


MADE at the City of Calgary, in the Province of Alberta, on 22nd day of December 2005.	 ALBERTA ENERGY AND UTILITIES BOARD
ATCO Gas Daily Fixed and Demand Charges	Application No. 1433296

1 BACKGROUND AND DETAILS OF THE APPLICATION

The Alberta Energy and Utilities Board (Board) received a compliance application (Application) from ATCO Gas, on December 5, 2005, requesting approval of rate schedules associated with the conversion from monthly fixed charges and monthly demand charges to daily rates effective January 1, 2006. This was in response to the Board’s directions to ATCO Gas and ATCO Electric in Order U2005-371. Generally, these changes relate to compliance in association with the provisions of *Board Directive 012: Alberta Tariff Billing Code*.

The Board notes that, in compliance with Order U2005-371, ATCO Electric filed daily rates in Application 1423181. Those rates were approved by the Board in Decision 2005-133.

In a letter dated December 9, 2005, the Board provided an opportunity for interested parties to make submissions with respect to the Application. No comments or concerns were received.

The Board considers that the record for this Application closed on December 9, 2005.

2 VIEWS OF THE BOARD

The Board observes that the Rate Schedules filed by ATCO Gas for Rate 13 service retain the monthly charges in this Application. In this respect, the Board notes that ATCO Gas filed a Tariff Billing Code Compliance Plan, dated November 28, 2005, with the Board seeking a temporary exemption from the Tariff Billing Code for Rate 13 customers, who are currently administered via the ATCO Pipelines Transportation Information System. Similarly, ATCO Gas did not make the conversion respecting Rate 13 daily rate schedules at this time, and expects the monthly Rate 13 process to continue with ATCO Pipelines until approximately February 28, 2007. The Board approved the ATCO Gas Tariff Billing Code Compliance Plan and associated exemptions in a letter dated December 15, 2005.

ATCO Gas provided updated Rate Schedules for the balance of the rate classes, which are attached to this Order. The Board notes that the conversions from monthly to daily are arithmetic calculation adjustments completed on the basis of multiplying the existing monthly rates by 12 (months/year) and dividing by 365 (days/year).

The Board has reviewed the resulting rates in the Rate Schedules and considers them to be appropriate. Accordingly, the Board approves the Rate Schedules incorporating daily fixed and demand charges as shown in Appendix A for ATCO Gas North and Appendix B for ATCO Gas South effective January 1, 2006.

3 ORDER

THEREFORE, IT IS HEREBY ORDERED THAT:

- (1) ATCO Gas shall implement the rates incorporating daily fixed and demand charges, as attached in Appendix A for ATCO Gas North and Appendix B for ATCO Gas South, effective January 1, 2006.

END OF DOCUMENT

Effective January 1, 2006

APPENDIX A

ATCO GAS AND PIPELINES LTD.

ATCO GAS NORTH

RATE SCHEDULES

January 1, 2006

Effective January 1, 2006

**ATCO GAS AND PIPELINES LTD. - NORTH
RATE SCHEDULES**

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Effective January 1, 2006

Effective By Decision 2004-004
On Consumption May 4, 2004
This Replaces General Conditions
Previously Effective March 28, 2004
General Conditions Page 1 of 2

ATCO GAS AND PIPELINES LTD. - NORTH GENERAL CONDITIONS

1. **Approval of Alberta Energy and Utilities Board:**
Changes in Rates from time to time are subject to approval by the Alberta Energy and Utilities Board for the Province of Alberta.
2. **Special Contracts:**
Unless varied by the Alberta Energy and Utilities Board, service to Customers under Special Contracts shall be subject to the terms and conditions thereof. A special contract is required for all sales Customers with annual requirements in excess of 500,000 GJ.
3. **Specific Facilities Conditions:**
The Rates do not include extra costs incurred by the Company and payable by the Customer for Special Facilities or conditions requested by the Customer at the Point of Delivery or at the Point of Receipt.
4. **Annual Contract:**
The words “annual contract” as they appear on the Rate Schedules, shall mean a twelve month period commencing on the first day of the first month of the contract.
5. **Winter Period - Summer Period:**
The winter period is the five calendar months from November 1 to March 31, and the summer period is the seven calendar months from April 1 to October 31.
6. **Late Payment Charge:**
When accounts are not paid in full on or before the due date, the amount relating to the current month's charge unpaid by the due date shall be increased by 5% and the increased amount shall become due and payable.
7. **Terms and Conditions:**
The Company's Terms and Conditions for Distribution Service Connections and Distribution Access Service apply to all Customers and form part of these Rate Schedules.
8. **Notification of Service Transfer:**
 - (a) **Rate1/11:**
As per the Terms and Conditions for Distribution Access Service.
 - (b) **All Other Rates:**
Customers transferring from Sales Service to Transportation Service or Buy/Sell Service must provide written notice a minimum of 15 working days prior to the upcoming month.

Customers transferring from Transportation Service or Buy/Sell Service to Sales Service must provide written notice a minimum of 15 working days prior to the upcoming month.
9. **Administrative Fees:**
An administrative fee of \$5 per customer account is applicable for each enrollment to Rate 11 Retailer Delivery Service.

Effective January 1, 2006

General Conditions Page 2 of 2

- 10. Determination of Points of Receipt and Delivery for Transportation Service:**
The Company shall determine specific Point of Receipt and specific Point of Delivery locations and the contract quantities to be accepted and delivered at each point by consultation and agreement with the Customer.
- 11. Default Service Provider (DSP):**
“DSP” as they appear on the Rate Schedules, shall mean Default Service Provider. Effective May 4, 2004 the DSP for the ATCO Gas North service area will be Direct Energy Regulated Services.
- 12. DSP Rider F:**
The words “DSP Rider “F” ” as they appear on the Rate Schedules, shall mean the Direct Energy Regulated Services Gas Cost Flow-Through Rate for ATCO Gas North.
- 13. Transition of Customers to DSP Delivery Service:**
The transition of customers to DSP Delivery Service will occur starting on May 4, 2004 on a cycle by cycle basis. The effective date for the rates shown on these rate schedules will be the date of transition to the DSP.

Effective January 1, 2006

Effective By Order U2005-363
On Consumption November 1, 2005
This Replaces Rider "A"
Previously Effective October 11, 2005

**ATCO GAS AND PIPELINES LTD. – NORTH
ATCO GAS – NORTH AND ATCO PIPELINES - NORTH
RIDER "A" TO ALL RATES
AND ANY OTHER RIDERS THERETO**

All charges under the Rates, including any charges under other Riders, to Customers situated within the communities listed on this Rider "A" are subject to the addition of the percentage shown. The percentage shown is to be applied as an addition to the billings calculated under the Rates including charges as allowed under other Riders in effect.

Method A. - Applied to gross revenues.

Method C. - Applied to gross revenues and Rider "E".

