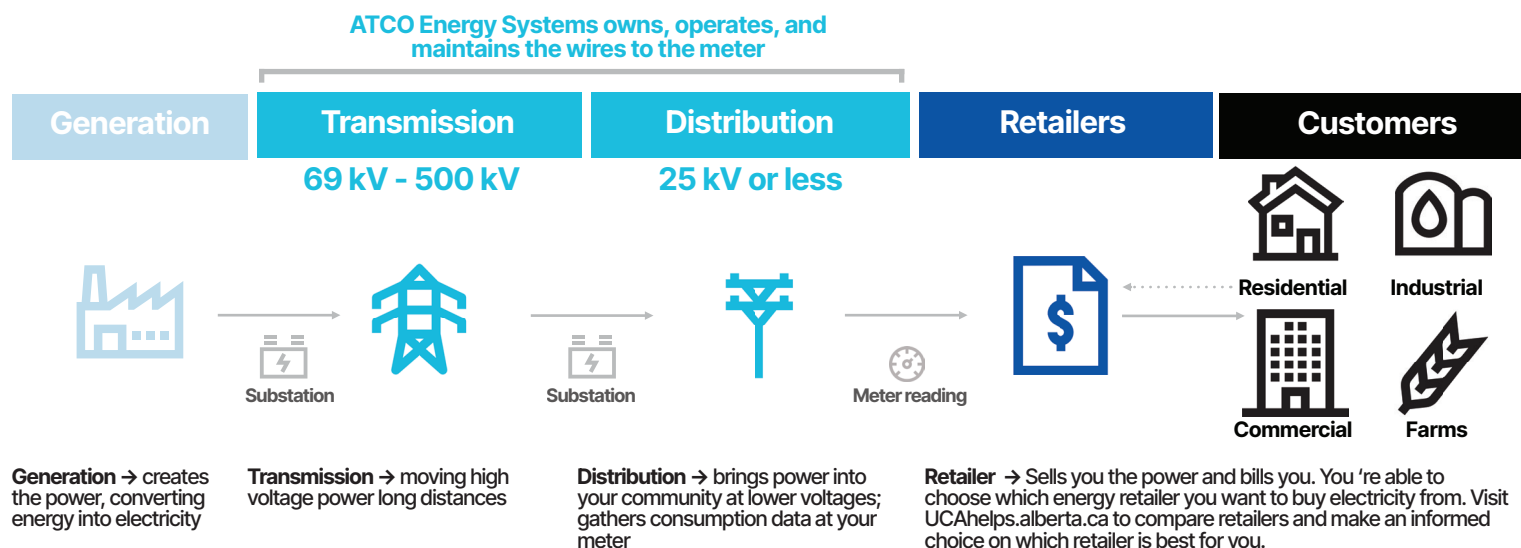


Understanding Your Electric Charges and Bill

Electricity in Alberta



How are Electric Rates Set?

In Alberta, electric distribution and transmission rates are regulated by the Alberta Utilities Commission (AUC), an independent regulator that protects customers' interests. They have oversight and final determination of all costs that make up the distribution and transmission fee section of customers' electricity bills.

ATCO cannot raise rates on its own. We evaluate essential capital investments that will provide safety, reliability and resiliency to the electric system, determining the most benefit for our customers. The AUC then carefully reviews ATCO's costs and only approves rates that are reasonable, necessary, and in the public interest.

Working Efficiently for Our Customers

Electric distribution utilities in Alberta operate under a Performance Based Regulation (PBR) framework. PBR sets revenue caps and includes productivity expectations. This structure incentivizes ATCO to manage costs carefully and find innovative ways to deliver safe and reliable service. Electricity is a 24/7 service—your bill reflects the cost of delivering reliable power wherever you are, whenever you need it.

When ATCO operates prudently through efficiencies and outperforming benchmarks, customers benefit through lower rates, and ATCO earns a rate of return approved by the AUC.

Key Drivers of Distribution & Transmission Rates



Serving a large area with fewer customers: In rural communities, we maintain many kilometers of power lines to serve fewer people, so the cost of poles and wires is shared across a smaller customer base.



