


MADE at the City of Calgary, in the Province of Alberta, on 29th day of March 2005.	 ALBERTA ENERGY AND UTILITIES BOARD
ATCO Gas and Pipelines Ltd. Amendment to Riders A and B with respect to the Village of Lomond.	Application No. 1377382

ATCO Gas - South, a division of ATCO Gas and Pipelines Ltd. (ATCO Gas - South) 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 Village of Lomond (the Village) to be changed from 5.26 per cent of the gross revenue of ATCO Gas - South derived from the sale of natural gas within the Village to 20 per cent of the revenue of ATCO Gas -South from the delivery of natural gas within the Village, but excluding revenue derived from the cost of gas.

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

Notice of the application was published in conjunction with the Notice for the Village's application for renewal of its franchise agreement with ATCO Gas and Pipelines Ltd. and no objections were received. ATCO Gas - South 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 Village of Lomond and ATCO Gas - South which was approved in Order U2005-139 issued in conjunction with this order. The franchise fee provisions included in the Agreement allow the Village 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 Village 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. 1377382 by ATCO Gas - South dated December 22, 2004, is approved, subject to the terms and conditions herein contained.

2. The new rate for the Village of Lomond, as indicated on Rate Rider “A” attached as Schedule “A” to this Order, becomes effective upon the execution of the Village’s Franchise Renewal Agreement with ATCO Gas and Pipelines Ltd.
3. The new rate for the Village of Lomond, as indicated on Rate Rider “B” attached as Schedule “B” to this Order, becomes effective upon the execution of the Village’s Franchise Renewal Agreement with ATCO Gas and Pipelines Ltd.

END OF DOCUMENT