



ATCO Gas

South Load Balancing Rate Rider

October 28, 2011



The Alberta Utilities Commission

Decision 2011-420: ATCO Gas
South Load Balancing Rate Rider
Application No. 1607667
Proceeding ID No. 1439

October 28, 2011

Published by

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1 Introduction

1. On September 13, 2011, the Alberta Utilities Commission (AUC or the Commission) received an application (application) from ATCO Gas, a division of ATCO Gas and Pipelines Ltd., that requested approval to process an ATCO Gas South load balancing rate rider (LBRR or Rider “L”) to recover the South load balancing deferral account (LBDA) balance of approximately \$6.7 million. ATCO Gas proposed to recover the value of the South LBDA in the months of November and December of 2011 and June of 2012.

2. The Commission issued notice of the application on September 15, 2011. Any party that wished to intervene in this proceeding was required to file a statement of intent to participate (SIP) to the Commission by September 28, 2011.

3. The Commission received SIPs from the following parties:

- BP Canada Energy Company
- Consumer’s Coalition of Alberta (CCA)

4. BP Canada Energy Company did not have any specific objections to the application. The CCA indicated in its SIP that it would like to test the application with a process of written information requests before commenting on whether it objected or had no objections to the application. The CCA also stated it would comment on further process after the responses to the information requests were received.

5. The Commission established the following process schedule:

Process step	Deadline
Information requests to ATCO Gas	October 7, 2011 - 2 p.m.
Responses from ATCO Gas	October 17, 2011 - 2 p.m.

6. Upon review of the information responses, the CCA notified the Commission by letter that it had no objections to the application.

7. The Commission considers the record for the proceeding closed on October 17, 2011. Ms. C. Dahl Rees, Vice-Chair, was assigned to the proceeding.

8. In reaching the determinations set out within this decision, the Commission has considered all relevant materials comprising the record of this proceeding. Accordingly, references in this decision to specific parts of the record are intended to assist the reader in understanding the Commission’s reasoning relating to a particular matter and should not be taken

as an indication that the Commission did not consider all relevant portions of the record with respect to that matter.

2 Background

9. Load balancing is part of the physical operation of a gas pipeline system, whereby gas supplies are adjusted to maintain optimum operating pressure in the system. To allow ATCO Gas to recover costs associated with load balancing, the Commission created an LBDA for each of ATCO Gas' north and south service territories pursuant to Order [U2008-290](#).¹ For each of these accounts, ATCO Gas was required to file a rider application to refund or to recover balances therein if the account balance exceeded \$2 million for three consecutive months.²

10. In Decision [2009-251](#),³ the Commission approved a change to the trigger used to determine when a rider application for the recovery or refund of balances in the LBDA can be made. In that decision the Commission stated:

Effective January 1st, 2010, ATCO Gas South shall file an LBDA rider application if the South LBDA balance exceeds a threshold of \$5.0 million in the same direction for six consecutive months, or in the event that the South LBDA balance exceeds \$10.0 million in any single month.⁴

11. In the present application, ATCO Gas notified the Commission that its South LBDA balance had exceeded the \$5 million threshold for six consecutive months and that the balance was in a recovery position of approximately \$6.7 million. This figure included an estimate for outstanding carrying costs.⁵ Table 1 contains a summary of ATCO Gas' monthly South LBDA from March 2011 to August 2011:

Table 1. ATCO Gas South LBDA monthly balances

March 2011	April 2011	May 2011	June 2011	July 2011	August 2011
(\$000)					
5,311	6,760	6,858	6,435	6,062	6,526

¹ Order U2008-290: ATCO Gas Retailer Service and Gas Utilities Act – Phase II, Part B Process, Modules 3 & 5 Application No. 1575607, Proceeding ID 68, September 12, 2008.

² Decision [2008-021](#): ATCO Gas, Retailer Service and Gas Utilities Act Compliance Module 3, Part 1, Application No. 14822546, March 17, 2008, page 15.

³ Decision 2009-251: ATCO Gas South, Retailer Service, South Load Balancing Deferral Account, South Load Balancing Rate Rider "L", Application No. 1605400, Proceeding ID. 292, December 14, 2009.

⁴ Decision 2009-251, page 6.

