



## **ATCO Gas**

### **2011 Weather Deferral Account Rate Rider**

**July 21, 2011**



**The Alberta Utilities Commission**

Decision 2011-313: ATCO Gas  
2011 Weather Deferral Account Rate Rider  
Application No. 1607321  
Proceeding ID No. 1230

July 21, 2011

Published by

The Alberta Utilities Commission  
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## 1 Introduction

1. In Decision 2008-113,<sup>1</sup> the Alberta Utilities Commission (the AUC or the Commission) approved the creation of a Weather Deferral Account (WDA) for each of ATCO Gas North (AGN) and ATCO Gas South (AGS) service areas of ATCO Gas effective January 1, 2008.
2. On May 12, 2011, ATCO Gas submitted an application (the application) to the Commission for the refund of accumulated WDA balances through a Rider “W” for each of AGN and AGS to be effective August 1, 2011.
3. In the application, ATCO Gas submitted that the Rider “W” for AGN customers would result in a \$0.135 per gigajoule (GJ) credit for low use customers, and a \$0.129 per GJ credit for mid use customers. Rider “W” for AGS customers would result in a \$0.145 per GJ credit for low use customers, and a \$0.135 per GJ credit for mid use customers. All riders were proposed to be effective from August 1, 2011 to July 31, 2012. Supporting documentation detailing how the riders were determined was also provided.
4. The riders reflect a refund of \$13.318 million for AGN and \$13.095 million for AGS.
5. The Commission issued a notice of application on May 13, 2011, and received statements of intent to participate (SIP) from BP Canada Energy Company, the Consumers’ Coalition of Alberta (CCA) and the Office of the Utilities Consumer Advocate (UCA).
6. In the SIPs received from the CCA and the UCA, both parties indicated that an information request process was necessary before they could determine whether or not to object to the application. On May 31, 2011, the Commission set out the following process schedule:

Activity	Due date
Information requests to applicant	June 15, 2011
Information responses from applicant	June 29, 2011
Simultaneous argument (if any)	July 6, 2011
Simultaneous reply argument (if any)	July 13, 2011

7. Only the Commission submitted information requests. On July 6, 2011, and July 7, 2011, the UCA and the CCA, respectively, filed letters indicating that they did not intend to file argument. Accordingly the Commission considers the record of this proceeding to have closed as of July 7, 2011.

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<sup>1</sup> Decision 2008-113: ATCO Gas 2008-2009 General Rate Application Phase I, Application No. 1553052, Proceeding ID 11, November 13, 2008, pages 108 - 109.

## 2 Background

8. The purpose of the WDA as approved by the Commission in Decision 2008-113 is to allow ATCO Gas to counter the revenue risk to the utility resulting from material differences in actual temperature compared to forecast. The Commission approved the use of a WDA in each of the North and the South rate zones to account for the impact on delivery revenue differences between the actual degree days and the forecast (normal) degree days used in the determination of the approved revenue forecast. The normal temperatures that would be used for the deferral account would be those used to develop the approved revenue forecast for that year.

9. Decision 2008-113 also approved the ATCO Gas proposal that the WDA for either AGN or AGS be trued up by using a 12-month WDA rider when the particular deferral account exceeded \$7 million at April 30th of a particular year. \$7 million represents approximately a +/- 10% variation in the normalized weather forecast.

10. In Decision 2009-093,<sup>2</sup> ATCO Gas applied for and received approval for a AGN WDA rate rider refund to be distributed to the low use rate group as the only rate group at the time with a commodity rate. The weather deferral account balance at April 30, 2009, for AGN was in a refund position of approximately \$7.245 million. The Commission approved the calculation of the rate rider by dividing the WDA balance with the throughput forecast of the low use rate group. The resulting calculation was approved as Rider "W".

11. In the application ATCO Gas described the methodology used to determine the amount of revenue to be deferred into the WDA as follows:

- 1) Performing a regression calculation of the actual monthly sales per customer to temperature for each rate class that has a commodity charge.
- 2) The resultant temperature coefficient is applied to the deviation between the actual temperature and the normal temperature for each month
- 3) The result from 2, above, is applied to the actual day sales per customer for each month to produce a normal day sales per customer.
- 4) The normal day sales per customer is applied to the actual number of customers in each month to obtain the normal sales for the month.
- 5) The difference between the normal sales and actual sales for each month is multiplied by the variable charge in effect for each month to determine the amount of revenue to be deferred.
- 6) At the end of each calendar year, the temperature coefficient is adjusted based on the actual sales per customer and temperatures for the current year. At this time the monthly carrying charges are recalculated based on the updated temperature coefficient.<sup>3</sup>

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<sup>2</sup> Decision 2009-093: ATCO Gas Weather Deferral Account Rate Rider, Application No. 1605061, Proceeding ID 198, June 24, 2009.