Building and maintaining a resilient system: Harsh weather, wildfires, and extreme temperatures mean we invest more in strengthening the grid, replacing aging equipment, and improving reliability.



Modernizing & future-proofing the grid: Upgrades like smarter equipment, new substations, and system automation help reduce outages and prepare for growing demand, electrification, and new technologies.



Keeping the system running safely 24/7: Ongoing work like vegetation management, inspections, maintenance, and rapid storm response is essential to keep power flowing safely and reliably.

Alberta Service Area Comparison

	Customers	km of line	Customers per km of line
ATCO Energy Systems	231,690	60,000	3.9
FORTIS ALBERTA	619,991	124,000	5.0
ENMAX	573,565	8,600	66.7
EPCOR	433,329	6,300	70.4

As of January 2026

ATCO's service territory includes much of Northern Alberta with fewer populated areas. As result of lower population density, rural Albertans pay a higher share of distribution systems costs than their urban counterparts that are supported by other Electric utilities.

Fair & Affordable Electricity

ATCO has long advocated for fair electricity distribution rates for all Albertans - including rural and remote customers - and we support advocacy efforts (like those of the Fair Electricity Distribution Alliance) focusing on fairness and affordability.

What are we doing?

We understand energy affordability is a concern for our customers, especially combined with inflationary pressures. It's our priority to deliver value and we are committed to the following to help drive down costs:

- Manage costs by improving operational and capital efficiency while continuing to deliver safe, reliable service.
- Engage constructively with the regulator to improve rate design over time and will continue advocating for fair cost allocation and solutions that balance affordability with reliability and resilience.

Understanding Your Bill

Your power bill includes several components, which can seem complicated. Here's a breakdown of what you're paying for and why costs can vary by location and consumption.

- 1. Energy Charges:** Paid to the retailer for electricity use (kWh consumption × retailer rate). Charges vary based on your consumption.
- 2. Distribution & Transmission:** These cover the cost of delivering electricity through the wires to your home or business and to have electricity available 24/7. Transmission costs are shared across Alberta, while distribution costs depend on where you live. Charges vary based on your consumption.
- 3. Local Access Fee:** Set by your municipality, this includes things like linear property tax and a franchise fee.
- 4. Rate Riders:** Temporary adjustments or true-ups to reflect changes in costs or regulatory requirements.

Electricity Bill		Customer Energy Charges		
		Site ID 0020008675309		
Retailer Charges				
From	To	Energy Used (kWh)	Energy Rate (\$/kWh)	Energy Charges (\$)
03/01/2026	03/30/2026	800	0.0888	71.04
Current Retailer Energy Charges				
1	Administration Charge (30 days @0.36/day)			10.80
	Total Energy Charges: Electricity			71.04
Total Electricity Charges				81.84
Distributor and Government Charges				
				Meter Number T00123-45678900
Metered Consumption (kWh)	Meter Reading Date	Last Actual Meter Reading	Last Actual Reading Date	
800	03/30/2026	81,276	03/30/2026	
Current Distributor and Government Charges				
2	Distribution Charge			122.71
	Transmission Charge			38.32
3	Local Access Fee <i>*varies by municipality</i>			17.21
4	Rate Riders			0.26
Distributor and Government Charges				178.50
GST				13.02
				\$273.36

What's Included in Your Delivery Rate?

- **Reliable, Around-the-Clock Service:** 24/7 emergency response, system monitoring, and grid operations to ensure electricity is delivered safely and without interruption.
- **Accurate Metering & Customer Support:** Monthly meter reading and data submission for billing, supported by a call centre to assist customers and retailers.
- **Infrastructure Investment & Growth:** Designing and building new infrastructure, along with modernizing the grid, to support Alberta's growing energy needs.
- **Maintenance, Safety & Risk Prevention:** Ongoing inspection, maintenance, and upgrades to poles, lines, substations, and meters—enhancing reliability and resilience in all conditions, including targeted wildfire prevention efforts to protect communities and the system.