⁵ Decision [2010-348](#): ATCO Gas North, Retailer Service, North Load Balancing Deferral Account, North Load Balancing Rate Rider "L", Application No. 1606082, Proceeding ID. 584, July 23, 2010. The Commission approved continued use of weighted after-tax cost of capital (WACC) for calculation of interest on ATCO Gas' LBDAs.

3 Issues

3.1 ATCO Pipelines' Rider "K"

12. In the application, ATCO Gas indicated that the South LBDA balance included a portion of ATCO Pipelines' Rider "K". Rider "K" is the aggregate of ten deferral accounts. In Application No. 1607481, Proceeding ID No. 1336, ATCO Gas requested that three of the 10 deferral accounts related to load balancing charges be allocated to the LBDA (the other pipeline delivery (OPD) account, the other pipeline receipt (OPR) account, and the LBDA price variance account). Due to the close link between the ATCO Pipelines' LBDAs and ATCO Gas' LBDAs, it has been ATCO Gas' practice to allocate such riders to its LBDAs. ATCO Gas proposed to continue this practice and to apply the LBDA related portion of Rider "K" to its LBDA as this practice was approved in Decision 2008-021. In that decision the Alberta Energy and Utilities Board (predecessor to the Commission) indicated:

The Board concurs with ATCO Gas that it would be appropriate for it to include in its LBDA any ATCO Pipelines LBDA charges or credits to ATCO Gas, after the ATCO Pipelines adjustments have been approved by the Board in an ATCO Pipelines proceeding.⁶

13. The same decision also approved the inclusion of OPD and OPR charges associated with ATCO Gas' load balancing transactions in the LBDAs.

14. On October 26, 2011, in Decision [2011-417](#)⁷ the Commission approved the allocation of ATCO Pipelines' Rider "K" to ATCO Gas' South LBDA.

3.2 Load balancing rate rider processes

15. ATCO Gas proposed to record the applied for Rider "L" directly to the existing South LBDA using the same process as that used in its previous Rider "L" application (Application No. 1604893, Proceeding ID No. 178) approved in Decision [2009-050](#).⁸ Any difference between what is actually recovered from customers through Rider "L" and what was approved to be recovered would remain in the existing South LBDA.

16. The LBDA balance included in this application contained certain estimates. ATCO Gas submitted that the difference between the actuals that would replace these estimates would also be recorded into the existing South LBDA.

17. Further, carrying costs would continue to be applied to the existing South LBDA until the account had a zero balance.

18. The "existing LBDA" is the LBDA that was in place up to August 31, 2011. It contains the amount to be recovered through Rider "L". This account will track the recoveries as they are received over the recovery period. Any remaining balance at the end of the recovery period will be moved to the new LBDA that opened on September 1, 2011. The Commission approved this method in Decision 2009-050 and it has been used in all ATCO Gas' subsequent LBDA

⁶ Decision 2008-021, page 18.

⁷ Decision 2011-417: ATCO Gas, Transmission Service Charge – Rider "T", Application No. 1607481, Proceeding ID No. 1336, October 26, 2011.

⁸ Decision 2009-050: ATCO Gas South, Retailer Service, South Load Balancing Deferral Account, South Load Balancing Rate Rider "L", Application No. 1604893, Proceeding ID. 178, April 24, 2009.

applications. A new South LBDA account was created for all South transactions going forward from that point in time. ATCO Gas explained that this would keep the rider portion separate from the LBDA.⁹

19. The commercial integration of ATCO Pipelines and NOVA Gas Transmission Ltd. (NGTL) occurred on October 1, 2011.¹⁰ As of that date, ATCO Gas became a customer of NGTL and is subject to NGTL tolls and terms and conditions. ATCO Gas no longer receives charges and riders from ATCO Pipelines to be included in ATCO Gas' LBDAs. ATCO Pipelines received approval to settle all of its deferral accounts in Decision 2011-225¹¹ in anticipation of an August 1, 2011 integration effective date. ATCO Gas submitted that ATCO Pipelines has indicated that they will address any remaining deferral account balances in their next Phase 1 general rate application.¹²

3.3 Recovery period

20. In the application, ATCO Gas requested approval of a LBRR (Rider "L") to recover the LBDA balance in the months of November and December 2011 for South low use, medium use and high use customers and also the month of June 2012 for irrigation customers. ATCO Gas selected these periods based on the magnitude of the recovery amount and the expected throughput over the respective usage periods. ATCO Gas also viewed these recovery periods as appropriate because it would minimize the time between the closing of the LBDA once it exceeded the threshold balance of \$5 million for six consecutive months and the implementation of the associated rate rider. In addition, it would result in a timely recovery of the amounts, consistent with past recoveries and refunds.¹³ ATCO Gas indicated that the allocation of the LBDA recovery was based on the methodology approved in Decision 2009-050 which would result in the following recovery rates:

