



ATCO Gas

South Load Balancing Deferral Account
Application for an Exemption to File an
Application for a Rate Rider

January 25, 2010

ALBERTA UTILITIES COMMISSION

Decision 2010-050: ATCO Gas

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Application No. 1605774

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ALBERTA UTILITIES COMMISSION

Calgary Alberta

ATCO GAS SOUTH LOAD BALANCING DEFERRAL ACCOUNT APPLICATION FOR AN EXEMPTION TO FILE AN APPLICATION FOR A RATE RIDER

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1 DISCUSSION

1. On August 26, 2009 ATCO Gas (ATCO) notified the Alberta Utilities Commission (AUC or the Commission) that ATCO Gas South's load balancing deferral account (LBDA) had exceeded a \$2 million balance for three consecutive months (Old Threshold), thereby triggering a requirement for ATCO to file an application for Commission approval for a load balancing rate rider (LBRR) to recover the balance in the LBDA. In its August 26, 2009 letter ATCO applied for such a rider and also requested that the threshold for filing a rider application for the LBDA be changed. ATCO asked for Commission approval to file a rider application for the LBDA only when the LBDA balance exceeded a threshold of \$5 million in the same direction for six consecutive months or \$10 million in a single month (New Threshold).

2. In its August 26, 2009 letter, ATCO also advised the Commission that it had set up a new South LBDA effective August 1, 2009 (New LBDA).

3. On December 14, 2009 the Commission approved a rate rider, called rider "L", that allowed ATCO to recover approximately \$5 million from ATCO Gas South's customers to be applied to the South LBDA balance applicable to the March 1 to July 31, 2009 time period. The Commission also ordered ATCO to file an LBDA rider application if the South LBDA balance exceeds a threshold of \$5 million in the same direction for six consecutive months, or in the event that the LBDA balance exceeds \$10.0 million dollars in any single month (New Threshold). The Commission made its order effective January 1, 2010 for this change in the trigger mechanism.

4. On January 5, 2010 ATCO notified the Commission that the New LBDA exceeded the Old Threshold for the months of October, November and December 2009. ATCO submitted an application for an exemption from the requirement to file a rider application for those months on the basis that it would not be appropriate to file a rider application in light of the New Threshold and that the balance in the New LBDA was decreasing through the settlement process.

2 DECISION

5. Given that the balance is below the New Threshold and in consideration of the Commission's belief that the public interest would not be served by introducing a rider based on the Old Threshold, the Commission waives and exempts ATCO from filing a rider application to recover the South LBDA balance based on the Old Threshold for the months of October, November and December, 2009.

Dated in Calgary, Alberta on January 25, 2010.

ALBERTA UTILITIES COMMISSION

(original signed by)

Anne Michaud
Commissioner