



AltaGas Utilities Inc.

**Amendment to Riders "A" and "B" with respect to the
Village of Morrin**

August 4, 2010



ALBERTA UTILITIES COMMISSION

Decision 2010-378: AltaGas Utilities Inc.

Amendment to Riders “A” and “B” with respect to the Village of Morrin

Application No. 1606318

August 4, 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

ALBERTA UTILITIES COMMISSION

Calgary Alberta

ALTAGAS UTILITIES INC.

AMENDMENT TO RIDERS “A” AND “B” WITH RESPECT TO THE VILLAGE OF MORRIN

Decision 2010-378
Application No. 1606318

1. AltaGas Utilities Inc. (AltaGas) applied to the Alberta Utilities Commission (AUC) for a Decision approving an amendment to the Rider “A” and Rider “B” schedules, which recover franchise fees and linear taxes respectively from customers in the Village of Morrin (Morrin).
2. Notice of the application was published in the Drumheller Mail on July 14, 2010 and on the AUC website on July 9, 2010. The AUC did not receive any objections to the application, and is continuing to process this application without further process as indicated in the notice.
3. AltaGas requested the franchise fee for Morrin, which is collected through Rider “A” be changed from 0.00 percent to 12.00 percent of the delivery revenue of AltaGas including linear taxes, but excluding the cost of gas. The estimated Rider “B” percentage was 4.09 percent; however this percentage will be updated once Morrin completes the third reading of its By-Law approving these changes.
4. The AUC notes that requested approvals result from the provisions included in the Franchise Agreement between Morrin and AltaGas which was approved in Decision 2010-377 and issued in conjunction with this Decision. The franchise fee provisions included in the Franchise Agreement allow Morrin to change the level of the franchise fee once annually within a cap of 35.00 percent. Article 4 (c) of the Franchise Agreement requires Morrin to publish notice prior to any change in the level of the fee.
5. The AUC, pursuant to the *Gas Utilities Act*, R.S.A. 2000, c. G-5, hereby orders as follows:
 - (i) Application No. 1606318 by AltaGas dated April June 28, 2010 is approved subject to the terms and conditions of the Franchise Agreement.
 - (ii) The new rate for Morrin, as indicated on Rider “A” attached as [Appendix 1](#) to this Decision becomes effective upon the execution of Morrin’s Franchise Agreement with AltaGas.
 - (iii) The Rider “B” attached as [Appendix 2](#) to this Decision becomes effective upon the execution of Morrin’s Franchise Agreement with AltaGas.
 - (iv) AltaGas shall file with the AUC a copy of the revised Rider “A” Franchise Fee and the Rider “B” Municipal Assessment Surcharge before the date the rate comes into effect.
 - (v) Any changes in the level of the franchise fee riders are required to be filed with the AUC prior to the implementation of the new franchise fee rate.

Dated on August 4, 2010.

ALBERTA UTILITIES COMMISSION

(original signed by)

Thomas McGee
Commissioner

APPENDIX 1 – RIDER “A” WITH RESPECT TO THE VILLAGE OF MORRIN

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Appendix 1 - Rider A

(consists of 3 pages)

APPENDIX 2 – RIDER “B” WITH RESPECT TO THE VILLAGE OF MORRIN

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Appendix 2 - Rider B

(consists of 2 pages)

RATE RIDER "A"	FRANCHISE TAX RIDERS
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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 is to be applied as an addition to the total billings calculated.

<u>Municipality</u>	<u>District</u>	<u>Type</u>	<u>Rate (%)</u>	<u>Decision/Order</u>	<u>Effective Date¹ (yyyy-mm-dd)</u>
Athabasca	Athabasca	Town	6.00	U2009-75	2009-05-19
Grande Cache	Grande Cache	Town	6.95	U99084	1999-10-18
Hairy Hill	Two Hills	Village	5.00	E95078	1999-01-01
Radway	Westlock	Village	3.00	E90046	1998-03-01
Three Hills	Three Hills	Town	4.75	U98033	1998-03-01

¹ Any bill rendered after this date is subject to the corresponding rate.