<u>Municipality</u>	<u>%</u>	<u>Method</u>	<u>Municipality</u>	<u>%</u>	<u>Method</u>	<u>Municipality</u>	<u>%</u>	<u>Method</u>
Edmonton *	32.00	A	Eggleham	5.26	C	Minburn	15.00	A
Red Deer	17.00	A	Eckville	24.00	A	Mirror	12.60	A
Camrose	15.00	A	Edgerton	15.00	A	Mundare	20.00	A
Fort McMurray	8.70	C	Edson	5.26	C	Nampa	16.84	A
Ft. Saskatchewan	0.00	A	Entwistle	17.32	A	Onoway	5.00	A
Grande Prairie	34.75	A	Fairview	21.63	A	Oyen	8.70	C
Lloydminster	7.00	C	Falher	15.00	A	Peace River	7.25	C
Spruce Grove	8.26	C	Fox Creek	12.93	A	Point Alison	5.26	C
St. Albert	5.26	C	Gibbons	30.00	A	Ponoka	17.00	A
Wetaskiwin	8.27	C	Girouxville	20.00	A	Provost	11.00	A
Alberta Beach	10.61	A	Golden Days	25.00	A	Rimbey	24.00	A
Alix	6.75	C	Grimshaw	28.00	C	Rocky Mtn. House	22.00	A
Amisk	9.10	A	Hardisty	20.00	A	Rycroft	15.00	A
Andrew	9.00	C	Hines Creek	30.00	A	Ryley	5.00	A
Bashaw	15.00	A	Hinton ***	8.00	A	Sangudo	9.25	A
Beaverlodge	8.70	C	Holden	0.00	A	Seba Beach	6.00	C
Bentley	0.00	A	Hughenden	10.98	A	Sexsmith	5.25	C
Berwyn	20.00	A	Hythe	8.70	A	Sherwood Park	6.50	C
Bittern Lake	17.68	A	Innisfree	17.50	C	Silver Beach	20.00	A
Blackfalds	19.12	A	Irma	20.00	A	Slave Lake	5.26	C
Bon Accord	25.00	A	Itaska	12.00	A	Spirit River	24.00	A
Breton	12.47	A	Jasper	5.25	A	Stony Plain	17.00	A
Bruderheim	10.00	A	Kitscoty	10.00	C	Swan Hills	8.16	A
Caroline	20.00	A	Lacombe	22.00	A	Sylvan Lake	20.00	A
Chipman	5.26	C	Lamont	35.00	A	Thorsby	11.69	A
Clive	16.17	A	Lavoy	5.25	A	Tofield	10.00	A
Clyde	9.47	A	Legal	5.26	C	Vegreville	33.00	A
Cold Lake	13.00	A	Lougheed	16.67	C	Vermilion	15.00	A
Consort	22.00	A	Mannville	20.00	A	Veteran	9.73	A
Coronation	10.05	A	Mayerthorpe	5.00	A	Viking	21.51	A
Czar	11.84	A	McLennan	24.00	A	Warburg	8.83	A
Donnelly	30.00	A	Millet	20.00	A	Whitecourt **	5.26	C
Drayton Valley***	22.00	A			A			

* Includes a \$446,667 maximum annual allowable assessment (Max) on any individual metered account.

** The deemed value of natural gas is applied only to Customers using less than 300,000 GJs per year.

*** Includes a \$10, 000 maximum annual allowable assessment (Max) on any individual metered account.

Effective January 1, 2006

Effective By Order U2005-363
On Consumption November 1, 2005
This Replaces Rider “B”
Previously Effective October 11, 2005

**ATCO GAS AND PIPELINES LTD. – NORTH
ATCO GAS – NORTH AND ATCO PIPELINES - NORTH
RIDER “B” TO ALL RATES
AND ANY OTHER RIDERS THERETO**

This Rider is applicable to Customers resident in municipalities that receive a property tax under the Municipal Government Act or receive payment for specific costs which are not generally incurred by the Company. This Rider is the estimated percentage of gross revenue required to provide for the tax payable or specific cost incurred each year. To the extent that this percentage may be more or less than that required to pay the tax or specific cost, the percentage of gross revenue provided in the Rider will be adjusted on the 1st of February each year.

The percentage is to be applied as an addition to the billings calculated under the Rates including charges as allowed under other Riders in effect with respect to the following municipalities:

Fort Saskatchewan	Vegreville
Wabamun	Rycroft
Wembley	Irma
Stony Plain Indian Reserve	Bon Accord
Paul Band Indian Reserve	Mannville
Fort McMurray No. 468 First Nation Band	Berwyn
Jarvis Bay	Holden
Norglenwold	Mayerthorpe
Argentia Beach	Silver Beach
Lakeview	Kitscoty
Hinton	Caroline
Sylvan Lake	Cold Lake
Breton	Provost
Bashaw	Itaska Beach
Bentley	Viking
Vermilion	Hardsity
Blackfalds	Stony Plain
Edgerton	Millett
Bruderheim	
Nampa	
Tofield	
Camrose	
Lamont	
Minburn	
Clive	
Lacombe	
Onoway	
Mundare	
Falher	
Girouxville	
Golden Days	
Warburg	
Ryley	
Ponoka	

Effective January 1, 2006

Effective By Decision 2005-115
On Transportation November 1, 2005
This Replaces Rider “D”
Previously Effective January 1, 2005

**ATCO GAS AND PIPELINES LTD. – NORTH
ATCO GAS - NORTH
RIDER “D” TO RETAILER DELIVERY SERVICE RATES FOR THE RECOVERY OF
UNACCOUNTED FOR GAS (UFG)**

All Retailer Delivery Service Customers delivering gas off the ATCO Gas North distribution system will be assessed a distribution UFG charge of 1.480% at the Point of Delivery. The UFG assessment will be made up “In-Kind” from each Customer Account.

Effective January 1, 2006

Effective By Order U2002-136
On Consumption April 1, 2002
This Replaces Rider "E"
Previously Effective January 1, 2002

**ATCO GAS AND PIPELINES LTD. - NORTH
RIDER "E" TO DELIVERY SERVICE RATES
FOR THE DETERMINATION OF THE "DEEMED VALUE OF NATURAL GAS"
FOR CALCULATION OF MUNICIPAL FRANCHISE FEE PAYABLE**

A Deemed Value of Natural Gas Rate will be applied to the energy delivered to Delivery Service Customers for the determination of municipal franchise fee payable by Customers in municipalities designated as Method "C" municipalities on Rider "A" of these Rate Schedules.

For Delivery Service Rates the "Deemed Value" is an amount equal to:

- (a) **For Rate 11:** The "Deemed Value" is an amount equal to the
the DSP Rider "F"
- (b) **For Rate 13:** The "Deemed Value" is an amount equal to the
DSP Rider "F"
- (c) **For Rate 13B:** The "Deemed Value" is an amount equal to the DSP
Rider "F" **less** \$0.090 per GJ

Effective January 1, 2006

Effective By Decision 2005-099
On Consumption September 1, 2005

**ATCO GAS AND PIPELINES LTD. - NORTH
RIDER "G" SURCHARGE TO DELIVERY SERVICE RATES**

Applicable to the fixed and variable charges in ATCO Gas North DSP Delivery Service Rates 1, 11, 3, 13, and 13B. Effective on all consumption commencing September 1, 2005.

Surcharge to Fixed Charge, Variable Charge and Demand Charge	9.96%
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Effective January 1, 2006

Effective By Order U2005-371
On Consumption January 1, 2006
This Replaces Rate 1
Previously Effective January 1, 2005

**ATCO GAS AND PIPELINES LTD. - NORTH
RATE NO. 1 DSP DELIVERY SERVICE**

Available to all Customers using less than 8,000 GJ per year, except those Customers who do not purchase their total natural gas requirements from the DSP or who utilize the Company's facilities only for standby, peaking or emergency service.

CHARGES:

Fixed Charge:	\$0.420 per Day
Variable Charge:	\$1.120 per GJ
Delivery Rate Surcharge	Rider "G"

Effective January 1, 2006

Effective By Order U2005-371
On Consumption January 1, 2006
This Replaces Rate 3
Previously Effective January 1, 2005

**ATCO GAS AND PIPELINES LTD. - NORTH
RATE NO. 3 DSP DELIVERY SERVICE - LARGE USE**

Available to all Customers using 8,000 GJ or more per year on an annual contract except those Customers who do not purchase their total natural gas requirements from the DSP or who utilize the Company's facilities only for standby, peaking or emergency service.