<sup>3</sup> Application, paragraph 5, page 2.

12. ATCO Gas indicated that this methodology was consistent with the approvals provided by the Commission in Decision 2008-113. The Commission also notes that the above methodology was used by ATCO Gas in its application leading to Decision 2009-093.

13. In Decision 2009-093, ATCO Gas was directed at paragraph 23 “at its next general rate application to provide a comprehensive review of the issues raised by interveners in this proceeding, particularly those noted in paragraphs 17, 18 and 19.” The Commission notes that ATCO Gas filed materials to comply with this direction in its 2011-2012 ATCO Gas general rate application.<sup>4</sup> Compliance with the direction and any further direction will be addressed in the Commission’s decision on the general rate application.

### **3 Commission findings**

14. The Commission finds that the methodology used to determine the WDA calculation of the WDA for each of AGN and AGS is consistent with the threshold requirements and methodology approved in Decision 2008-113 and Decision 2009-093, and that the proposed Rider “W” for AGN and the proposed Rider “W” for AGS have been calculated in a manner consistent with the calculation of Rider “W” for AGN in Decision 2009-093.

15. Accordingly, noting no objections to the application, the Commission finds that Rider W for AGN and AGS as proposed by ATCO Gas, and attached as Attachment 1 and 2 hereto, are approved for implementation during the period of August 1, 2011 to July 31, 2012.

16. It is hereby ordered that:

- (1) Rider “W” for ATCO Gas North, as specified in [Appendix 2](#), is approved for implementation during the period of August 1, 2011 to July 31, 2012.
- (2) Rider “W” for ATCO Gas South, as specified in [Appendix 3](#), is approved implementation during for the period of August 1, 2011 to July 31, 2012.

Dated on July 21, 2011.

### **The Alberta Utilities Commission**

*(original signed by)*

Moin A. Yahya  
Commission Member

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<sup>4</sup> Decision 2009-093, Tab 1.0.

**Appendix 1 – Proceeding participants**

<b>Name of organization (abbreviation) counsel or representative</b>
ATCO Gas M. Bayley
BP Canada Energy Company C. Worthy
Consumers' Coalition of Alberta (CCA) J. Wachowich
Office of the Utilities Consumer Advocate (UCA) T. Marriott

  

The Alberta Utilities Commission  Commission Panel M. Yahya, Panel Chair  Commission staff A. Sabo, (Commission counsel) B. McNulty, (Commission counsel) B. Leung C. Taylor
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**Appendix 2 – ATCO Gas and Pipelines Ltd. ATCO Gas North Rate Schedules – August 1, 2011**



Appendix 2 to  
Decision 2011-313 - N

[\(return to text\)](#)

**Appendix 3 – ATCO Gas and Pipelines Ltd. ATCO Gas South Rate Schedules –  
August 1, 2011**



Appendix 3 to  
Decision 2011-313 - S

[\(return to text\)](#)



**ATCO GAS AND PIPELINES LTD.**

**ATCO GAS NORTH**

**RATE SCHEDULES**

**August 1, 2011**

Effective August 1, 2011

**ATCO GAS AND PIPELINES LTD. - NORTH  
 RATE SCHEDULES  
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Effective January 1, 2011 by Decision 2010-573  
This Replaces General Conditions  
Previously Effective September 1, 2007

## ATCO GAS AND PIPELINES LTD. - NORTH GENERAL CONDITIONS

1. **Approval of Alberta Utilities Commission (AUC):**

Changes in Rates from time to time are subject to approval by the AUC for the Province of Alberta.

2. **Special Contracts:**

Unless varied by the AUC, service to Customers under Special Contracts shall be subject to the terms and conditions thereof.

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.

4. **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.

5. **Late Payment Charge:**

When accounts are not paid in full on or before the due date, the Company will apply a 1% penalty on the amount due. If the payment is not received by the next billing cycle, a 1% penalty will be applied to the balance carried forward (including prior penalties).

6. **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.

7. **DSP Rider F:**

The words "DSP Rider "F" " as they appear on the Rate Schedules, shall mean the Default Supply Provider's Regulated Services Gas Cost Flow-Through Rate for ATCO Gas.

