



## AltaGas Utilities Inc.

Amendment to Riders "A" and "B" with respect to the  
Summer Village of Grandview

April 21, 2010

**ALBERTA UTILITIES COMMISSION**

Decision 2010-178: AltaGas Utilities Inc.

Amendment to Riders “A” and “B” with respect to the Summer Village of Grandview  
Application No. 1605895

April 21, 2010

Published by

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## ALBERTA UTILITIES COMMISSION

Calgary Alberta

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### ALTAGAS UTILITIES INC.

### AMENDMENT TO RIDERS “A” AND “B” WITH RESPECT TO THE SUMMER VILLAGE OF GRANDVIEW

Decision 2010-178  
Application No. 1605895

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1. AltaGas Utilities Inc. (AltaGas) applied to the Alberta Utilities Commission (AUC or Commission) for a Decision approving an amendment to Rider “A” (surcharge for a franchise fee). The proposed franchise fee would initially be set at 0 percent of AltaGas’s non-gas components of customer bills, so there would not be any effect on billings initially, as a result of this change.
2. AltaGas has also applied to add the Summer Village of Grandview (Grandview) to the municipalities identified in Rider “B” which will allow for the municipal taxes of Grandview to be recovered from the customers in Grandview. AltaGas will provide an estimate of the municipal taxes to be collected for Grandview after Grandview completes the third reading of its by-law.
3. Notice of the application was published in conjunction with the Notice for Grandview’s application for renewal of its franchise agreement with AltaGas Utilities Inc. and no objections were received. AltaGas has given the AUC consent to proceed with the application without a hearing.
4. The AUC notes that these changes in rates result from the provisions included in the franchise agreement between the Grandview and AltaGas which was approved in Decision 2010-177 issued in conjunction with this order. The franchise fee provisions included in the Agreement allow Grandview to change the level of the franchise fee once annually within a cap of 35 percent. Clause 4.c) of the Franchise Agreement includes a requirement for Grandview to publish notice prior to any change in the level of the fee.
5. The Alberta Utilities Commission, pursuant to the *Gas Utilities Act*, R.S.A. 2000, c. G-5, hereby orders as follows:
6. The AUC, pursuant to the *Gas Utilities Act*, R.S.A. 2000, c. G-5, hereby orders as follows:
  - (i) Application No. 1605894 by AltaGas Utilities Inc. dated February 12, 2010, is approved, subject to the terms and conditions herein contained.
  - (ii) The new rate for Grandview, as indicated on Rider “A” attached as [Appendix 1](#) to this Decision, becomes effective upon the execution of the Grandview’s Franchise Renewal Agreement with AltaGas Utilities Inc.
  - (iii) The new rate for Grandview, as indicated on Rider “B” attached as [Appendix 2](#) to this Decision, becomes effective upon the execution of Grandview’s Franchise Renewal Agreement with AltaGas Utilities Inc.

- (iv) AltaGas Utilities Inc. shall file with the AUC a copy of the revised Rider "A" before the date that the rate comes into effect.
- (v) AltaGas Utilities Inc. shall file with the AUC a copy of the revised Rider "B" before the date that the rate comes into effect.
- (vi) Any changes in the level of the franchise fee are required to be filed with the AUC for acknowledgment prior to the implementation of the new franchise fee rate.

Dated on April 21, 2010.

**ALBERTA UTILITIES COMMISSION**

*(original signed by)*

Thomas McGee  
Commissioner

## **APPENDIX 1 – RIDER “A” WITH RESPECT TO THE SUMMER VILLAGE OF GRANDVIEW**

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Appendix 1 - Rider A

(consists of 3 pages)

## **APPENDIX 2 – RIDER “B” WITH RESPECT TO THE SUMMER VILLAGE OF GRANDVIEW**

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Appendix 2 - Rider B

(consists of 2 pages)

<b>RATE RIDER "A"</b>	<b>FRANCHISE FEE/TAX RIDERS</b>
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**Municipalities**

Additions to be made to the rates of customers resident in municipalities that have agreed to accept a percentage of gross revenue of the special franchise tax in lieu of a property tax pursuant to Section 360 of the Municipal Government Act, 1994, c. M-26.1 (previously Section 14(7) and 14(8) of the Municipal Taxation Act).

The percentage shown to be applied as an addition to the total billings calculated.

Municipality	District	Type	Franchise Tax Rate (%)	AUC Order
* Athabasca	Athabasca	Town	6.0	U2009-075
Grande Cache	Grande Cache	Town	6.952	U99084
* Hairy Hill	St. Paul	Village	5.0	E95078
Radway	Westlock	Village	3.0	E90046
Three Hills	Three Hills	Town	4.75	U98033

<sup>(1)</sup> The Municipality has elected to have the percentage of gross revenue from the special franchise collected on sales revenue, transportation service revenue, and a deemed value for gas applied to volumes transported.

\* Periodic changes to franchise tax rates have been pre-approved by the AUC.

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<b>FRANCHISE FEE/TAX RIDERS</b>	<b>RATE RIDER "A"</b>
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**Métis Settlements**

Additions to be made to the rates of customers resident in Métis Settlements that have by bylaw approved Utility Services Agreements providing for the payment of annual utility service fees calculated as a percentage of gross revenues.<sup>(3)</sup> The percentage shown is to be applied as an addition to the total billings calculated.

