

ATCO Gas South

Amendment to Riders "A" and "B" with respect to the

Town of Taber

April 21, 2010

ALBERTA UTILITIES COMMISSION

Decision 2010-180: ATCO Gas South Amendment to Riders "A" and "B" with respect to the Town of Taber Application No. 1605766

April 21, 2010

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Alberta Utilities Commission Fifth Avenue Place, 4th Floor, 425 - 1 Street SW Calgary, Alberta T2P 3L8

Telephone: (403) 592-8845

Fax: (403) 592-4406

Web site: www.auc.ab.ca

Calgary Alberta

ATCO GAS SOUTH

AMENDMENT TO RIDERS "A" AND "B" WITH RESPECT TO

THE TOWN OF TABER

Application No. 1605766

- 1. ATCO Gas South, a division of ATCO Gas and Pipelines Ltd. (ATCO Gas South) applied to the Alberta Utilities Commission (AUC or Commission) for a Decision approving an amendment to Rider "A" (surcharge for a franchise fee). This allows the franchise fee in the Town of Taber (the Town) to be changed from 5.26 percent of the gross revenue of ATCO Gas inclusive of the deemed value of natural gas delivered to its customers within the Town, to a percentage based on ATCO Gas' delivery revenue only. The fee would be 35 percent for high use rate (T3) distribution and Firm Service Delivery transmission services and 20 percent for all other services.
- 2. ATCO Gas South has also applied for a change to Rider "B" which recovers municipal taxes. ATCO Gas South will provide an estimate of the municipal taxes to be collected for the Town after the Town completes the third reading of its by-law.
- 3. Notice of the application was published in conjunction with the Notice for the Town's application for renewal of its franchise agreement with ATCO Gas and Pipelines Ltd. and no objections were received. ATCO Gas South 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 Town of Taber and ATCO Gas and Pipelines Ltd. which was approved in Decision 2010-179 issued in conjunction with this Decision. The franchise fee provisions included in the Agreement allow the Town 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 the Town 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:
 - (i) Application No. 1605766 by ATCO Gas South dated December 23, 2009, is approved, subject to the terms and conditions herein contained.
 - (ii) The new rate for the Town of Taber, as indicated on Rider "A" attached as Appendix 1 to this Decision, becomes effective upon the execution of the Town's Franchise Renewal Agreement with ATCO Gas and Pipelines Ltd.
 - (iii) The new rate for the Town of Taber, as indicated on Rider "B" attached as Appendix 2 to this Decision, becomes effective upon the execution of the Town's Franchise Renewal Agreement with ATCO Gas and Pipelines Ltd.

- (iv) ATCO Gas South shall file with the AUC a copy of the revised Rider "A" Franchise Fee and the Rider "B" Municipal Assessment Surcharge before the date that the rate comes into effect.
- (v) Any changes in the level of the franchise fee riders are required to be filed with the AUC for acknowledgement 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 TOWN OF TABER

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APPENDIX 2 – RIDER "B" WITH RESPECT TO THE TOWN OF TABER

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Effective by Decision On Consumption This Replaces Rider "A" Previously Effective January 1, 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>	Method	<u>Municipality</u>	<u>%</u>	Method	Municipality	<u>%</u>	Method
Calgary**	11.11	С	Claresholm	10.00	Α	Lomond	20.00	Α
Lethbridge	32.30	Α	Coaldale	11.30	Α	Longview	16.00	Α
Acme	20.00	Α	Coalhurst	12.44	Α	Magrath	11.18	Α
Airdrie	29.60	Α	Cochrane	23.00	Α	Milk River	30.00	Α
Banff	31.20	Α	Coutts	20.00	Α	Nanton	13.00	Α
Banff Park	5.25	С	Cowley	13.79	Α	Nobleford	0.00	Α
Barnwell	13.00	Α	Cremona	27.00	Α	Okotoks	5.25	С
Barons	14.97	Α	Crossfield	11.23	Α	Olds	27.50	Α
Bassano	20.00	Α	Crowsnest Pass	15.00	Α	Penhold	18.00	Α
Beiseker	11.18	Α	Delburne	21.60	Α	Picture Butte	6.00	С
Big Valley	5.26	С	Didsbury	25.00	Α	Raymond	5.00	Α
Black Diamond	14.00	Α	Duchess	12.67	Α	Rockyford	29.00	Α
Bow Island	10.50	Α	Elnora	16.00	Α	Rosemary	14.78	Α
Bowden	22.00	Α	Foremost	21.00	Α	Standard	11.34	Α
Brooks	18.00	Α	Fort Macleod	12.50	Α	Stavely	11.18	Α
Burdett	12.00	Α	Glenwood	5.26	С	Stirling	5.00	Α
Canmore	22.10	Α	Granum	8.50	Α	Strathmore	11.18	Α
Carbon	15.07	Α	High River	13.00	Α	Taber	20.00	Α
Cardston	15.00	Α	Hill Spring	21.52	Α	Taber*	35.00	Α
Carmangay	15.97	Α	Hussar	13.74	Α	Trochu	14.20	Α
Carstairs	25.00	Α	Innisfail	5.26	С	Turner Valley	10.00	Α
Champion	15.01	Α	Irricana	11.18	Α	Vauxhall	5.26	С
•			Linden	15.23	Α	Vulcan	15.00	Α

^{*} Applied to High Use and FSD Customer.

^{**} 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 By Decision
On Consumption
This Replaces Rider "B"
Previously Effective July 28, 2009

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

Siksika Nation

Bow Island

Foremost

Rosemary

Turner Valley

Canmore

Elnora

Linden

Brooks

Granum

Trochu

Claresholm

Lomond

Nanton

Bassano

Milk River

Nobleford Didsbury

Olds

Carstairs

Airdrie

Cardston

Penhold

Raymond

Coutts

Crowsnest Pass

Vulcan

Stirling

Taber