

FENN RURAL ELECTRIFICATION ASSOCIATION

NEWSLETTER

July 2021 - Issue 92

Make It Safe, Make It Visible

During harvest you may have to travel between fields, requiring driving on public roads and highways in Alberta. Oversized and slow farm machinery, mixed with normal highway traffic, can result in accidents and collisions. You can prevent farm machinery incidents on public roads by focusing on three main areas.

- Make your machinery and equipment safe and visible: follow regulated requirements for lighting and signage including a clean slow moving vehicle (SMV) sign as appropriate. Complete a safety check of any vehicles that will be travelling on public highways (hitch pins, tire condition, etc.)
- Follow safe driving tips: travel at a speed that will ensure you can maintain vehicle control, observe road precautions, avoid busy roads/travel times if possible, always stop and make sure the way is clear, and ensure all drivers have a valid driver's license.
- Drive defensively: stay alert for hazards and if traffic is lined up behind you be sure the shoulder width is sufficient and solid enough to support your equipment before you move

Look Up And Around During Harvest

FENN REA would like to remind all farmers as you head out for harvest to be sure to look up and around your work area to identify where the power poles, lines and guy-wires are located.

Farm machinery/equipment has increased in size over the years but powerlines remained a constant height. This translates to a change in distance that an operator must allow between machines and electrical structures.

Additionally, remember that GPS does not always indicate the position or the height of power poles.

FENN REA encourages members to check your surroundings all day/every day and be certain that you can safely navigate around power distribution infrastructure.

If you have any doubts or questions about clearance, call our system operator ATCO (toll-free 1-800-668-2248) to obtain safe clearance distances.

Stay safe this harvest and watch out for power poles and lines!



For power outages, emergency power troubles and service requests, contact the distribution system operator for FENN REA: ATCO Electric

Phone toll-free: 1-800-668-2248

FENN REA

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Battle River Power Coop

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The Cost of Electricity in Alberta

In Alberta, electricity is purchased from the Alberta Electric System Operator (AESO) and electricity delivery and pricing is also managed by the AESO. The AESO balances supply and demand 24/7, 365 days a year, dispatching power sold by generators using the lowest-priced electricity first and then the next lowest until the need for power has been satisfied.

Electricity pricing is determined by the AESO based on supply and demand. In 2021, Alberta hit an all-time record of 11,729 megawatts in February 2021 and broke its all-time summer demand record in June, hitting 11,414 megawatts – both events causing pricing to increase.

A Look At What Is Happening

The average price of electricity has been climbing higher in the last months with increases in the plus 20% over the same period last year. Many factors are contributing to this including, but not limited to:

- Power Purchase Agreements concluded giving generators an unencumbered pricing market.
- Natural gas price is increasing and as more generators move from coal to natural gas, generation cost will increase.
- Alberta is reliant on carbon based inputs for generation; inputs that are carbon pricing taxable by the Federal Government.
- Alberta is reliant on importing generation for peak loads.

- Renewable energy sources are dependent on weather and can adversely affect pricing (as in February 2021).
- Post pandemic economic recovery is contributing to higher consumption and increased rates (law of supply and demand).

The Outlook - Stability Versus Variable

While it is hard to predict exactly what Alberta electricity prices are going to look like some months from now, there is a consensus the trend upward will continue as post pandemic demand draws on supply.

It is also important to note the current Regulated Rate Option (RRO) is not a "regulated" rate; it is a default rate for consumers who do not wish to enter into a contract. As a result, supply and demand affects pricing of the RRO.

Members wishing to stabilize their monthly rate could consider a contract from a retailer of their choice by

contacting www.ucahelps. alberta.ca (or calling 310-4811) or going to the FENN REA website: www. fennrea.com for a list of retailers in our service area.



Utility Payment Deferral Adjustment Notice

This fall all Alberta utility rate payers will see a small and temporary *Utility Deferral Adjustment* rate rider on their electricity and natural gas bills as a result of the Utility Payment Deferral Program initiated last year. Associate Minister of Natural Gas and Electricity Dale Nally announced recently that while most customers who took advantage of the Program settled their outstanding balances, some have not. The Alberta Utilities Commission is in the process of gathering the total remaining debt from retailers to determine the rider amount and duration that will be required.

Regulated Rate Option (RRO) The RRO rate 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. If you do not have a contract with an electricity retailer, then you receive the default RRO rate.

For July 2021, the RRO is priced at \$0.10123 per kWh, which is reflected on your enclosed bill. For August 2021, the Battle River Power Coop monthly RRO billing rate for FENN REA members is \$0.15861. The RRO rate is also listed on www.fennrea.com.

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).