Table 2. ATCO Gas calculation of recoveries and rates by rate groups

Rate group	2011 annual throughput (GJ)	Per cent of annual throughput	Allocation of recovery amount	November & December throughput forecast (GJ)	June throughput forecast (GJ)	Recovery rate (\$/GJ)
Low use	69,713,507	58.75	3,939,208	18,229,913		\$0.216
Mid use	20,993,153	17.69	1,186,232	5,259,967		\$0.226
High use	27,494,083	23.17	1,553,571	6,130,863		\$0.253
Irrigation	468,000	0.39	26,445		67,864	\$0.390
Total	118,668,743	100.00	6,705,456	29,620,743		

⁹ Ibid .and CCA-AG-04(a).

¹⁰ AUC Proceeding 732 ATCO progress letter regarding Integration dated August 23, 2011, page 2.

¹¹ Decision 2011-225 (Errata): ATCO Pipelines, 2011 Deferral Accounts, Application No. 1607137, Proceeding ID No. 1133, June 6, 2011.

¹² Exhibit 11.01, AUC-AG-02.

¹³ Exhibit 12.01 CCA-AG-03 page 1 of 2.

4 Discussion of issues

21. The Commission has approved the necessary methods and procedures for LBRR applications in a number of previous decisions. To allow ATCO Gas to recover costs associated with load balancing, the Commission created an LBDA for each of ATCO Gas' north and south service territories pursuant to Order U2008-290. In Decision 2009-251, the Commission approved an updated threshold for when ATCO Gas may apply to refund or recover the LBDA balance. Decision 2008-021 approved ATCO Gas to include in its LBDA any ATCO Pipelines charges or credits approved by the Commission. Decision 2009-050 approved the methodology to allocate recovery or refund amounts and established the process to close out an existing LBDA account and create a new account.

22. ATCO Gas applied to the Commission for approval to allocate ATCO Pipelines' Rider "K" to ATCO Gas' North and South LBDA. This was approved in Decision 2011-417 and the Rider "K" amount has been included in this application.

5 Views of the Commission

23. ATCO Gas is requesting approval of LBRR Rider "L" to recover the ATCO Gas LBDA balance of approximately \$6.7 million in the months of November and December 2011 and June 2012. The Commission considers that previous decisions have approved procedures and methodologies required to process this LBRR application.

24. With respect to how to allocate the refund among customers, ATCO Gas submitted that the 2011 actual billing determinants reflected the total throughput on its south system. The Commission approved this methodology of using current year billing determinants previously in Decision 2009-050. The Commission notes that no interveners objected to the calculation of the amount to be refunded or to ATCO Gas' allocation methodology.

25. The Commission finds that ATCO Gas' methodology for recovering the value of its South LBDA from customers through the use of a LBRR Rider "L" over the period of November 1, 2011 to December 31, 2011 and June 2012, achieves a fair allocation in a timely manner with administrative ease. Further, no parties to the proceeding objected to ATCO Gas' allocation of the South LBDA recovery from customers over the period applied for.

26. The Commission therefore approves the proposed recovery of the South LBDA in the amount of \$6,705,456 from customers through use of a LBRR Rider "L" in the form shown in Table 2 and in the rate schedule attached as [Appendix 2](#) of this decision. The recovery shall occur during the months of November and December of 2011 and June of 2012.

6 Order

27. It is hereby ordered that:

- (1) ATCO Gas shall recover a total of \$6,705,456 representing the value of the ATCO Gas South load balancing deferral account, to customers on the ATCO Gas South system during the period of November 1, 2011 to December 31, 2011 and June 2012, through the use of a load balancing rate Rider "L" in the forms shown on page 10 of 19 of Appendix 2 attached hereto.

Dated on October 28, 2011.