CHARGES:

Fixed Charge:	\$9.534 per Day
Demand Charge:	\$0.138 per GJ per Day of 24 Hr. Billing Demand
Variable Charge:	\$0.302 per GJ
Delivery Rate Surcharge	Rider "G"

BILLING DEMAND PERIOD:

The Billing Demand Period shall mean the twelve month period commencing November 1 and ending October 31.

DETERMINATION OF BILLING DEMAND:

The Billing Demand shall be the greater of:

1. The greatest amount of gas in GJ delivered in any consecutive 24 hour billing period during the current Billing Demand Period provided that the greatest amount of gas delivered in any 24 consecutive hours in the summer period shall be divided by 2, **or**
2. The Nominated Demand.

PROVIDED that for a Customer who elects to take service only during the summer period, the Billing Demand for each billing period shall be the greatest amount of gas in GJ in any consecutive 24 hours in that billing period.

In the first contract year, the Company shall estimate the Billing Demand from information provided by the Customer.

NOMINATED DEMAND:

A Customer whose maximum consumption exceeds 4,500 GJ for any 24 hour period in the winter period must nominate in writing twelve months in advance of each contract year the maximum consumption for any 24 hour period in the winter period in that contract year (the "Nominated Demand"). The Company reserves the right to restrict the amount of gas in GJ delivered in the winter period to the Nominated Demand and to restrict the amount of gas in GJ delivered in any one hour to 5% of the Nominated Demand.

Effective January 1, 2006

Effective By Order U2005-371
On Consumption January 1, 2006
This Replaces Rate 8
Previously Effective January 1, 2005

**ATCO GAS AND PIPELINES LTD. - NORTH
RATE NO. 8 STANDBY, PEAKING AND EMERGENCY DELIVERY SERVICE**

A. STANDBY AND PEAKING SERVICE

Available to all Customers on an annual contract.

Fixed Charge: Fixed Charge of Rate No. 3

Demand Charge: Demand Charge of Rate No. 3

Variable Charge:

Winter Period 1.3 times the Variable Charge of Rate No. 3 and the DSP Rider "F"
Summer Period Variable Charge of Rate No. 3 And the DSP Rider "F"

BILLING DEMAND PERIOD:

The Billing Demand Period shall mean the twelve month period commencing November 1 and ending October 31.

DETERMINATION OF BILLING DEMAND:

The Billing Demand shall be the greater of the greatest amount of gas in GJ delivered in any consecutive 24 hour billing period during the current Billing Demand Period provided that the greatest amount of gas delivered in any 24 consecutive hours in the summer period shall be divided by 2, or the Nominated Demand.

NOMINATED DEMAND:

All Customers must nominate in writing twelve months in advance of each contract year the maximum consumption required for any 24 hour period in that contract year (the "Nominated Demand"). For the first contract year, the Company may accept a nomination less than twelve months in advance of the contract year. The Company reserves the right to restrict the amount of gas in GJ delivered to the Nominated Demand and to restrict the amount of gas in GJ delivered in any one hour to 5% of the Nominated Demand.

B. EMERGENCY SERVICE (Applicable only to Retailer Delivery Service)

(i) **AUTHORIZED SALES:**

Fixed Charge: \$15.00 per Day

Variable Charge: Variable Charge of Rate No. 1.

Gas Cost Recovery: Highest cost of Gas purchased by the DSP on the Day of sale, with a minimum price of the DSP Rider "F".

(ii) **UNAUTHORIZED SALES:**

Fixed Charge: \$125.00 per Day

Gas Cost Recovery: Five (5) times the DSP Rider "F", with a minimum price of the highest cost of Gas purchased by the DSP on the Day of sale.

Effective January 1, 2006

Effective By Decision U2005-371
On Consumption January 1, 2006
This Replaces Rate 9
Previously Effective January 1, 1995

**ATCO GAS AND PIPELINES LTD. - NORTH
RATE NO. 9 UNMETERED GAS LIGHT SERVICE**

Applicable to all Customers with Company installed and approved gas lights.

CHARGES:

Fixed Charge: \$0.090 per Mantle per Day

Effective January 1, 2006

Effective By Decision U97131
On Consumption January 1, 1997
This Replaces Rate 40
Previously Effective January 1, 1995

**ATCO GAS AND PIPELINES LTD. - NORTH
RATE NO. 40 BUY/SELL SALES SERVICE**

Available on contract for the provision of firm Buy/Sell service. The exact services rendered, together with terms and conditions of the service shall be negotiated and submitted to the Alberta Energy and Utilities Board for approval in each case.

CHARGES:

Transportation Charges:	As per the applicable Rate Schedule
PLUS	The Cost of Gas Supply acquired for the Customer
PLUS	An Administrative Fee as negotiated and approved the Board

The Administrative Fee is a charge negotiated between the Company and the Customer for the Company to arrange for and administer the gas supply contracts dedicated to the Customer. The fee will depend on the services required by the Customer including the type and number of contracts delivering Gas dedicated to the Customer.

Effective January 1, 2006

Effective By Decision U97131
On Consumption January 1, 1997
This Replaces Rate 41
Previously Effective January 1, 1995

**ATCO GAS AND PIPELINES LTD. - NORTH
RATE NO. 41 BUY/SELL SERVICE FOR NATURAL GAS
SUPPLIED BY AN INDUSTRIAL END-USER FOR SALE TO COMPANY**

Available under an annual contract for Gas supplied and sold by Customer to Company provided that:

- (i) The Customer is an Industrial End-User who is provided with Gas Sales Service by Company under Rate 1, or 3, or is a Rate 4 Customer consuming less than 500,000 GJ per year.
- (ii) The Customer has executed an Annual Contract with the Company for Buy/Sell service which is subject to the provisions of this Rate Schedule and incorporates the Company's Buy/Sell Regulations as amended from time to time and approved by the Alberta Energy and Utilities Board.
- (iii) The Gas is delivered by Customer to Company at a mutually acceptable Point of Delivery on Company's Gas Pipeline System.

ANNUAL QUANTITY:

The Annual Quantity of Gas to be delivered by Customer and purchased by Company during the Contract Year shall be the actual consumption by Customer during the 12 Months ended March 31 immediately preceding the Contract Year. If such quantity will not be representative of the Contract Year, a mutually acceptable forecast will be used.

MAXIMUM DAILY QUANTITY:

The Maximum Daily Quantity that Customer shall be obligated to deliver to Company on any day shall equal the Annual Quantity divided by the product of the Load Factor and the number of days in the Contract Year. The Load Factor to be used for calculation of the Maximum Daily Quantity shall be forty percent (40%).

PRICE PAYABLE BY COMPANY:

The price payable for Gas purchased by Company from Customer shall be:
November 1 to March 31 Rider "F"
April 1 to October 31 Rider "F"

FAILURE OF SUPPLY:

In the event of a failure of Customer's supply pursuant to Clause 5.6 of Article A-V of the Buy/Sell Regulations the applicable charge to Customer shall be 130% of the highest cost of Gas purchased by Company on the Day of the failure, less the Price Payable by Company.

