


MADE at the City of Calgary, in the Province of Alberta, on  15th day of May 2007.	 ALBERTA ENERGY AND UTILITIES BOARD
AltaGas Utilities Inc. Amendment to Riders “A” and “B” with respect to the Town of Hanna	Application No. 1509860

AltaGas, a division of AltaGas Utilities Inc. (AltaGas) applied to the Alberta Energy and Utilities Board (the EUB) for an Order approving an amendment to Rate Rider “A” (surcharge for a franchise fee). This allows the franchise fee in the Town of Hanna (the Town) to be changed from 3.1 per cent of the gross revenue of AltaGas inclusive of the deemed value of natural gas delivered to its customers within the Town, to 9.85 per cent of the revenue of AltaGas derived only from the non-gas portion of its customers’ bills within the Town.

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 EUB consent to proceed with the application without a hearing.

The Board notes that these changes in rates result from the provisions included in the franchise agreement between the Town of Hanna and AltaGas, which was approved in Order U2007-132 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 Energy and Utilities Board, pursuant to the *Gas Utilities Act*, R.S.A. 2000, c. G-5, hereby orders as follows:

1. Application No. 1509860 by AltaGas Utilities Inc. dated April 17, 2007, is approved, subject to the terms and conditions herein contained.
2. The new rate for the Town of Hanna, 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 Hanna, 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.

END OF DOCUMENT