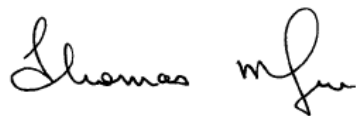


MADE at the City of Calgary, in the Province of Alberta, on 27th day of January 2009.	 ALBERTA UTILITIES COMMISSION
AltaGas Utilities Inc. Amendment to Riders "A" and "B" with respect to the Town of Barrhead	Application No. 1595317

AltaGas, a division of AltaGas Utilities Inc. (AltaGas) applied to the Alberta Utilities Commission (the AUC) for an Order approving an amendment to Rate Rider "A" (surcharge for a franchise fee). This allows the franchise fee in the Town of Barrhead (the Town) to be changed from 3.1 per cent of the gross revenue of AltaGas derived from the sale of natural gas within the Town to 8.0 per cent of the revenue of AltaGas from the delivery of natural gas within the Town, but excluding revenue derived from the cost of gas.

AltaGas has also applied for a change to Rate Rider "B" which recovers municipal taxes. AltaGas will provide an estimate of the municipal taxes to be collected for the Town after the Town completes the third reading of its by-law.

Notice of the application was published in conjunction with the Notice for the Town's application for renewal of its franchise agreement with AltaGas and no objections were received. AltaGas has given the AUC consent to proceed with the application without a hearing.

The AUC notes that these changes in rates result from the provisions included in the franchise agreement between the Town of Barrhead and AltaGas, which was approved in Order 2009-19 issued in conjunction with this order. The franchise fee provisions included in the Agreement allow the Town to change the level of the franchise fee once annually within a cap of 35 per cent. Clause 4.c) of the Franchise Agreement includes a requirement for the Town to publish notice prior to any change in the level of the fee.

The Alberta Utilities Commission, pursuant to the *Gas Utilities Act*, R.S.A. 2000, c. G-5, hereby orders as follows:

1. Application No. 1595317 by AltaGas Utilities Inc. dated November 4, 2008, as filed by AltaGas Utilities Inc. on November 18, 2008, is approved, subject to the terms and conditions herein contained.

2. The new rate for the Town of Barrhead, as indicated on Rate Rider “A” attached as Schedule “A” to this Order, becomes effective upon the execution of the Town’s Franchise Renewal Agreement with AltaGas Utilities Inc.
3. The new rate for the Town of Barrhead, as indicated on Rate Rider “B” attached as Schedule “B” to this Order, becomes effective upon the execution of the Town’s Franchise Renewal Agreement with AltaGas Utilities Inc.

SCHEDULE A

AltaGas Utilities Inc.

Rate Rider A

Town of Barrhead

RATE RIDER "A"	FRANCHISE FEE/TAX RIDERS
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Municipalities

Additions to be made to the rates of customers resident in municipalities that have agreed to accept a percentage of gross revenue of the special franchise tax in lieu of a property tax pursuant to Section 360 of the Municipal Government Act, 1994, c. M-26.1 (previously Section 14(7) and 14(8) of the Municipal Taxation Act).

The percentage shown to be applied as an addition to the total billings calculated.

Municipality	District	Type	Franchise Tax Rate (%)	AUC Order
* Athabasca	Athabasca	Town	6.0	U97149
Donalda	Stettler	Village	4.0	E92122
Elk Point	St. Paul	Town	7.0	U99062
Grande Cache	Grande Cache	Town	6.952	U99084
* Hairy Hill	St. Paul	Village	5.0	E95078
New Sarepta	Leduc	Village	6.25	U98138
Radway	Westlock	Village	3.0	E90046
Three Hills	Three Hills	Town	4.75	U98033

(1) The Municipality has elected to have the percentage of gross revenue from the special franchise collected on sales revenue, transportation service revenue, and a deemed value for gas applied to volumes transported.

* Periodic changes to franchise tax rates have been pre-approved by the AUC.

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FRANCHISE FEE/TAX RIDERS	RATE RIDER "A"
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Métis Settlements

Additions to be made to the rates of customers resident in Métis Settlements that have by bylaw approved Utility Services Agreements providing for the payment of annual utility service fees calculated as a percentage of gross revenues.⁽³⁾ The percentage shown is to be applied as an addition to the total billings calculated.