Effective January 1, 2006

Effective By Decision U97131
On Consumption January 1, 1997
This Replaces Rate 42
Previously Effective November 1, 1996

**ATCO GAS AND PIPELINES LTD. - NORTH
RATE NO. 42 BUY/SELL SERVICE FOR NATURAL GAS
SUPPLIED BY GAS ALBERTA FOR SALE TO COMPANY**

Available under a contract for gas supplied and sold by Gas Alberta (Customer) to Company provided that:

- (i) The Customer is provided with Gas Sales Service by Company under Rate 7.
- (ii) The Customer has executed a contract with the Company for Buy/Sell service which is subject to the provisions of this Rate Schedule and incorporates the Company's Buy/Sell Regulations as amended from time to time and approved by the Alberta Energy and Utilities Board.
- (iii) The Gas is delivered by Customer to Company at mutually acceptable Points of Delivery on Company's Gas Pipeline System as set forth in the Contract.

ANNUAL QUANTITY:

The Annual Quantity of Gas to be delivered by Customer and purchased by Company during the Contract Year shall be the actual consumption by Customer during the 12 Months ended March 31 immediately preceding the Contract Year adjusted for temperature. If such quantity will not be representative of the Contract Year, a mutually acceptable forecast will be used.

MAXIMUM DAILY QUANTITY:

The Maximum Daily Quantity that Customer shall be obligated to deliver to Company on any day shall equal the Annual Quantity divided by the product of the Load Factor and the number of days in the Contract Year. The Load Factor to be used for calculation of the Maximum Daily Quantity shall be forty percent (40%).

PRICE PAYABLE BY COMPANY:

The price payable for Gas purchased by Company from Customer shall be:

November 1 to March 31	Rider "F"
April 1 to October 31	Rider "F"

FAILURE OF SUPPLY:

In the event of a failure of Customer's supply pursuant to Clause 3.7 of Article III of the Contract, the applicable charge to Customer shall be the greater of 30% of Price Payable by Company or Company's incremental cost of replacement Gas.

Effective January 1, 2006

Effective By Decision U97131
On Consumption January 1, 1997
This Replaces Rate 43
Previously Effective November 1, 1996

**ATCO GAS AND PIPELINES LTD. - NORTH
RATE NO. 43 BUY/SELL SERVICE FOR NATURAL GAS
SUPPLIED BY A CORE END-USER FOR SALE TO COMPANY**

Available under an annual contract for Gas supplied and sold by Customer to Company provided that:

- (i) The Customer is a Core End-User who is provided with Gas Sales Service by Company under Rate 1, 3, or 5, or is a Rate 4 Customer consuming less than 500,000 GJ per year.
- (ii) The Customer has executed an Annual Contract with the Company for Buy/Sell service which is subject to the provisions of this Rate Schedule and incorporates the Company's Core Buy/Sell Regulations as amended from time to time and approved by the Alberta Energy and Utilities Board.
- (iii) The Gas is delivered by Customer to Company at the Carbon Sales Interconnection and/or any other TransCanada Transmission / Company interconnection designated by Company from time to time.

ANNUAL QUANTITY:

The Annual Quantity of Gas to be delivered by Customer and purchased by Company during the Contract Year shall be the estimated normalized annual consumption by Customer.

MAXIMUM DAILY QUANTITY:

The Maximum Daily Quantity that Customer shall be obligated to deliver to Company on any day shall equal the Annual Quantity divided by the product of the Load Factor and the number of days in the Contract Year. The Load Factor to be used for calculation of the Maximum Daily Quantity shall be fifty three percent (53%).

PRICE PAYABLE BY COMPANY:

The monthly price payable for Gas purchased by Company from Customer shall be:

The average price of monthly intra-Alberta Gas bought and sold for the delivery Month on the TransCanada Transmission system, based on agreements made during the Month immediately prior to the delivery Month, as reported by the delivery Month's Canadian Gas Price Reporter, published by Canadian Enerdata Ltd., or its successor, in the "Monthly Canadian and U.S. natural gas price summary" table, in the column containing the delivery Month, on the line "Alberta Spot Price - AECO C/N.I.T. C\$/GJ", or any words or phrases used in substitution therefore.

FAILURE OF SUPPLY:

In the event of a failure of Customer's supply pursuant to Clause 5.6 of Article A-V of the Core Buy/Sell Regulations the applicable charge to Customer shall be 130% of the highest cost of Gas purchased by Company on the Day of the failure, less the Price Payable by Company.

Effective January 1, 2006

Effective By Order U2005-371
On Consumption January 1, 2006
This Replaces Rate 11
Previously Effective January 1, 2005

**ATCO GAS AND PIPELINES LTD. - NORTH
RATE NO. 11 RETAILER DELIVERY SERVICE**

Available to all Customers using less than 8,000 GJ per year and purchase their natural gas requirements from a Retailer.

CHARGES:

Fixed Charge:	\$0.420 per Day
Variable Charge:	\$1.120 per GJ
Delivery Rate Surcharge	Rider "G"
Unaccounted For Gas:	Rider "D"

Effective January 1, 2006

Effective By Order U2004-443
On Consumption January 1, 2005
This Replaces Rate 13
Previously Effective July 1, 2004
Rate 13 Page 1 of 2

**ATCO GAS AND PIPELINES LTD. - NORTH
RATE NO. 13 RETAILER DELIVERY SERVICE – LARGE USE**

Available to all Customers using 8,000 GJ or more per year and purchase their natural gas requirements from a Retailer provided that:

- (i) The Customer has the exclusive contractual control of Gas flows at the Point of Delivery.
- (ii) The Customer has executed an Annual Contract with the Company which is subject to the provisions of this Rate Schedule and incorporates the Company's Natural Gas Transmission Transportation Service Regulations (Regulations) as amended from time to time and approved by the Alberta Energy and Utilities Board.

A. FIRM SERVICE CHARGES AT EACH POINT OF DELIVERY

Fixed Charge:	\$330.81 per Month
Variable Charge:	\$0.059 per GJ
Demand Charge:	\$6.43 per Month per GJ of 24-Hour Billing Demand
Delivery Rate Surcharge	Rider "G"
Unaccounted For Gas	Rider "D"

B. OVERRUN SERVICE

CHARGES AT POINT OF DELIVERY:

Provided the Company accepts a Customer's Nomination at the Point of Delivery in excess of 110% of the Customer's Nominated Demand, the charge for the amount of gas in excess of 110% of the Nominated Demand shall be:

Variable Charge:	\$0.317 per GJ
Unaccounted For Gas:	Rider "D"

C. UNAUTHORIZED SERVICES

CHARGES AT POINT OF DELIVERY:

For all gas taken in excess of 110% of the Customer's Nominated Demand where the Company has refused to accept a Nomination or where the Company has advised the Customer to curtail service to 110% of the Nominated Demand, the charge shall be:

Charges as per:	Rate 8 B (ii)
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Effective January 1, 2006

Rate 13 page 2 of 2

D. APPLICABLE TO “A”, “B” or “C”

NOMINATED DEMAND:

The Nominated Demand will be as specified in the Regulations and the Firm Service Agreement (FSR).

BILLING DEMAND:

The Billing Demand for any month equals the maximum gas flow in any 24-hour period during the month subject to a minimum amount of 90% of the Nominated Demand and a maximum amount of 110% of the Nominated Demand.

GAS IMBALANCES:

Settlement of Monthly Imbalance Quantity when Based on Daily Information:

Magnitude of Imbalance Quantity	Reasons for Imbalance Quantity	Settlement by Company	Price
<5%	Overdeliveries	N/A	N/A
	Underdeliveries	N/A	N/A
>5%	Overdeliveries	Purchase	75% of the Average Daily AECO “C” Prices for that Month
	Underdeliveries	Sale	130% of the Average Daily AECO “C” Prices for that Month

Settlement of Imbalance Quantity Arising from Adjustments:

When the Customer’s Account is put out of balance by actual adjustments, the Customer is required to bring the account into balance by providing 1/25 of the imbalance amount on a daily basis over a 25-day period.