Effective May 10, 2011 by Decision 2011-097  
This Replaces Rider "A"  
Previously Effective January 1, 2011

**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>Municipalities –</u> <u>Method A</u>	<u>%</u>	<u>Effective</u> <u>Date</u> <u>yymmdd</u>	<u>Municipalities –</u> <u>Method A</u>	<u>%</u>	<u>Effective</u> <u>Date</u> <u>yymmdd</u>	<u>Municipalities –</u> <u>Method A</u>	<u>%</u>	<u>Effective</u> <u>Date</u> <u>yymmdd</u>
Alberta Beach	6.91	10/09/07	Hardisty	20.00	04/10/07	Sexsmith	25.00	07/04/24
Alix	20.00	06/04/01	Hines Creek	30.00	05/08/02	Sherwood Park**	22.00	10/07/01
Amisk	9.10	00/04/18	Hinton ***	9.60	06/01/01	Silver Beach	20.00	05/03/24
Argentia Beach	0.00	10/07/09	Holden	0.00	05/01/21	Slave Lake	24.50	10/01/01
Bashaw	15.00	04/03/18	Hughenden	10.98	00/07/18	Spirit River	24.00	01/06/18
Bentley	0.00	04/04/06	Innisfree	25.00	08/09/08	St. Albert	18.80	11/05/10
Berwyn	20.00	04/11/18	Irma	20.00	04/10/15	Stony Plain	17.00	04/08/16
Bittern Lake	17.68	01/11/15	Itaska	12.00	04/09/21	Swan Hills	0.00	07/09/12
Blackfalds	35.00	10/01/01	Jasper Muni	17.10	06/09/01	Sylvan Lake	24.50	04/02/04
Bon Accord	25.00	04/11/01	Jasper Ntl Pk	17.10	06/09/01	Thorsby	10.00	10/12/17
Breton	12.47	01/06/19	Kitscoty	10.00	05/09/15	Tofield	10.00	04/05/04
Bruderheim	10.00	04/04/20	Lacombe	22.00	04/06/02	Vegreville	33.00	04/10/12
Camrose	16.00	11/01/01	Lamont	35.00	04/05/10	Vermilion	15.00	04/04/07
Caroline	20.00	05/10/11	Lavoy	16.61	09/10/23	Veteran	3.00	07/09/12
Chipman	0.00	06/05/12	Legal	16.60	06/09/12	Viking	21.51	04/09/26
Clive	16.17	04/05/17	Lloydminster	25.00	08/02/01	Warburg	10.00	09/01/01
Clyde	9.46	10/05/04	Lougheed	16.67	02/04/18	Wembley	25.00	08/07/01
Cold Lake	13.00	05/11/01	Mannville	20.00	04/11/02	Wetaskiwin	35.00	07/12/17
Consort	22.00	04/05/07	Mayerthorpe	5.00	05/02/18	Whitecourt ***	19.00	07/10/01
Coronation	10.05	09/07/14	McLennan	24.00	05/05/19			
Czar	11.84	00/04/27	Millet	22.00	08/01/01			
Donnelly	30.00	05/09/06	Minburn	15.00	04/05/04			
Drayton Valley***	22.00	04/10/22	Mirror	12.60	06/07/13	<u>Municipalities –</u> <u>Method C</u>	<u>%</u>	<u>Effective</u> <u>Date</u> <u>yymmdd</u>
Eckville	24.00	04/07/08	Mundare	20.00	04/06/10	Andrew	9.00	99/11/25
Edgerton	15.00	04/04/16	Nampa	16.84	04/04/22	Beaverlodge	8.70	06/02/27
Edmonton	32.90	11/01/01	Onoway	5.00	04/06/02	Eaglesham	5.26	05/06/08
Edson***	20.00	06/04/18	Oyen	30.00	08/01/17	Fort McMurray	8.70	06/07/04
Entwistle	17.32	10/02/22	Peace River	24.70	10/10/18	Hythe	8.70	07/02/26
Fairview	21.63	04/07/01	Point Alison	15.00	07/10/12	Spruce Grove	8.26	10/06/14
Falher	15.00	04/06/10	Ponoka	17.00	04/08/13			
Fox Creek	12.93	01/06/11	Provost	16.00	10/01/01			
Ft. Saskatchewan	0.00	04/09/28	Red Deer	33.00	11/01/01			
Gibbons	30.00	05/10/01	Rimbey	24.00	04/03/01			
Girouxville	20.00	04/06/10	Rocky Mtn. House	23.00	11/01/01			
Golden Days	25.00	04/06/15	Rycroft	15.00	04/10/14			
Grande Prairie	25.00	06/03/07	Ryley	5.00	04/08/06			
Grimshaw	28.00	01/12/01	Seba Beach	20.00	10/06/03			

\*\* FSD Customers at 0.00%.