The Alberta Utilities Commission

(original signed by)

Carolyn Dahl Rees
Vice-Chair

Appendix 1 – Proceeding participants

Name of organization (abbreviation) counsel or representative
ATCO Gas, a division of ATCO Gas and Pipelines Ltd. M. Bayley D. Werstiuk A. Green L. Fink
BP Canada Energy Company C. G. Worthy G. W. Boone
Consumers' Coalition of Alberta (CCA) J. A. Wachowich J. A. Jodoin

The Alberta Utilities Commission
Commission Panel C. Dahl Rees, Vice-Chair
Commission Staff S. Ramdin (Commission counsel) C. Taylor B. Whyte A. Laroiya

Appendix 2 – South rate schedules including Rider “L”

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



Appendix 2 - South
Rate Schedules

(consists of 19 pages)

ATCO GAS AND PIPELINES LTD.
ATCO GAS SOUTH
RATE SCHEDULES
November 1, 2011

Effective November 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 May 13, 2011 by Decision 2011-071 (Errata)
This Replaces Rider "A"
Previously Effective January 8, 2011

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>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 C</u>	<u>%</u>	<u>Effective</u> <u>Date</u> <u>yymmdd</u>
Acme	20.00	04/03/10	Elnora	16.00	04/05/27	Calgary**	11.11	91/01/01
Airdrie	29.60	07/10/01	Foremost	21.00	04/01/21	Banff Ntl Park	5.25	90/01/01
Banff	31.20	06/03/24	Fort Macleod	12.50	01/10/02	Big Valley	5.26	06/04/25
Barnwell	13.00	01/01/18	Granum	8.50	04/10/26	Glenwood	5.26	94/10/01
Barons	14.97	00/08/21	High River	13.00	04/10/15	Innisfail	5.26	06/12/11
Bassano	20.00	06/06/21	Hill Spring	5.00	10/03/25	Okotoks	5.25	75/09/08
Beiseker	15.00	10/06/14	Hussar	13.74	01/02/21	Picture Butte	6.00	06/09/11
Black Diamond	14.00	00/09/19	Irricana	11.18	99/12/06	Vauxhall	5.50	10/01/19
Bow Island	10.50	03/09/23	Lethbridge	32.30	02/01/14			
Bowden	22.00	07/02/16	Linden	15.23	04/07/09			
Brooks	18.00	04/09/13	Lomond	20.00	05/05/26			
Burdett	12.00	04/09/08	Longview	16.00	01/12/10			
Canmore	22.10	04/05/13	Magrath	15.00	10/01/18			
Carbon	15.07	00/09/18	Milk River	30.00	04/12/14			
Cardston	15.00	07/10/04	Nanton	13.00	05/11/04			
Carmangay	15.00	10/03/02	Nobleford	0.00	06/10/04			
Carstairs	25.00	07/08/01	Olds	27.50	07/04/24			
Champion	15.00	10/03/02	Penhold	18.00	08/07/13			
Claresholm	10.00	05/05/05	Raymond	5.00	08/08/13			
Coaldale	11.30	00/06/12	Rockyford	29.00	10/01/01			
Coalhurst	12.44	00/09/19	Rosemary	14.78	04/01/21			
Cochrane	23.00	05/08/19	Standard	11.34	00/12/13			
Coutts	20.00	08/09/09	Stavely	10.00	10/02/03			
Cowley	13.79	02/08/23	Stirling	5.00	09/07/28			
Cremona	27.00	09/01/01	Strathmore	11.18	10/02/17			
Crossfield	17.00	10/05/07	Taber	20.00	10/05/21			
Crowsnest Pass	15.00	09/03/01	Taber*	35.00	10/05/21			
Delburne	21.60	07/04/10	Trochu	14.20	05/04/08			
Didsbury	25.00	10/01/01	Turner Valley	10.00	04/02/23			
Duchess	12.67	01/05/17	Vulcan	25.00	11/01/08			

* 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 September 12, 2011 by Decision 2011-288
This Replaces Rider "B"
Previously Effective May 13, 2011