Effective January 1, 2006

Effective By Order U2004-443
On Consumption January 1, 2005
This Replaces Rate 13B
Previously Effective July 1, 2004
Rate 13B Page 1 of 2

**ATCO GAS AND PIPELINES LTD. - NORTH
RATE NO. 13B RETAILER DELIVERY SERVICE – LARGE USE**

Available to all Customers using 8,000 GJ or more per year and purchase their natural gas requirements from a Retailer provided that:

- (i) The Customer has the exclusive contractual control of Gas flows at the Point of Delivery.
- (ii) The Customer has executed an Annual Contract with the Company which is subject to the provisions of this Rate Schedule and incorporates the Company's Natural Gas Transmission Transportation Service Regulations (Regulations) as amended from time to time and approved by the Alberta Energy and Utilities Board.

CHARGES:

Fixed Charge:	\$289.99 per Month
Demand Charge	\$4.19 Per Month per GJ of 24 Hr. Billing Demand
Variable Charge:	\$0.302 per GJ
Delivery Rate Surcharge	Rider "G"
Balancing Charge:	\$0.090 per GJ
Unaccounted For Gas:	Rider "D"

Minimum Monthly Charge: Fixed Charge plus Demand Charge

BILLING DEMAND PERIOD:

The Billing Demand Period shall mean the twelve month period, commencing November 1 and ending October 31.

DETERMINATION OF BILLING DEMAND:

The Billing Demand shall be the greater of:

1. The greatest amount of gas in GJ delivered in any consecutive 24 hour period during the current Billing Demand Period provided that the greatest amount of gas delivered in any 24 consecutive hours in the summer period shall be divided by 2, **or**
2. The Nominated Demand.

In the first contract year, the Company shall estimate the Billing Demand from information provided by the Customer.

Effective January 1, 2006

Rate 13B Page 2 of 2

NOMINATED DEMAND:

A Customer whose maximum consumption exceeds 4,500 GJ for any 24 hour period in the winter period must nominate in writing twelve months in advance of each contract year the maximum consumption for any 24 hour period in the winter period in that contract year (the "Nominated Demand"). The Company reserves the right to restrict the amount of gas in GJ delivered in the winter period to the Nominated Demand and to restrict the amount of gas in GJ delivered in any one hour to **5%** of the Nominated Demand.

SETTLEMENT OF MONTHLY IMBALANCE QUANTITY:

The Company shall provide the Customer with a monthly consumption forecast for each month of the next Billing Demand Period two months prior to the commencement of the next Billing Demand Period. The consumption forecast for each month will reflect normalized historical consumption patterns and any actions contemplated by the Customer that will affect historical patterns. For each month during the Billing Demand Period the Customer will deliver the monthly forecast on a 100% Load Factor basis. For each month the difference between the delivered quantity of gas and the actual consumption of gas shall be the Imbalance Quantity.

The Imbalance Quantity for each month shall be settled immediately based upon the Average Daily AECO "C" price for that month. Over-delivery Quantities shall be purchased by the Company, Under-delivery Quantities will be purchased by the Customer.

Effective January 1, 2006

Effective By Decision U97131
On Transportation January 1, 1997
This Replaces Rate 50
Previously Effective January 1, 1995

**ATCO GAS AND PIPELINES LTD. - NORTH
RATE NO. 50 - BALANCING SERVICE RATE FOR
TRANSPORTATION CUSTOMERS**

Available under contract with applicable Transportation Rate offered by the Company provided that:

- (i) Customer has executed a Transportation Agreement or contract with the Company to which this Balancing Service is to apply.
- (ii) Customer contracts for Balancing Service for a minimum term of one contract year or for the term of Customer's transportation agreement if less than one year.

CHARGES:

Variable Charge Applicable at Point(s) of Delivery:

\$0.001 per GJ

For each $\pm 1\%$ increase to monthly
imbalance limit contained in
Customer's Transportation Rate or Contract

Effective January 1, 2006

APPENDIX B

ATCO GAS AND PIPELINES LTD.

ATCO GAS SOUTH

RATE SCHEDULES

January 1, 2006

Effective January 1, 2006

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE SCHEDULES**

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Effective January 1, 2006

Effective By Decision 2004-004
On Consumption May 4, 2004
This Replaces General Conditions
Previously Effective March 28, 2004
General Conditions Page 1 of 2

ATCO GAS AND PIPELINES LTD. - SOUTH GENERAL CONDITIONS

1. **Approval of Alberta Energy and Utilities Board:**
Changes in Rates from time to time are subject to approval by the Alberta Energy and Utilities Board for the Province of Alberta.
2. **Special Contracts:**
Unless varied by the Alberta Energy and Utilities Board, service to Customers under Special Contracts shall be subject to the terms and conditions thereof. A special contract is required for all sales Customers with annual requirements in excess of 500,000 GJ.
3. **Specific Facilities Conditions:**
The Rates do not include extra costs incurred by the Company and payable by the Customer for Special Facilities or conditions requested by the Customer at the Point of Delivery or at the Point of Receipt.
4. **Annual Contract:**
The words “annual contract” as they appear on the Rate Schedules, shall mean a twelve month period commencing on the first day of the first month of the contract.
5. **Winter Period - Summer Period:**
The winter period is the five calendar months from November 1 to March 31, and the summer period is the seven calendar months from April 1 to October 31.
6. **Late Payment Charge:**
When accounts are not paid in full on or before the due date, the amount relating to the current month's charge unpaid by the due date shall be increased by 5% and the increased amount shall become due and payable.
7. **Terms and Conditions:**
The Company's Terms and Conditions for Distribution Service Connections and Distribution Access Service apply to all Customers and form part of these Rate Schedules.
8. **Notification of Service Transfer:**
 - (a) **Rate1/11:**
As per the Terms and Conditions for Distribution Access Service.
 - (b) **All Other Rates:**

Customers transferring from Sales Service to Transportation Service or Buy/Sell Service must provide written notice a minimum of 15 working days prior to the upcoming month.

Customers transferring from Transportation Service or Buy/Sell Service to Sales Service must provide written notice a minimum of 15 working days prior to the upcoming month.
9. **Administrative Fees:**
An administrative fee of \$5 per customer account is applicable for each enrollment to Rate 11 Retailer Delivery Service.

Effective January 1, 2006

General Conditions Page 2 of 2

- 10. Determination of Points of Receipt and Delivery for Transportation Service:**
The Company shall determine specific Point of Receipt and specific Point of Delivery locations and the contract quantities to be accepted and delivered at each point by consultation and agreement with the Customer.
- 11. Default Service Provider (DSP):**
“DSP” as they appear on the Rate Schedules, shall mean Default Service Provider. Effective May 4, 2004 the DSP for the ATCO Gas South service area will be Direct Energy Regulated Services.
- 12. DSP Rider F:**
The words “DSP Rider “F” ” as they appear on the Rate Schedules, shall mean the Direct Energy Regulated Services Gas Cost Flow-Through Rate for ATCO Gas South.
- 13. Transition of Customers to DSP Delivery Service:**
The transition of customers to DSP Delivery Service will occur starting on May 4, 2004 on a cycle by cycle basis. The effective date for the rates shown on these rate schedules will be the date of transition to the DSP.