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

Effective February 1, 2011 Acknowledged by AUC Letter dated January 26, 2011  
This Replaces Rider "B"  
Previously Effective December 17, 2010

**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:

<u>Municipalities</u>	<u>%</u>	<u>Effective Date yymmdd</u>	<u>Municipalities</u>	<u>%</u>	<u>Effective Date yymmdd</u>
Alberta Beach	3.40	11/02/01	Lavoy	2.60	11/02/01
Argentia Beach	1.00	11/02/01	Legal	3.80	11/02/01
Bashaw	2.60	11/02/01	Lloydminster	1.60	11/02/01
Bentley	3.20	11/02/01	Mannville	3.90	11/02/01
Berwyn	7.00	11/02/01	Mayerthorpe	4.70	11/02/01
Blackfalds	3.60	11/02/01	Millett	2.90	11/02/01
Bon Accord	3.10	11/02/01	Minburn	4.50	11/02/01
Breton	3.70	11/02/01	Mundare	4.30	11/02/01
Bruderheim	3.00	11/02/01	Nampa	3.00	11/02/01
Camrose	2.70	11/02/01	Norglenwold	1.30	11/02/01
Caroline	2.10	11/02/01	Onoway	9.80	11/02/01
Clive	1.60	11/02/01	Oyen	1.00	11/02/01
Clyde	5.40	11/02/01	Paul Band First Nation	15.10	11/02/01
Cold Lake	1.80	11/02/01	Point Alison	2.70	11/02/01
Coronation	7.90	11/02/01	Ponoka	2.40	11/02/01
Edgerton	2.30	11/02/01	Provost	3.80	11/02/01
Edmonton	4.10	11/02/01	Red Deer	2.60	11/02/01
Edson	4.60	11/02/01	Rycroft	4.70	11/02/01
Entwistle	0.00	11/02/01	Ryley	13.50	11/02/01
Falher	3.90	11/02/01	Seba Beach	1.60	11/02/01
Fort McMurray 468 First Nation	6.10	11/02/01	Silver Beach	1.40	11/02/01
Fort Saskatchewan	1.50	11/02/01	Slave Lake	2.40	11/02/01
Girouxville	5.10	11/02/01	Stony Plain	1.70	11/02/01
Golden Days	1.00	11/02/01	Stony Plain Indian Reserve	5.00	11/02/01
Grande Prairie	3.90	11/02/01	Swan Hills	5.30	11/02/01
Hardisty	3.50	11/02/01	Sylvan Lake	2.00	11/02/01
Hinton	2.00	11/02/01	Thorsby	8.20	11/02/01
Holden	12.60	11/02/01	Tofield	9.40	11/02/01
Innisfree	3.00	11/02/01	Vegreville	2.60	11/02/01
Irma	3.50	11/02/01	Vermilion	2.40	11/02/01
Itaska Beach	1.10	11/02/01	Veteran	5.90	11/02/01

Jarvis Bay	1.10	11/02/01	Viking	4.90	11/02/01
Jasper Municipality	2.60	11/02/01	Wabamun	5.70	11/02/01
Kitscoty	5.30	11/02/01	Warburg	3.90	11/02/01
Lacombe	2.10	11/02/01	Wembley	1.50	11/02/01
Lakeview	0.80	11/02/01	Wetaskiwin	3.80	11/02/01
Lamont	5.30	11/02/01	Whitcourt	1.90	11/02/01
			Wood Buffalo (Ft McMurray)	0.80	11/02/01

Effective November 1, 2010 to October 31, 2011 by Decision 2010-506  
This Replaces Rider "D"  
Previously Effective November 1, 2009

**ATCO GAS AND PIPELINES LTD. – NORTH**  
**ATCO GAS - NORTH**  
**RIDER "D" TO DISTRIBUTION ACCESS SERVICE CUSTOMERS FOR THE**  
**RECOVERY OF**  
**UNACCOUNTED FOR GAS (UFG)**

All Retailer and Default Supply Provider Customers utilizing Distribution Access Service for delivering gas off the ATCO Gas North distribution systems will be assessed a distribution UFG charge of 0.484 % at the Point of Delivery. The UFG assessment will be made up "In-Kind" from each Customer Account.

Effective September 1, 2007 by Decision 2007-059  
This Replaces Rider "E"  
Previously Effective April 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 ALL RATES:**

The "Deemed Value" is an amount equal to the Gas flow Through Rate specified on the DSP Rider "F".

Effective May 1, 2011 by Decision 2011-127 & 2011-170

**ATCO GAS AND PIPELINES LTD. - NORTH  
RIDER "S" INTERIM RIDER**

To be applied to the Fixed Charge, Variable Charge and Demand Charge to all customers unless otherwise specified by specific contracts or the AUC, effective May 1, 2011.