RATE RIDER "A"	FRANCHISE TAX RIDERS
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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.¹ The percentage shown is to be applied as an addition to the total billings calculated.

<u>Métis Settlement</u>	<u>District</u>	<u>Rate (%)</u>	<u>Decision/Order</u>	<u>Effective Date²</u> <u>(yyyy-mm-dd)</u>
Buffalo Lake	St. Paul	7.00	U2000-236	2000-07-15
Fishing Lake	St. Paul	5.00	U97153	1998-03-01
Gift Lake	Wabasca	7.00	U2003-378	2003-10-01
Kikino	St. Paul	7.00	U2000-107	2000-05-01

¹ 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 licensing 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 Energy and Utilities Board.

² Any bill rendered after this date is subject to the corresponding rate.

RATE RIDER "A"	FRANCHISE TAX RIDERS
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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 Gas Distribution 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.

<u>Municipality</u>	<u>Type</u>	<u>District</u>	<u>Rate (%)</u>	<u>Decision / Order</u>	<u>Effective Date⁴</u> <u>(yyyy-mm-dd)</u>
Barrhead	Town	BMW ¹	8.00	2009-20	2009-04-02
Beaumont	Town	Leduc	21.20	2005-287	2005-08-13
Bonnyville	Town	Bonnyville	20.00	2003-68	2003-10-16
Bonnyville Beach	Summer Village	Bonnyville	0.00	2005-321	2005-09-26
Botha	Village	Stettler	10.00	2004-260	2004-09-29
Calmar	Town	Leduc	17.00	2004-244	2010-01-01
Crystal Springs	Summer Village	Leduc	0.00	2005-117	2005-03-09
Delia	Village	Hanna	10.00	2007-364	2007-12-21
Donalda	Village	Stettler	13.50	2009-157	2009-11-04
Drumheller	Town	Drumheller	27.00	2004-440	2004-12-17
Elk Point	Town	St. Paul	16.00	2010-158	2010-06-15
Glendon	Village	St. Paul	4.62	2004-264	2004-09-16
Grandview	Summer Village	Leduc	0.00	Pending	Pending
Hanna	Town	Hanna	9.85	2007-133	2007-06-08
High Level	Town	High Level	27.50	2004-274	2004-09-16
Island Lake	Summer Village	Athabasca	0.00	2005-85	2005-03-24
Leduc ²	City	Leduc	27.00	2005-276	2005-07-09
Leduc ³	City	Leduc	35.00	2005-276	2005-07-09
Ma-Me-O Beach	Summer Village	Leduc	0.00	2009-67	2009-03-21
Mewatha Beach	Summer Village	Athabasca	6.00	2005-207	2005-07-12
Morinville	Town	BMW	19.00	2005-142	2005-04-28
Morrin	Village	Drumheller	12.00		
Munson	Village	Drumheller	11.00	2004-291	2004-12-01
New Sarepta	Village	Leduc	20.75	2009-90	2009-11-05
Pelican Narrows	Summer Village	Bonnyville	0.00	2006-162	2006-06-20
Pincher Creek	Town	Pincher Creek	20.00	2004-293	2004-09-16
Rochon Sands	Summer Village	Stettler	0.00	2007-212	2007-08-14
St. Paul	Town	St. Paul	22.00	2004-289	2004-11-10
Stettler	Town	Stettler	18.00	2004-247	2004-08-27
Sunset Beach	Summer Village	Athabasca	3.00	2008-247	2008-09-24
Two Hills	Town	Two Hills	15.00	2005-135	2009-01-07
Waskatenau	Village	BMW	8.00	2004-421	2004-12-22
Westlock	Town	BMW	18.00	2004-232	2009-01-07
White Sands	Summer Village	Stettler	0.00	2008-130	2008-05-29
Willingdon	Village	Two Hills	6.00	2005-005	2005-01-26

¹ BMW denotes Barrhead, Morinville and Westlock.

² Does not apply to service under Rates 3 or 13.

³ Applies only to service under Rates 3 and 13.

⁴ Any bill rendered after this date is subject to the corresponding rate.