Effective January 1, 2006

Effective By Order U2005-317
On Consumption November 4, 2005
This Replaces Rider "A"
Previously Effective August 19, 2005

**ATCO GAS AND PIPELINES LTD. - SOUTH
ATCO GAS – SOUTH AND ATCO PIPELINES - SOUTH
RIDER "A" TO ALL RATES
AND ANY OTHER RIDERS THERETO**

All charges under the Rates, including any charges under other Riders, to Customers situated within the communities listed on this Rider "A" are subject to the addition of the percentage shown. The percentage shown is to be applied as an addition to the billings calculated under the Rates including charges as allowed under other Riders in effect.

Method A. - Applied to gross revenues excluding Rider "G" and the Market Value portion of Rider "H".

Method C. - Applied to gross revenues and Rider "E".

<u>Municipality</u>	<u>%</u>	<u>Method</u>	<u>Municipality</u>	<u>%</u>	<u>Method</u>	<u>Municipality</u>	<u>%</u>	<u>Method</u>
Calgary	11.11	C	Claresholm	10.00	A	Lomond	20.00	A
Lethbridge	32.30	A	Coaldale	11.30	A	Longview	16.00	A
Acme	20.00	A	Coalhurst	12.44	A	Magrath	11.18	A
Airdrie	7.50	C	Cochrane	23.00	A	Milk River	30.00	A
Banff	5.26	C	Coutts	5.26	C	Nanton	13.00	A
Banff Park	5.25	C	Cowley	13.79	A	Nobleford	5.26	C
Barnwell	13.00	A	Cremona	23.00	A	Okotoks	5.25	C
Barons	14.97	A	Crossfield	11.23	A	Olds	6.00	C
Bassano	5.26	C	Crowsnest Pass	5.26	C	Penhold	5.26	C
Beiseker	11.18	A	Delburne	5.26	C	Picture Butte	5.26	C
Big Valley	5.26	C	Didsbury	5.26	C	Raymond	11.18	A
Black Diamond	14.00	A	Duchess	12.67	A	Rockyford	23.00	A
Bow Island	10.50	A	Elnora	16.00	A	Rosemary	14.78	A
Bowden	5.26	C	Foremost	21.0	A	Standard	11.34	A
Brooks	18.00	A	Fort Macleod	12.50	A	Stavelly	11.18	A
Burdett	11.18	A	Glenwood	5.26	C	Stirling	11.18	A
Canmore	22.10	A	Granum	8.50	A	Strathmore	11.18	A
Carbon	15.07	A	High River	13.00	A	Taber *	5.26	C
Cardston	5.26	C	Hill Spring	21.52	A	Trochu	14.20	A
Carmangay	15.97	A	Hussar	13.74	A	Turner Valley	10.00	A
Carstairs	5.26	C	Innisfail	5.26	C	Vauxhall	5.26	C
Champion	15.01	A	Irricana	11.18	A	Vulcan	7.00	C
			Linden	15.23	A			

* Includes a \$75,000 maximum annual allowable assessment on any individual metered account.

Effective January 1, 2006

Effective By Order U2005-317
On Consumption November 4, 2005
This Replaces Rider “B”
Previously Effective May 26, 2005

**ATCO GAS AND PIPELINES LTD. – SOUTH
ATCO GAS – SOUTH AND ATCO PIPELINES - SOUTH
RIDER “B” TO ALL RATES
AND ANY OTHER RIDERS THERETO**

This Rider is applicable to Customers resident in municipalities that receive a property tax under the Municipal Government Act or receive payment for specific costs which are not generally incurred by the Company. This Rider is the estimated percentage of gross revenue required to provide for the tax payable or specific cost incurred each year. To the extent that this percentage may be more or less than that required to pay the tax or specific cost, the percentage of gross revenue provided in the Rider will be adjusted on the 1st of February each year.

The percentage is to be applied as an addition to the billings calculated under the Rates including charges as allowed under other Riders in effect with respect to the following municipalities:

Banff
Redwood Meadows (Siksika Nation)
Bow Island
Foremost
Rosemary
Turner Valley
Canmore
Elnora
Linden
Brooks
Granum
Milk River
Trochu
Claresholm
Lomond
Nanton

Effective January 1, 2006

Effective by Decision 2005-115
On Transportation November 1, 2005
This Replaces Rider “D”
Previously Effective January 1, 2005

**ATCO GAS AND PIPELINES LTD. - SOUTH
ATCO GAS – SOUTH
RIDER “D” TO RETAILER DELIVERY RATES FOR THE RECOVERY OF
UNACCOUNTED FOR GAS AND FUEL GAS**

All Retailer Delivery Service Customers delivering gas off the ATCO Gas South distribution system will be assessed a distribution UFG charge of 0.768% at the Point of Delivery. The UFG assessment will be made up “In-Kind” from each Customer Account.

Effective January 1, 2006

Effective By Decision 2004-004
On Consumption May 4, 2004
This Replaces Rider “E”
Previously Effective September 1 2000

**ATCO GAS AND PIPELINES LTD. - SOUTH
RIDER “E” TO DELIVERY SERVICE RATES
FOR THE DETERMINATION OF THE “DEEMED VALUE OF NATURAL GAS”
FOR CALCULATION OF MUNICIPAL FRANCHISE FEE PAYABLE**

A Deemed Value of Natural Gas Rate will be applied to the energy delivered to Delivery Service Customers for the determination of municipal franchise fee payable by Customers in municipalities designated as Method “C” municipalities on Rider “A” of these Rate Schedules.

FOR ALL RATES:

The “Deemed Value” is an amount equal to the Gas Cost Recovery specified on the DSP Rider “F”.

Effective January 1, 2006

Effective By Order U2002-135
On Consumption on and after November 1, 2005

**ATCO GAS AND PIPELINES LTD. - SOUTH
RIDER "G" TO ALL RATES
FOR CREDITING OR DEBITING COMPANY OWNED PRODUCTION RELATED
BENEFITS/COSTS**

To be applied to the energy sold or delivered to all customers unless otherwise specified by specific contracts or the Board.

Company Owned Production Rate Rider (COPRR):

For the period November 1, 2005 to November 30, 2005

\$0.029 per GJ Credit

The difference between gas market prices and gas royalty costs is subject to reconciliation by the Alberta Energy and Utilities Board.

Effective January 1, 2006

Effective By Order U2002-135
On Consumption on and after November 1, 2005

**ATCO GAS AND PIPELINES LTD. - SOUTH
RIDER "H" TO ALL RATES EXCEPT FOR RATE 5 AND 18
FOR CREDITING OR DEBITING CARBON STORAGE RELATED BENEFITS/COSTS**

To be applied to the energy sold or delivered to all customers (except Rate 5 and 18) unless otherwise specified by specific contracts or the Board.

Company Owned Storage Rate Rider (COSRR):

For the period November 1, 2005 to November 30, 2005 \$0.136 per GJ credit

The Market Value portion of the rate shown above is \$0.000 per GJ credit.

The Carbon Storage related benefits and costs are subject to reconciliation by the Alberta Energy and Utilities Board.

Effective January 1, 2006

Effective By Order U2002-135
On Consumption on and after November 1, 2005

**ATCO GAS AND PIPELINES LTD. - SOUTH
RIDER "I" TO RATE 5 AND RATE 18
FOR CREDITING CARBON STORAGE RELATED BENEFITS/ COSTS**

To be applied to the energy sold or delivered to Rate 5 and Rate 18 customers unless otherwise specified by specific contracts or the Board.

Company Owned Storage Rate Rider (COSRR): \$0.320 per GJ Credit

The Carbon Storage related benefits and costs are subject to reconciliation by the Alberta Energy and Utilities Board.