<b>Métis Settlement</b>	<b>District</b>	<b>Rate (%)</b>	<b>AUC Order</b>
Buffalo Lake	St. Paul	7.0	U2000-236
Fishing Lake	St. Paul	5.0	U97153
Gift Lake	Wabasca	7.0	U2003-378
Kikino	St. Paul	7.0	U2000-107

<sup>(3)</sup> The *Métis Settlements Act* (S.A. 1998 Chapter M-14.3) enables the Métis Settlements General Council to legislate by Policy and Settlement Councils to legislate by bylaw on matters related to the operations of utilities within the settlement areas, including the granting of interests in land, the assessment and taxation of these interests, and the licencing of related activities. [s.222(1); Sch.1, ss.14, 19]. Under Métis Settlements General Council *Public Utilities Policy* (GC-P9804; Alberta Gazette, Nov.30, 1998, p.2221) a Settlement may enter into Utility Service Agreement allowing a utility to use land and provide utility services in the Settlement Area and providing for the utility to pay an all inclusive annual service fee. The fee may be determined as a percentage of gross revenue received from services provided in the Settlement Area. Each of the listed Settlements has entered into a Utility Service Agreement with AltaGas Utilities. Under the *Public Utility Policy* [s.2.3(3)] the Service Agreement takes effect on being approved by bylaw and by the Alberta Utilities Commission.

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<b>RATE RIDER "A"</b>	<b>FRANCHISE FEE/TAX RIDERS</b>
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### Municipalities Governed by Standardized Franchise Agreement

For each calendar year the franchise fee will be calculated as a percentage of the Company's actual total revenue derived from the Delivery Tariff, including without limitation the fixed charge, base energy charge, demand charge but excluding the cost of gas (being the calculated revenues from the gas cost recovery rate rider or the deemed cost of gas) in that year for Gas Distribution Service within the Municipal Area.

Municipality	District	Type	Franchise Fee Rate (%)	AUC Order
Barrhead	B/W/M	Town	8.00	2009-20
Beaumont	Leduc	Town	21.20	2005-287
Bonnyville	Bonnyville	Town	20.00	2003-068
Bonnyville Beach	Bonnyville	Summer Village	0.00	2005-321
Botha	Stettler	Village	10.00	2004-260
Calmar	Leduc	Town	20.00	2004-244
Crystal Springs	Leduc	Summer Village	0.00	2005-117
Delia	Drumheller	Village	10.00	2007-364
Donalda	Stettler	Village	13.50	2009-157
Drumheller	Drumheller	Town	27.00	2004-440
Elk Point	St. Paul	Town	16.00	
Glendon	St. Paul	Village	4.62	2004-264
Grandview	Leduc	Summer Village	0.00	
Hanna	Hanna	Town	9.85	2007-133
High Level	High Level	Town	27.50	2004-274
High Level	Rate 23 Customers only		35.00	2004-274
Island Lake	Athabasca	Summer Village	0.00	2005-085
Leduc	Leduc	City	27.00	2005-276
Leduc	Rate 3/13/23 Customers only		35.00	2005-276
Ma-Me-O Beach	Leduc	Summer Village	0.00	2009-67
Mewatha Beach	Athabasca	Summer Village	6.00	2005-207
Morinville	B/W/M	Town	19.00	2005-142
Munson	Drumheller	Village	11.00	2004-291
New Sarepta	Leduc	Village	20.75	2009-090
Pelican Narrows	Bonnyville	Summer Village	0.00	2006-162
Pincher Creek	Pincher Creek	Town	20.00	2004-293
Rochon Sands	Stettler	Summer Village	0.00	2007-212
St. Paul	St. Paul	Town	22.00	2004-289
Stettler	Stettler	Town	18.00	2004-247
Sunset Beach	Athabasca	Summer Village	3.00	2008-247
Two Hills	St. Paul	Town	10.00	2005-135
Waskatenau	B/W/M	Village	8.00	2004-421
Westlock	B/W/M	Town	0.00	2004-232
White Sands	Stettler	Summer Village	0.00	2008-130
Willingdon	St. Paul	Village	6.00	2005-5

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<b>RATE RIDER "B"</b>	<b>MUNICIPAL PROPERTY TAX RIDERS</b>
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Additions to be made to the rates of customers resident in municipalities that receive a property tax assessed pursuant to Section 353 of the *Municipal Government Act*, R.S.A. 2000 c.M-26. The addition is an estimated percentage of delivery revenues required to provide for the tax payable each year. To the extent that this percentage may be more or less than that required to pay the tax, the percentage of delivery revenue in the rider will be adjusted on an annual basis. The percentages are filed with the Alberta Utilities Commission.

Rate Rider "B" is to be applied as an addition to the gross amount of charges for delivery service otherwise payable (including applicable Riders) in the following area(s):

**Districts**

Athabasca  
Barrhead, Westlock, Morinville  
Bonnyville  
Drumheller  
Grande Cache  
Hanna  
High Level  
Leduc  
Pincher Creek  
St. Paul  
Southeast  
Stettler  
Three Hills  
Two Hills

**Municipalities**

Town of Barrhead  
Town of Beaumont  
Summer Village of Bonnyville Beach  
Town of Bonnyville  
Village of Botha  
Town of Calmar  
Summer Village of Crystal Springs  
Village of Delia  
Village of Donalda  
Town of Drumheller  
Town of Elk Point  
Village of Glendon  
Town of Hanna  
Summer Village of Grandview  
Town of High Level  
Summer Village of Island Lake  
City of Leduc  
Summer Village of Ma-Me-O Beach  
Summer Village of Mewatha Beach  
Town of Morinville  
Village of Morrin  
Village of Munson  
Village of New Sarepta  
Summer Village of Pelican Narrows  
Town of Pincher Creek  
Summer Village of Rochon Sands  
Town of St. Paul  
Town of Stettler  
Summer Village of Sunset Beach  
Town of Two Hills  
Village of Waskatenau  
Town of Westlock  
Summer Village of White Sands  
Village of Willingdon  
Zama Lake

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AltaGas Utilities Inc.

<b>PROPERTY TAX RIDERS</b>	<b>RATE RIDER "B"</b>
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AltaGas Utilities Inc.