For All Delivery Service Rates the amount is equal to: 14.39%



Effective May 1, 2011 by Decision 2011-127 & 2011-170  
This Replaces Rider "T"  
Previously Effective January 1, 2011

**ATCO GAS AND PIPELINES LTD. - NORTH  
RIDER "T" TRANSMISSION SERVICE CHARGE**

To be applied to Low Use, Mid Use and High Use customers unless otherwise specified by specific contracts or the AUC, effective May 1, 2011.

Low Use Delivery Rate	\$0.582 per GJ
Mid Use Delivery Rate	\$0.545 per GJ
High Use Delivery Rate	\$0.181 per GJ per Day of 24 Hr. Billing Demand

Effective August 1, 2011 by Decision 2011-313

**ATCO GAS AND PIPELINES LTD. - NORTH  
RIDER "W" WEATHER DEFERRAL ACCOUNT RIDER**

To be applied to Low Use and Mid Use customers unless otherwise specified by specific contracts or the AUC effective August 1, 2011 to July 31, 2012.

Low Use Delivery Rate	\$0.135 per GJ Credit
Mid Use Delivery Rate	\$0.129 per GJ Credit

Effective August 1, 2011 by Decision 2011-313  
This Replaces Low Use Delivery Service  
Previously Effective May 1, 2011

### **ATCO GAS AND PIPELINES LTD. - NORTH LOW USE DELIVERY SERVICE**

Available to all Customers using 1,200 GJ per year or less, except those customers who utilize the Company's facilities for emergency service only.

#### **CHARGES:**

<b>Fixed Charge:</b>	\$0.770 per Day
<b>Variable Charge:</b>	\$0.697 per GJ
<b>Interim Rider:</b>	Rider "S"
<b>Transmission Service Charge:</b>	Rider "T"
<b>Weather Deferral Account Rider:</b>	Rider "W"

#### **RATE SWITCHING:**

A Low Use customer that consumes more than 1,200 GJ of natural gas annually but no more than 8,000 GJ annually for two consecutive years will automatically be switched to the Mid Use rate group without notice. ATCO Gas will notify the customers' retailers of any such rate switches.

Effective August 1, 2011 by Decision 2011-313  
This Replaces Mid Use Delivery Service  
Previously Effective May 1, 2011

**ATCO GAS AND PIPELINES LTD. - NORTH  
MID USE DELIVERY SERVICE**

Available to all Customers using more than 1,200 GJ per year but no more than 8,000 GJ annually, except those customers who utilize the Company's facilities for emergency service only.

**CHARGES:**

<b>Fixed Charge:</b>	\$0.770 per Day
<b>Variable Charge:</b>	\$0.783 per GJ
<b>Interim Rider:</b>	Rider "S"
<b>Transmission Service Charge:</b>	Rider "T"
<b>Weather Deferral Account Rider:</b>	Rider "W"

**RATE SWITCHING:**

A Mid Use customer that consumes less than 1,201 GJ of natural gas annually for two consecutive years will automatically be switched to the Low Use rate group without notice. ATCO Gas will notify the customers' retailers of any such rate switches.

Effective May 1, 2011 by Decision 2011-127 & 2011-170  
This Replaces High Use Delivery Service  
Previously Effective January 1, 2011

## ATCO GAS AND PIPELINES LTD. - NORTH HIGH USE DELIVERY SERVICE

Available to all Customers using more than 8,000 GJ per year except those customers who utilize the Company's facilities for emergency service only.

### **CHARGES:**

<b>Fixed Charge:</b>	\$4.345 per Day
<b>Variable Charge:</b>	\$0.000 per GJ
<b>Demand Charge:</b>	\$0.142 per GJ per Day of 24 Hr. Billing Demand
<b>Interim Rider:</b>	Rider "S"
<b>Transmission Service Charge:</b>	Rider "T"
<b>Customer Service Charge (if Applicable):</b>	As per Schedule D Customer Service Letter Agreement

### **DETERMINATION OF BILLING DEMAND:**

The Billing Demand for each billing period shall be the greatest amount of gas in GJ delivered in any Gas Day (i.e. 8:00 am to 8:00 am) during the current and preceding eleven billing periods provided that the greatest amount of gas delivered in any Gas Day in the summer period shall be divided by 2.

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 Gas Day in that billing period.

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

### **CUSTOM SERVICE CONTRACT DEMAND:**

For Customers that have executed a Custom Service Letter Agreement of the form of Schedule D of the Terms and Conditions for Distribution Service Connections, the Billing Demand as noted above will be equal to the Contract Demand as specified in the Custom Service Letter Agreement.

