to supply and demand.

In 2016, heeding cautions by the AESO that electrical generation may not keep pace with demand, the NDP government began a process to implement a capacity market, scheduled to come into effect by 2021.

Capacity market means that electricity generators are paid for both the electricity they produce in real time and their ability, or capacity, to add electricity to the grid as needed. The stated reasons for implementing a capacity market included ensuring an adequate power supply and protecting consumers from price swings. Critics voiced concern about a potential increase in consumer cost, especially if capacity were to sit idle.

Throughout the summer Energy Minister Sonya Savage stated that, "conditions have changed

substantially", and that the Government of Alberta will table legislation to stop the implementation of the capacity market. She further noted that this decision follows consultations with industry and consumer groups, with the majority agreeing that an energy-only system is best for Alberta.

Recently Alberta introduced legislation, Bill 18, which follows up on those announcements. Energy Minister Savage commented, "Alberta's energy-only market has been operating for more than 20 years. It has a proven track record for providing a reliable supply of electricity at affordable prices."

With the passing of Bill 18, Alberta will remain an energy-only market, in which generators are paid for the electricity they produce in real time, and at a fluctuating price. The UCP government, to date, has not said whether the 6.8 cent cap (brought in by the previous government and scheduled until 2021) will remain in place.

Both capacity markets and energy-only markets are used successfully as power delivery systems throughout the world. Energy-only markets are more common in Europe and capacity markets are used almost exclusively in North America, the exceptions being Alberta and Texas, which have energy-only systems.



The Regulated Rate Option (RRO) may increase or decrease from month to month as it is priced on the open market and subject to many factors relating to supply and demand. It is not a 'regulated' rate, rather is a default rate. If you do not have a contract with an electricity retailer, then you are on the RRO. For October 2019, RRO is priced at \$0.06318 per kWh, reflected on your enclosed orange bill. For November 2019, the Battle River Power Coop monthly rate as calculated under the RRO regulation is \$0.06800; the billing rate charged to WW REA members is \$0.06800.

Members are free to purchase electricity services from a retailer of their choice. For a list of retailers, visit <u>ucahelps.alberta.ca</u> or call 310-4822 (toll free in Alberta).

Information on West Wetaskiwin's Code of Conduct Regulation Compliance Plan can be found on our website: <u>www.westwetaskiwinrea.com</u>