**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:

<u>Municipalities</u>	<u>%</u>	<u>Effective Date yymmdd</u>	<u>Municipalities</u>	<u>%</u>	<u>Effective Date yymmdd</u>
Ardrie	2.30	11/02/01	Redwood Meadows (Siksika)	9.60	11/02/01
Banff Town	0.10	11/02/01	Rosemary	4.60	11/02/01
Bassano	3.00	11/02/01	Stavely	1.70	11/02/01
Bow Island	4.70	11/02/01	Stirling	1.90	11/02/01
Brooks	3.70	11/02/01	Strathmore	1.30	11/02/01
Canmore	2.90	11/02/01	Taber	3.60	11/02/01
Cardston	3.80	11/02/01	Trochu	5.10	11/02/01
Carmangay	4.40	11/02/01	Turner Valley	5.30	11/02/01
Carstairs	2.30	11/02/01	Vulcan	3.00	11/02/01
Champion	2.50	11/02/01			
Claresholm	2.80	11/02/01			
Coaldale	3.50	11/05/13			
Coutts	4.50	11/02/01			
Crowsnest Pass	4.40	11/02/01			
Didsbury	3.30	11/02/01			
Duchess	4.00	11/09/12			
Elnora	2.80	11/02/01			
Foremost	3.20	11/02/01			
Granum	6.50	11/02/01			
Hill Spring	5.10	11/02/01			
Linden	5.40	11/02/01			
Lomond	3.60	11/02/01			
Milk River	5.70	11/02/01			
Nanton	4.30	11/02/01			
Nobleford	0.40	11/02/01			
Olds	2.30	11/02/01			
Penhold	3.40	11/02/01			
Raymond	4.30	11/02/01			

Effective November 1, 2011 to October 31, 2012 by Decision 2011-414 (Errata)
This Replaces Rider "D"
Previously Effective November 1, 2010

**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 1.053% 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 November 1, 2011 by Decision 2011-420

**ATCO GAS AND PIPELINES LTD. - SOUTH
RIDER "L" TO ALL RATES FOR CREDITING OR DEBITING
LOAD BALANCING DEFERRAL ACCOUNT (LBDA) BALANCES**

To be applied to the energy delivered to all Delivery Service customers as per the schedule below unless otherwise specified by specific contracts or AUC.

Low Use Delivery Rate - November 1, 2011 to December 31, 2011	\$0.216 per GJ Debit
Mid Use Delivery Rate – November 1, 2011 to December 31, 2011	\$0.226 per GJ Debit
High Use Delivery Rate – November 1, 2011 to December 31, 2011	\$0.253 per GJ Debit
Irrigation Use Delivery Rate – June 1, 2012 to June 30, 2012	\$0.390 per GJ Debit

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 November 1, 2011 by Decision 2011-417
 This Replaces Rider "T"
 Previously Effective May 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

In addition to the rates charged above the following rates will be applied to Low Use, Mid Use and High Use customers unless otherwise specified by specific contracts of the AUC for the period effective November 1, 2011 to December 31, 2011.

Low Use Delivery Rate	\$0.088 per GJ Credit
Mid Use Delivery Rate	\$0.071 per GJ Credit
High Use Delivery Rate	\$0.037 per GJ per Day of 24 Hr. Billing Demand Credit

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 November 1, 2011 by Decision 2011-420
This Replaces Low Use Delivery Service
Previously Effective August 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:

Fixed Charge:	\$0.668 per Day
Variable Charge:	\$0.645 per GJ
CRR:	Rider "H"
Load Balancing Deferral Account Rider:	Rider "L"
Interim Rider:	Rider "S"
Transmission Service Charge:	Rider "T"
Weather Deferral Account Rider:	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 November 1, 2011 by Decision 2011-420
This Replaces Mid Use Delivery Service
Previously Effective August 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:

Fixed Charge:	\$0.668 per Day
Variable Charge:	\$0.650 per GJ
CRR:	Rider "H"
Load Balancing Deferral Account Rider:	Rider "L"
Interim Rider:	Rider "S"
Transmission Service Charge:	Rider "T"
Weather Deferral Account Rider:	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 November 1, 2011 by Decision 2011-420
This Replaces High Use Delivery Service
Previously Effective May 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:

Fixed Charge:	\$3.292 per Day
Variable Charge:	\$0.00 per GJ
Demand Charge:	\$0.144 per Day per GJ of 24 Hr. Billing Demand
CRR:	Rider "H"
Load Balancing Deferral Account Rider:	Rider "L"
Interim Rider:	Rider "S"
Transmission Service Charge:	Rider "T"
Customer Service Charge (if Applicable):	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 November 1, 2011 by Decision 2011-420
This Replaces Irrigation Delivery Service
Previously Effective May 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:

Fixed Charge:	\$1.192 per Day
Variable Charge:	\$0.983 per GJ
CIRR:	Rider "I"
Load Balancing Deferral Account Rider:	Rider "L"
Interim Rider:	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