### **RATE SWITCHING**

Once a customer is billed under the High Use rate schedule, they will only be switched back to the Low or Mid Use rate schedule at the request of the customer. Only one switch per year will be allowed, and the effective date for the switch will be determined by ATCO Gas.

Effective September 1, 2007 by Decision 2007-059  
This Replaces Rate 8  
Previously Effective January 1, 2006

**ATCO GAS AND PIPELINES LTD. - NORTH  
EMERGENCY DELIVERY SERVICE**

**CHARGES:**

**AUTHORIZED:**

**Fixed Charge:** \$15.00 per Day

**Variable Charge:** Variable Charge of Low Use Delivery Service

**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".

**UNAUTHORIZED:**

**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 September 1, 2007 by Decision 2007-059  
This Replaces Rate 9  
Previously Effective January 1, 2006

**ATCO GAS AND PIPELINES LTD. - NORTH  
UNMETERED GAS LIGHT SERVICE**

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

**CHARGES:**

**Fixed Charge:** \$0.090 per Mantle per Day

**ATCO GAS AND PIPELINES LTD.**

**ATCO GAS SOUTH**

**RATE SCHEDULES**

**August 1, 2011**



Effective August 1, 2011

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

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Effective January 1, 2011 by Decision 2010-573  
This Replaces General Conditions  
Previously Effective September 1, 2007

## ATCO GAS AND PIPELINES LTD. - SOUTH GENERAL CONDITIONS

1. **Approval of Alberta Utilities Commission (AUC):**  
Changes in Rates from time to time are subject to approval by the AUC for the Province of Alberta.
2. **Special Contracts:**  
Unless varied by the AUC, service to Customers under Special Contracts shall be subject to the terms and conditions thereof.
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.
4. **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.
5. **Late Payment Charge:**  
When accounts are not paid in full on or before the due date, the Company will apply a 1% penalty on the amount due. If the payment is not received by the next billing cycle, a 1% penalty will be applied to the balance carried forward (including prior penalties).
6. **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.
7. **DSP Rider F:**  
The words "DSP Rider "F" " as they appear on the Rate Schedules, shall mean the Default Supply Provider's Regulated Services Gas Cost Flow-Through Rate for ATCO Gas.

Effective January 8, 2011 Acknowledged by AUC Letter Dated December 8, 2010  
This Replaces Rider "A"  
Previously Effective June 14, 2010

**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	15.00	A
Airdrie	29.60	A	Cochrane	23.00	A	Milk River	30.00	A
Banff	31.20	A	Coutts	20.00	A	Nanton	13.00	A
Banff Park	5.25	C	Cowley	13.79	A	Nobleford	0.00	A
Barnwell	13.00	A	Cremona	27.00	A	Okotoks	5.25	C
Barons	14.97	A	Crossfield	17.00	A	Olds	27.50	A
Bassano	20.00	A	Crowsnest Pass	15.00	A	Penhold	18.00	A
Beiseker	15.00	A	Delburne	21.60	A	Picture Butte	6.00	C
Big Valley	5.26	C	Didsbury	25.00	A	Raymond	5.00	A
Black Diamond	14.00	A	Duchess	12.67	A	Rockyford	29.00	A
Bow Island	10.50	A	Elnora	16.00	A	Rosemary	14.78	A
Bowden	22.00	A	Foremost	21.00	A	Standard	11.34	A
Brooks	18.00	A	Fort Macleod	12.50	A	Stavely	10.00	A
Burdett	12.00	A	Glenwood	5.26	C	Stirling	5.00	A
Canmore	22.10	A	Granum	8.50	A	Strathmore	11.18	A
Carbon	15.07	A	High River	13.00	A	Taber	20.00	A
Cardston	15.00	A	Hill Spring	5.00	A	Taber*	35.00	A
Carmangay	15.00	A	Hussar	13.74	A	Trochu	14.20	A
Carstairs	25.00	A	Innisfail	5.26	C	Turner Valley	10.00	A
Champion	15.00	A	Irricana	11.18	A	Vauxhall	5.50	C
			Linden	15.23	A	Vulcan	25.00	A

\* Applied to High Use and FSD customers.

\*\* Exemption available on Rider "E" portion of natural gas feedstock quantities used by an electrical generation plant whose primary fuel source is natural gas, for the commercial sale of electricity or used by a district energy plant for combined heat and power production, if deemed by the City of Calgary to be a qualifying facility.

