


MADE at the City of Calgary, in the Province of Alberta, on 18th day of October 2006.	 ALBERTA ENERGY AND UTILITIES BOARD
AltaGas Utilities Inc. Revision to Rate Rider 'E' - Unaccounted for Gas	Application No. 1481526

1 INTRODUCTION

On October 4, 2006, AltaGas Utilities Inc. (AUI) filed an application (the Application) with the Alberta Energy and Utilities Board (the Board) requesting approval of an adjustment to Rate Rider 'E' – Unaccounted-For Gas (UFG) from 1.08 percent to 0.73 percent effective November 1, 2006.

In addition to the determination of the GCRR, the UFG rate is used for recovery of line loss from all transportation end-use customers. An annual UFG percentage is calculated each year on the total throughput contributing to UFG. Rider 'E' represents the arithmetic average of the UFG percentages of the last five years. Details of the determination of the UFG rate are provided in Appendix I.

Due to the limited time between the date of this filing and effective period for the proposed gas cost recovery rate, AUI requested this filing be handled as expeditiously as possible in the interest of AUI's customers.

On October 5, 2006, the Board distributed Notice of Application to all parties on the AltaGas Phase 1 2005-2006 GRA distribution list (Application #1378000). Any party wishing to register an objection or support for the application was required to file a Statement of Intention to Participate (SIP) by October 11, 2006. The Board received letters of intervention from the Office of the Utilities Consumer Advocate (the UCA) and the Municipal and Gas Co-op Interveners (MGCI).

On October 12, 2006, MGCI filed information requests to AUI. AUI filed responses to the aforementioned information requests on October 17, 2006.

In a letter dated October 18, 2006, MGCI withdrew its objection to AUI's UFG application after reviewing AUI's responses to MGCI's information requests.

2 BOARD FINDINGS

The Board has reviewed the information provided by AltaGas in the Application. The Board notes that the UFG rate in Rider "E" was determined in the same manner previously approved by the Board, and also notes that no parties opposed the proposed UFG rate adjustment. The Board therefore accepts the adjustment to Rate Rider "E" to 0.73 percent as proposed by AltaGas. The adjusted Rider "E" replaces the rate approved by the Board in Order U2005-382, dated October 24, 2005.

3 ORDER

THEREFORE IT IS ORDERED THAT:

For AltaGas Utilities Inc.:

Rider "E", as set out in Schedule "A" attached to and forming part of this Order, is hereby fixed and approved as the rate to be applied to all transportation end-user rates for the recovery of Unaccounted for Gas, effective November 1, 2006.

SCHEDULE "A"

Effective by Order U2006-273
On Transportation November 1, 2006
This Replaces Rider "E"
Previously Effective November 1, 2005

ALTAGAS UTILITIES INC.

RIDER "E"

**TO ALL TRANSPORTATION END-USER RATES
FOR THE RECOVERY OF UNACCOUNTED-FOR GAS**

All Transportation End-Use customers must supply at the Point(s) of Receipt 100.73% of the Gas Taken at the Point(s) of Delivery, or in the alternative, must pay the Company a sum equal to 0.73% of the number of GJ taken at the Point(s) of Delivery multiplied by the applicable Gas Cost Recovery Rate.

APPENDIX I

ALTAGAS UTILITIES INC.

**Determination of Unaccounted for Gas Rate
Effective November 1, 2006**

<u>Unaccounted for Gas for the Year Ended May 31,</u>	<u>Percentage</u>
2002	0.96
2003	0.76
2004	0.73
2005	0.76
2006	0.43
UFG rate (arithmetic average of the five years)	<u>0.73</u>

END OF DOCUMENT