Effective January 1, 2006

Effective By Order U2005-371
On Consumption January 1, 2006
This Replaces Rate 1
Previously Effective August 1, 2005

**ATCO GAS AND PIPELINES LTD. – SOUTH
RATE NO. 1 – DSP DELIVERY SERVICE**

Available to all customers using less than 8,000 GJ per year except those customers who do not purchase their total natural gas requirements from the DSP or who utilize the Company's facilities only for standby, peaking or emergency service.

CHARGES:

Fixed Charge:	\$0.428 per Day
Variable Charge:	\$1.138 per GJ
COPRR:	Rider "G"
COSRR:	Rider "H"

Effective January 1, 2006

Effective By Order U2005-371
On Consumption January 1, 2006
This Replaces Rate 3
Previously Effective August 1, 2005

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE NO. 3 DSP DELIVERY SERVICE - LARGE USE**

Available to all customers using 8,000 GJ or more per year on an annual contract except those customers who do not purchase their total natural gas requirements from the DSP or who utilize the Company's facilities only for standby, peaking or emergency service.

CHARGES:

Fixed Charge:	\$9.299 per Day
Demand Charge:	\$0.118 per Day per GJ of 24 Hr. Billing Demand
Variable Charge:	\$0.306 per GJ
COPRR:	Rider "G"
COSRR:	Rider "H"

DETERMINATION OF BILLING DEMAND:

The Billing Demand shall be the greater of:

1. The greatest amount of gas in GJ delivered in any consecutive 24-hour period during the current and preceding eleven billing periods provided that the greatest amount of gas delivered in any consecutive 24 hours in the summer period shall be divided by 2, **or**
2. The Nominated Demand

PROVIDED that for a customer who elects to take service only during the summer period, the Billing Demand for each billing period shall be the greatest amount of gas in GJ in any consecutive 24 hours in that billing period.

In the first contract year, the Company shall estimate the Billing Demand from information provided by the customer.

NOMINATED DEMAND:

A customer whose maximum consumption exceeds 4 500 GJ for any 24-hour period in the winter period must nominate in writing twelve months in advance of each contract year the maximum consumption for any 24-hour period in the winter period in that contract year (the "Nominated Demand"). The Company reserves the right to restrict the amount of gas in GJ delivered in the winter period to the Nominated Demand and to restrict the amount of gas in GJ delivered in any one hour to **5%** of the Nominated Demand.

Effective January 1, 2006

Effective By Order U2005-371
On Consumption January 1, 2006
This Replaces Rate 5
Previously Effective August 1, 2005

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE NO. 5 – DSP DELIVERY SERVICE - IRRIGATION PUMPING**

Available to all customers who use natural gas as a fuel for engines pumping irrigation water between April 1 and October 31.

CHARGES:

Fixed Charge: \$0.653 per Day

Variable Charge: \$0.943 per GJ

COPRR: Rider "G"

COSRR: Rider "I"

Effective January 1, 2006

Effective By Order U2005-371
On Consumption January 1, 2006
This Replaces Rate 7
Previously Effective August 1, 2005

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE NO. 7 - STANDBY, PEAKING AND EMERGENCY DELIVERY SERVICE**

A. STANDBY AND PEAKING SERVICE

Available to all customers on an annual contract.

CHARGES:

Fixed Charge: Fixed Charge of Rate No. 3

Demand Charge: Demand Charge of Rate No. 3

Variable Charge:

Winter Period 1.3 times the Variable Charge of Rate No. 3 and Riders "G" and "H"
Summer Period Variable Charge of Rate No. 3 and Riders "G" and "H"

Minimum Monthly Charge: Fixed Charge and Demand Charge

DETERMINATION OF BILLING DEMAND:

The Billing Demand shall be the greater of the greatest amount of gas in GJ delivered in any consecutive 24-hour period during the current Billing Demand Period provided that the greatest amount of gas delivered in any consecutive 24 hours in the summer period shall be divided by 2, or the Nominated Demand.

NOMINATED DEMAND:

All customers must nominate in writing twelve months in advance of each contract year the maximum consumption required for any 24-hour period in that contract year (the "Nominated Demand"). For the first contract year, the Company may accept a nomination less than twelve months in advance of the contract year. The Company reserves the right to restrict the amount of gas in GJ delivered in any one hour to 5% of the Nominated Demand.

B. EMERGENCY SERVICE (Available only to Retailer Delivery Service)

(i) **Authorized Sales**

Fixed Charge: \$15.00 per Day

Variable Charge: Variable Charge of Rate No. 1.

Gas Cost Recovery: Highest cost of Gas purchased by the DSP on the Day of sale, with a minimum price of the DSP Rider "F".

(ii) **Unauthorized Sales**

Fixed Charge: \$125.00 per Day

Gas Cost Recovery: Five (5) times the DSP Rider "F", with a minimum price of the highest cost of Gas purchased by the DSP on the Day of Sale.

Effective January 1, 2006

Effective By Decision U2005-371
On Consumption January 1, 2006
This Replaces Rate 8
Previously Effective January 1, 1994

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE NO. 8 - UNMETERED GAS LIGHT SERVICE**

Applicable to all Customers with Company installed and approved gas lights.

Fixed Charge: \$0.090 per Mantle per Day

Effective January 1, 2006

Effective By Decision E93098
On Consumption January 1, 1994
This Replaces Rate 40
Previously Effective January 1, 1992

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE NO. 40 BUY/SELL SALES**

Available on contract for the provision of firm Buy/Sell service. The exact services rendered, together with terms and conditions of the service shall be negotiated and submitted to the Alberta Energy and Utilities Board for approval in each case.

CHARGES:

Transportation Charges: As per the applicable Rate Schedule

PLUS The Cost of Gas Supply acquired for the Customer

PLUS An Administrative Fee as negotiated and approved by the Board

The Administrative Fee is a charge negotiated between the Company and the Customer for the Company to arrange for and administer the gas supply contracts dedicated to the Customer. The fee will depend on the services required by the Customer including the type and number of contracts delivering Gas dedicated to the Customer.

Effective January 1, 2006

Effective By Decision E95112
On Consumption November 1, 1995
This Replaces Rate 41
Previously Effective February 1, 1995

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE NO. 41 BUY/SELL SERVICE FOR NATURAL GAS
SUPPLIED BY AN INDUSTRIAL END-USER FOR SALE TO COMPANY**

Available under an Annual Contract for Gas supplied and sold by Customer to Company provided that:

- (i) The Customer is an Industrial End-User who is provided with Gas Sales Service by Company under Rate 1 or 3.
- (ii) The Customer has executed a Core Buy/Sell Gas Purchase Contract with the Company for Buy/Sell service which is subject to the provisions of this Rate Schedule and incorporates the Company's Buy/Sell Regulations as amended from time to time and approved by the Alberta Energy and Utilities Board.
- (iii) The Gas is delivered by Customer to Company at a mutually acceptable Point of Delivery on Company's Gas Pipeline System.

ANNUAL QUANTITY:

The Annual Quantity of Gas to be delivered by Customer and purchased by Company during the Contract Year shall be the actual consumption by Customer during the 12 months ended March 31 immediately preceding the Contract Year. If such quantity will not be representative of the Contract Year, a mutually acceptable forecast will be used.

MAXIMUM DAILY QUANTITY:

The Maximum Daily Quantity that Customer shall be obligated to deliver to Company on any day shall equal the Annual Quantity divided by the product of the Load Factor and the number of days in the Contract Year. The Load Factor to be used for calculation of the Maximum Daily Quantity shall be forty percent (40%).