Effective May 21, 2010 by Decision 2010-180  
This Replaces Rider "B"  
Previously Effective March 25, 2010

**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	Taber
Redwood Meadows (Siksika Nation)	
Bow Island	
Foremost	
Rosemary	
Turner Valley	
Canmore	
Elnora	
Linden	
Brooks	
Granum	
Milk River	
Trochu	
Claresholm	
Lomond	
Nanton	
Bassano	
Nobleford	
Didsbury	
Olds	
Carstairs	
Airdrie	
Cardston	
Penhold	
Raymond	
Coutts	
Crowsnest Pass	
Vulcan	
Stirling	
Stavelly	
Strathmore	
Champion	
Carmangay	
Hill Spring	

Effective November 1, 2010 to October 31, 2011 by Decision 2010-506  
This Replaces Rider “D”  
Previously Effective November 1, 2009

**ATCO GAS AND PIPELINES LTD. - SOUTH  
ATCO GAS – SOUTH  
RIDER “D” TO DISTRIBUTION ACCESS SERVICE CUSTOMERS FOR THE  
RECOVER OF  
UNACCOUNTED FOR GAS (UFG)**

All Retailer and Default Supply Provider Customers utilizing Distribution Access Service for delivering gas off the ATCO Gas South distribution system will be assessed a distribution UFG charge of 0.840% at the Point of Delivery. The UFG assessment will be made up “In-Kind” from each Customer Account.

Effective September 1, 2007 by Decision 2007-059  
This Replaces Rider “E”  
Previously Effective May 4, 2004

**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 flow Through Rate specified on the DSP Rider “F”.

Effective January 1, 2011 by Decision 2010-573  
This Replaces Rider “H”  
Previously Effective November 1, 2010

**ATCO GAS AND PIPELINES LTD. - SOUTH  
RIDER “H” TO LOW USE, MID USE AND HIGH USE DELIVERY SERVICE RATES  
FOR RECOVERY OF CARBON RELATED COSTS**

To be applied to the energy delivered to Low Use, Mid Use and High Use Delivery Service customers unless otherwise specified by specific contracts or the AUC effective November 1, 2010 to December 31, 2011.

**Carbon Recovery Rider (CRR):** \$0.283 per GJ

Effective November 1, 2010 by Decision 2010-496  
This Replaces Rider “I”  
Previously Effective May 1, 2010

**ATCO GAS AND PIPELINES LTD. - SOUTH  
RIDER “I” TO IRRIGATION DELIVERY SERVICE RATES  
FOR RECOVERY OF CARBON RELATED COSTS**

To be applied to the energy delivered to Irrigation Delivery Service customers unless otherwise specified by specific contracts or the AUC, effective November 1, 2010 to December 31, 2011.

**Carbon Irrigation Recovery Rider (CIRR):** \$0.566 per GJ



Effective May 1, 2011 by Decision 2011-127 & 2011-170

**ATCO GAS AND PIPELINES LTD. - SOUTH  
RIDER "S" INTERIM RIDER**

To be applied to the Fixed Charge, Variable Charge and Demand Charge to all customers unless otherwise specified by specific contracts or the AUC, effective May 1, 2011.

For All Delivery Service Rates the amount is equal to:

14.16%

Effective May 1, 2011 by Decision 2011-127 & 2011-170  
This Replaces Rider "T"  
Previously Effective January 1, 2011

**ATCO GAS AND PIPELINES LTD. - SOUTH  
RIDER "T" TRANSMISSION SERVICE CHARGE**

To be applied to the Low Use, Mid Use and High Use customers unless otherwise specified by specific contracts or AUC, effective May 1, 2011.

Low Use Delivery Rate	\$0.285 per GJ
Mid Use Delivery Rate	\$0.268 per GJ
High Use Delivery Rate	\$0.097 per Day per GJ of 24 Hr. Billing Demand

Effective August 1, 2011 by Decision 2011-313

**ATCO GAS AND PIPELINES LTD. - SOUTH  
RIDER "W" WEATHER DEFERRAL ACCOUNT RIDER**

To be applied to the Low Use and Mid Use customers unless otherwise specified by specific contracts or AUC, effective August 1, 2011 to July 31, 2012.

Low Use Delivery Rate	\$0.145 per GJ Credit
Mid Use Delivery Rate	\$0.135 per GJ Credit

Effective August 1, 2011 by Decision 2011-313  
This Replaces Low Use Delivery Service  
Previously Effective May 1, 2011

### ATCO GAS AND PIPELINES LTD. – SOUTH LOW USE DELIVERY SERVICE

Available to all customers using 1,200 GJ per year or less, except those customers who utilize the Company's facilities for emergency service only.