Métis Settlement	District	Rate (%)	AUC Order
Buffalo Lake	St. Paul	7.0	U2000-236
Fishing Lake	St. Paul	5.0	U97153
Gift Lake	Wabasca	7.0	U2003-378
Kikino	St. Paul	7.0	U2000-107

⁽³⁾ The *Métis Settlements Act* (S.A. 1998 Chapter M-14.3) enables the Métis Settlements General Council to legislate by Policy and Settlement Councils to legislate by bylaw on matters related to the operations of utilities within the settlement areas, including the granting of interests in land, the assessment and taxation of these interests, and the licencing of related activities. [s.222(1); Sch.1, ss.14, 19]. Under Métis Settlements General Council *Public Utilities Policy* (GC-P9804; Alberta Gazette, Nov.30, 1998, p.2221) a Settlement may enter into Utility Service Agreement allowing a utility to use land and provide utility services in the Settlement Area and providing for the utility to pay an all inclusive annual service fee. The fee may be determined as a percentage of gross revenue received from services provided in the Settlement Area. Each of the listed Settlements has entered into a Utility Service Agreement with AltaGas Utilities. Under the *Public Utility Policy* [s.2.3(3)] the Service Agreement takes effect on being approved by bylaw and by the Alberta Utilities Commission.

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Municipalities Governed by Standardized Franchise Agreement

For each calendar year the franchise fee will be calculated as a percentage of the Company's actual total revenue derived from the Delivery Tariff, including without limitation the fixed charge, base energy charge, demand charge but excluding the cost of gas (being the calculated revenues from the gas cost recovery rate rider or the deemed cost of gas) in that year for Gas Distribution Service within the Municipal Area.

Municipality	District	Type	Franchise Fee Rate (%)	AUC Order
Barrhead	Barrhead	Town	8.00	
Beaumont	Leduc	Town	21.20	2005-287
Bonnyville	Bonnyville	Town	20.00	2003-068
Bonnyville Beach	Bonnyville	Summer Village	0.00	2005-321
Botha	Stettler	Village	10.00	2004-260
Calmar	Leduc	Town	20.00	2004-244
Crystal Springs	Leduc	Summer Village	0.00	2005-117
Delia	Drumheller	Village	10.00	2007-364
Drumheller	Drumheller	Town	27.00	2004-440
Glendon	St. Paul	Village	4.62	2004-264
Hanna	Hanna	Town	9.85	2007-133
High Level	High Level	Town	27.50	2004-274
High Level	Rate 23 Customers only		35.00	2004-274
Island Lake	Athabasca	Summer Village	0.00	2005-085
Leduc	Leduc	City	27.00	2005-276
Leduc	Rate 3/13/23 Customers only		35.00	2005-276
Mewatha Beach	Athabasca	Summer Village	6.00	2005-207
Morinville	B/W/M	Town	19.00	2005-142
Munson	Drumheller	Village	11.00	2004-291
Pelican Narrows	Bonnyville	Summer Village	0.00	2006-162
Pincher Creek	Pincher Creek	Town	20.00	2004-293
Rochon Sands	Stettler	Summer Village	0.00	2007-212
St. Paul	St. Paul	Town	22.00	2004-289
Sunset Beach	Athabasca	Summer Village	3.00	2008-247
Stettler	Stettler	Town	18.00	2004-247
Two Hills	St. Paul	Town	10.00	2005-135
Waskatenau	B/W/M	Village	8.00	2004-421
Westlock	B/W/M	Town	0.00	2004-232
White Sands	Stettler	Summer Village	0.00	2008-130
Willingdon	St. Paul	Village	6.00	2005-5

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RIDER "A"

SCHEDULE B

**AltaGas Utilities Inc.
Rate Rider B**

Town of Barrhead

RATE RIDER "B"	MUNICIPAL PROPERTY TAX RIDERS
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Additions to be made to the rates of customers resident in municipalities that receive a property tax assessed pursuant to Section 353 of the *Municipal Government Act*, R.S.A. 2000 c.M-26. The addition is an estimated percentage of delivery revenues required to provide for the tax payable each year. To the extent that this percentage may be more or less than that required to pay the tax, the percentage of delivery revenue in the rider will be adjusted on an annual basis. The percentages are filed with the Alberta Utilities Commission.

Rate Rider "B" is to be applied as an addition to the gross amount of charges for delivery service otherwise payable (including applicable Riders) in the following area(s):

<u>Districts</u>	<u>Municipalities</u>
Athabasca	Village of Morrin
Barrhead, Westlock, Morinville	Zama City
Bonnyville	Town of Bonnyville
Drumheller	Village of Waskatenau
Grande Cache	Town of Westlock
Hanna	Town of Calmar
High Level	Town of Stettler
Leduc	Town of Pincher Creek
Pincher Creek	Town of High Level
St. Paul	Village of Glendon
Southeast	Village of Botha
Stettler	Town of St. Paul
Three Hills	Town of Drumheller
Two Hills	Village of Munson
	Village of Willingdon
	Summer Village of Island Lake
	City of Leduc
	Summer Village of Crystal Springs
	Town of Two Hills
	Town of Beaumont
	Summer Village of Bonnyville Beach
	Town of Morinville
	Summer Village of Mewatha Beach
	Summer Village of Pelican Narrows
	Town of Hanna
	Summer Village of Rochon Sands
	Summer Village of White Sands
	Summer Village of Sunset Beach
	Town of Barrhead

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