PRICE PAYABLE BY COMPANY:

The price payable for Gas purchased by Company from Customer shall be:

November 1 to March 31
April 1 to October 31

Rider "F"
Rider "F"

FAILURE OF SUPPLY:

In the event of a failure of Customer's supply pursuant to Clause 5.6 of Article A-V of the Buy/Sell Regulations, the applicable charge to Customer shall be 130% of the highest cost of Gas purchased by Company on the Day of the failure, less the Price Payable by Company.

Effective January 1, 2006

Effective By Decision U96062
On Consumption November 1, 1996

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE NO. 43 BUY/SELL SERVICE FOR NATURAL GAS
SUPPLIED BY A CORE END-USER FOR SALE TO COMPANY**

Available under an Annual Contract for Gas supplied and sold by Customer to Company provided that:

- (i) The Customer is a Core End-User who is provided with Gas Sales Service by Company under Rate 1 or 3 or is a Rate 5 Customer consuming less than 500,000 GJ per year.
- (ii) The Customer has executed a Core Buy/Sell Gas Purchase Agreement with the Company for Buy/Sell service which is subject to the provisions of this Rate Schedule and incorporates the Company's Core Market Buy/Sell Regulations as amended from time to time and approved by the Alberta Energy and Utilities Board.
- (iii) The Gas is delivered by Customer to Company at the Carbon Sales interconnection and/or any other TransCanada/Company interconnection designated by Company from time to time.

ANNUAL QUANTITY:

Annual Quantity of Gas to be delivered by Customer and purchased by Company during the Contract Year shall be the estimated normalized annual consumption by Customer.

MAXIMUM DAILY QUANTITY:

The Maximum Daily Quantity that Customer shall be obligated to deliver to Company on any day shall equal the Annual Quantity divided by the product of the Load Factor and the number of days in the Contract Year. The Load Factor to be used for calculation of the Maximum Daily Quantity shall be fifty three percent (53%).

PRICE PAYABLE BY COMPANY:

The monthly price payable for Gas purchased by Company from Customer shall be:

The average price of monthly intra-Alberta Gas bought and sold for the delivery Month on the TransCanada transmission system, based on agreements made during the Month immediately prior to the delivery Month, as reported by the delivery Month's Canadian Gas Price Reporter, published by Canadian Enerdata Ltd., or its successor, in the "Monthly Canadian and U.S. natural gas price summary" table, in the column containing the delivery Month, on the line "Alberta Spot Price - AECO C/N.I.T. C\$/GJ", or any words or phrases used in substitution therefore.

FAILURE OF SUPPLY:

In the event of a failure of Customer's supply pursuant to Clause 5.6 of Article A-V of the Core Buy/Sell Regulations the applicable charge to Customer shall be 130% of the highest cost of Gas purchased by Company on the Day of the failure, less the Price Payable by Company.

Effective January 1, 2006

Effective By Order U2005-371
On Consumption January 1, 2006
This Replaces Rate 11
Previously Effective August 1, 2005

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE NO. 11 RETAILER DELIVERY SERVICE**

Available to all Customers using less than 8,000 GJ per year and purchase their natural gas requirements from a Retailer.

CHARGES:

Fixed Charge:	\$0.428 per Day
Variable Charge:	\$1.138 per GJ
COPRR:	Rider "G"
COSRR:	Rider "H"
Unaccounted For Gas:	Rider "D"

Effective January 1, 2006

Effective By Order U2005-307
On Transportation August 1, 2005
This Replaces Rate 13
Previously Effective January 1, 2005
Rate 13 Page 1 of 2

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE NO. 13 RETAILER DELIVERY SERVICE**

Available to all Customers using 8,000 GJ or more per year and purchase their natural gas requirements from a Retailer provided that:

- (i) The Customer has the exclusive contractual control of Gas flows at the Point of Delivery.
- (ii) The Customer has executed an Annual Contract with the Company which is subject to the provisions of this Rate Schedule and incorporates the Company's Natural Gas Transmission Transportation Service Regulations (Regulations) as amended from time to time and approved by the Alberta Energy and Utilities Board.

A. FIRM SERVICE CHARGES AT EACH POINT OF DELIVERY

Fixed Charge:	\$304.64 per Month
Variable Charge:	\$0.166 per GJ
Demand Charge:	\$5.89 per Month per GJ of 24 Hr. Billing Demand
COPRR:	Rider "G"
COSRR:	Rider "H"
Unaccounted For Gas:	Rider "D"

B. OVERRUN SERVICE

CHARGES AT POINT OF DELIVERY:

Provided Company accepts a Customer's Nomination at the Point of Delivery in excess of 110% of the Customer's Nominated Demand, the charge for the amount of gas in excess of 110% of the Nominated Demand shall be:

Variable Charge:	\$0.290 per GJ
Unaccounted For Gas:	Rider "D"

Effective January 1, 2006

Rate 13 Page 2 of 2

C. UNAUTHORIZED SERVICES

CHARGES AT POINT OF DELIVERY:

For all gas taken in excess of 110% of the Customer's Nominated Demand where Company has refused to accept a Nomination or where Company has advised the Customer to curtail service to 110% of the Nominated Demand, the charge shall be:

Charges as per: Rate 7 B (ii)

D. APPLICABLE to "A", "B" or "C"

NOMINATED DEMAND:

The Nominated Demand will be as specified in the Regulations and the Firm Service Agreement (FSA).

BILLING DEMAND:

The Billing Demand for any month equals the maximum gas flow in any 24-hour period during the month subject to a minimum amount of 90% of the Nominated Demand and a maximum amount of 110% of the Nominated Demand.

GAS IMBALANCES:

Settlement of Monthly Imbalance Quantity when Based on Daily Information:

<u>Magnitude of Imbalance Quantity</u>	<u>Reasons for Imbalance Quantity</u>	<u>Settlement by Company</u>	<u>Price</u>
<5%	Overdeliveries	N/A	N/A
	Underdeliveries	N/A	N/A
>5%	Overdeliveries	Purchase	75% of the Average Daily AECO "C" prices for that Month
	Underdeliveries	Sale	130% of the Average Daily AECO "C" prices for that Month

Settlement of Imbalance Quantity Arising from Adjustments:

When the Customer's Account is put out of balance by actual adjustments, the Customer is required to bring the account into balance by providing 1/25 of the imbalance amount on a daily basis over a 25-day period.

Effective January 1, 2006

Effective By Order U2005-371
On Transportation January 1, 2006
This Replaces Rate 18
Previously Effective August 1, 2005

ATCO GAS AND PIPELINES LTD. - SOUTH
RATE NO. 18 RETAILER DELIVERY SERVICE – IRRIGATION PUMPING

Available to all Customers that purchase their natural gas requirements from a Retailer and use natural gas as a fuel for engines pumping irrigation water between April 1 and October 31.

CHARGES:

Fixed Charge:	\$0.653 per Day
Variable Charge:	\$0.943 per GJ
COPRR:	Rider "G"
COSRR:	Rider "I"
Unaccounted For Gas:	Rider "D"

Effective January 1, 2006

Effective By Decision 2000-61
On Consumption September 1, 2000
This Replaces Rate 50
Previously Effective January 1, 1994

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE NO. 50 BALANCING SERVICE RATE FOR
TRANSPORTATION CUSTOMERS**

Available under contract with any Transportation Rate offered by the Company provided that:

- (i) Customer has executed a transportation service agreement or contract with Company to which this Balancing Service is to apply.
- (ii) Customer contracts for Balancing Service for a minimum term of one contract year or for the term of Customer's transportation agreement if less than one year.

CHARGES:

Variable Charge Applicable at Point(s) of Delivery:

\$0.001 per GJ

For each $\pm 1\%$ increase to monthly
imbalance limit contained in
Customer's Transportation Rate or Contract