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RATE RIDER "B"	DISTRICT & MUNICIPAL PROPERTY TAX RIDERS
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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 distribution 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 distribution 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 total billings calculated for the following areas:

District Property Tax Riders

<u>District</u>	<u>Rate (%)</u>	<u>Effective Date</u> ¹
Athabasca	3.4494	January 1, 2010
Barrhead, Morinville, Westlock	2.1811	January 1, 2010
Bonnyville	1.3185	January 1, 2010
Drumheller	0.2828	January 1, 2010
Grande Cache	n/a	January 1, 2010
Hanna	1.2836	January 1, 2010
High Level	2.8826	January 1, 2010
Leduc	0.9671	January 1, 2010
Pincher Creek	0.8900	January 1, 2010
St. Paul	3.0096	January 1, 2010
Southeast	1.6778	January 1, 2010
Stettler	1.1574	January 1, 2010
Three Hills	1.2979	January 1, 2010
Two Hills	3.3543	January 1, 2010

¹ Any bill rendered after this date is subject to the corresponding rate.

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DISTRICT & MUNICIPAL PROPERTY TAX RIDERS	RATE RIDER "B"
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Municipality-Specific Property Tax Riders

(incremental to applicable District Property Tax Rider)

<u>Municipality</u>	<u>Type</u>	<u>District</u>	<u>Rate (%)</u>	<u>Effective Date¹</u>
Barrhead	Town	BMW ²	2.8916	January 1, 2010
Beaumont	Town	Leduc	2.1779	January 1, 2010
Bonnyville Beach	Summer Village	Bonnyville	1.1795	January 1, 2010
Bonnyville	Town	Bonnyville	2.2730	January 1, 2010
Botha	Village	Stettler	1.4184	January 1, 2010
Calmar	Town	Leduc	4.0412	January 1, 2010
Crystal Springs	Summer Village	Leduc	1.1425	January 1, 2010
Delia	Village	Hanna	7.4436	January 1, 2010
Donalda	Village	Stettler	0.0000	January 1, 2010
Drumheller	Town	Drumheller	3.6796	January 1, 2010
Elk Point	Town	St. Paul	4.8716	June 15, 2010
Glendon	Village	St. Paul	7.8554	January 1, 2010
Grandview	Summer Village	Leduc	1.3946	Pending
Hanna	Town	Hanna	3.3256	January 1, 2010
High Level	Town	High Level	2.5058	January 1, 2010
Island Lake	Summer Village	Athabasca	1.7459	January 1, 2010
Leduc	City	Leduc	2.6988	January 1, 2010
Ma-Me-O Beach	Summer Village	Leduc	1.4025	January 1, 2010
Mewatha Beach	Summer Village	Athabasca	0.0000	January 1, 2010
Morinville	Town	BMW	1.7761	January 1, 2010
Morrin	Village	Drumheller	4.0395	January 1, 2010
Munson	Village	Drumheller	3.6600	January 1, 2010
New Sarepta	Village	Leduc	1.7132	January 1, 2010
Pelican Narrows	Summer Village	Bonnyville	1.6293	January 1, 2010
Pincher Creek	Town	Pincher Creek	2.7914	January 1, 2010
Rochon Sands	Summer Village	Stettler	1.0666	January 1, 2010
St. Paul	Town	St. Paul	3.5754	January 1, 2010
Stettler	Town	Stettler	2.6259	January 1, 2010
Sunset Beach	Summer Village	Athabasca	1.8292	January 1, 2010
Two Hills	Town	Two Hills	7.4544	January 1, 2010
Waskatenau	Village	BMW	3.7453	January 1, 2010
Westlock	Town	BMW	3.7263	January 1, 2010
White Sands	Summer Village	Stettler	3.1328	January 1, 2010
Willingdon	Village	Two Hills	6.8364	January 1, 2010
Zama Lake	Town	High Level	20.3511	January 1, 2010

¹ Any bill rendered after this date is subject to the corresponding rate.² BMW denotes Barrhead, Morinville and Westlock.

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AltaGas Utilities Inc.