#### **CHARGES:**

<b>Fixed Charge:</b>	\$0.668 per Day
<b>Variable Charge:</b>	\$0.645 per GJ
<b>CRR:</b>	Rider "H"
<b>Interim Rider:</b>	Rider "S"
<b>Transmission Service Charge:</b>	Rider "T"
<b>Weather Deferral Account Rider:</b>	Rider "W"

#### **RATE SWITCHING:**

A Low Use customer that consumes more than 1,200 GJ of natural gas annually but no more than 8,000 GJ annually for two consecutive years will automatically be switched to the Mid Use rate group without notice. ATCO Gas will notify the customers' retailers of any such rate switches.

Effective August 1, 2011 by Decision 2011-313  
This Replaces Mid Use Delivery Service  
Previously Effective May 1, 2011

### ATCO GAS AND PIPELINES LTD. – SOUTH MID USE DELIVERY SERVICE

Available to all customers using more than 1,200 GJ per year but no more than 8,000 GJ annually, except those customers who utilize the Company's facilities for emergency service only.

**CHARGES:**

<b>Fixed Charge:</b>	\$0.668 per Day
<b>Variable Charge:</b>	\$0.650 per GJ
<b>CRR:</b>	Rider "H"
<b>Interim Rider:</b>	Rider "S"
<b>Transmission Service Charge:</b>	Rider "T"
<b>Weather Deferral Account Rider:</b>	Rider "W"

**RATE SWITCHING:**

A Mid Use customer that consumes less than 1,201 GJ of natural gas annually for two consecutive years will automatically be switched to the Low Use rate group without notice. ATCO Gas will notify the customers' retailers of any such rate switches.

Effective May 1, 2011 by Decision 2011-127 & 2011-170  
This Replaces High Use Delivery Service  
Previously Effective January 1, 2011

## ATCO GAS AND PIPELINES LTD. - SOUTH HIGH USE DELIVERY SERVICE

Available to all customers using more than 8,000 GJ per year except those customers who utilize the Company's facilities for emergency service only.

### **CHARGES:**

<b>Fixed Charge:</b>	\$3.292 per Day
<b>Variable Charge:</b>	\$0.00 per GJ
<b>Demand Charge:</b>	\$0.144 per Day per GJ of 24 Hr. Billing Demand
<b>CRR:</b>	Rider "H"
<b>Interim Rider:</b>	Rider "S"
<b>Transmission Service Charge:</b>	Rider "T"
<b>Customer Service Charge (if Applicable):</b>	As per Schedule D Customer Service Letter Agreement

### **DETERMINATION OF BILLING DEMAND:**

The Billing Demand for each billing period shall be the greatest amount of gas in GJ delivered in any Gas Day (i.e. 8:00 am to 8:00 am) during the current and preceding eleven billing periods provided that the greatest amount of gas delivered in any Gas Day in the summer period shall be divided by 2.

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 Gas Day in that billing period.

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

### **CUSTOM SERVICE CONTRACT DEMAND:**

For Customers that have executed a Custom Service Letter Agreement of the form of Schedule D of the Terms and Conditions for Distribution Service Connections, the Billing Demand as noted above will be equal to the Contract Demand as specified in the Custom Service Letter Agreement.

### **RATE SWITCHING**

Once a customer is billed under the High Use rate schedule, they will only be switched back to the Low or Mid Use rate schedule at the request of the customer. Only one switch per year will be allowed, and the effective date for the switch will be determined by ATCO Gas.

Effective May 1, 2011 by Decision 2011-127 & 2011-170  
This Replaces Irrigation Delivery Service  
Previously Effective January 1, 2011

**ATCO GAS AND PIPELINES LTD. - SOUTH  
IRRIGATION DELIVERY SERVICE**

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

**CHARGES:**

<b>Fixed Charge:</b>	\$1.192 per Day
<b>Variable Charge:</b>	\$0.983 per GJ
<b>CIRR:</b>	Rider "I"
<b>Interim Rider:</b>	Rider "S"

Effective September 1, 2007 by Decision 2007-059  
This Replaces Rate 7  
Previously Effective January 1, 2006

**ATCO GAS AND PIPELINES LTD. - SOUTH  
EMERGENCY DELIVERY SERVICE**

**CHARGES:**

**AUTHORIZED:**

**Fixed Charge:** \$15.00 per Day

**Variable Charge:** Variable Charge of Low Use Delivery Service

**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".

**UNAUTHORIZED:**

**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 September 1, 2007 by Decision 2007-059  
This Replaces Rate 8  
Previously Effective January 1, 2006

**ATCO GAS AND PIPELINES LTD. - SOUTH  
UNMETERED GAS LIGHT SERVICE**

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

**Fixed Charge:** \$0.090 per Mantle per Day