



AltaGas Utilities Inc.

2008 Interim Refundable Rates

March 30, 2009



ALBERTA UTILITIES COMMISSION

Decision 2009-038: AltaGas Utilities Inc.

2008 Interim Refundable Rates

Application No. 1604826

Proceeding ID. 170

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Contents

1 INTRODUCTION..... 1

2 DETAILS OF THE APPLICATION 2

3 VIEWS OF THE COMMISSION 4

4 ORDER 7

APPENDIX 1 – PROCEEDING PARTICIPANTS..... 8

APPENDIX 2 – RATE SCHEDULES 9

List of Tables

Table 1. AUI Rate Classes..... 4

Table 2. AUI Calculation of Proposed 2008 Interim Refundable Rate Adjustment..... 4

Table 3. AUI Calculation of Proposed 2008 Interim Rates Increase..... 4

1 INTRODUCTION

1. On February 23, 2009, AltaGas Utilities Inc. (AUI) filed an application (Application) with the Alberta Utilities Commission (AUC or the Commission) requesting approval from the AUC to recover 50%, or approximately \$2.9 million, of the 2008 forecast revenue deficiency related to AUI's 2008/2009 Phase 1 General Tariff Application (2008/2009 GTA) Forecast Update filing,¹ (First Forecast Update) adjusted for the change in AUI's rates on November 1, 2008, pursuant to Decision [2008-103](#).²

2. AUI proposes to recover this portion of the 2008 deficiency by way of an interim refundable rates increase (2008 Interim Rates Increase) that would be applicable to AUI's open rate classes 1/11, 2/12, 3/13 and 4/14, effective May 1, 2009 to December 31, 2009. AUI stated that the 2008 deficiency would require a 2008 Interim Rates Increase of 11.533%.

3. AUI acknowledges that it is applying for interim rates for 2008, which is a period prior to 2009, for which 2009 interim rates have already been granted.³ In the present case, the revenue deficiency associated with the 2008 test year is significant relative to AUI's overall forecast revenue deficiency for the 2008 and 2009 test years. Furthermore, the current schedule for the balance of the associated 2008/2009 GTA proceeding has been extended from that which had been established before AUI applied for 2009 interim refundable rates.

4. AUI submits that the significant 2008 deficiency, together with the extension of the proceeding associated with AUI's 2008/2009 GTA, will require AUI to carry the costs of the 2008 deficiency for a period of time that is much longer than would have been anticipated normally. Accordingly, AUI asserts that it is appropriate to allow it to recover a reasonable portion of its 2008 revenue deficiency before its 2008/2009 GTA application is fully decided.

5. As an alternative to the recovery of the applied-for portion of the 2008 revenue deficiency through the application of the 2008 Interim Rates Increase, AUI submits that it would be amenable to the application of a refundable deficiency rider that would allow AUI to recover the applied-for amount.

6. On February 26, 2009, the Commission issued a Notice of Application. Any party wishing to intervene in the proceeding was required to file a Statement of Intention to Participate

¹ AUI 2008/2009 GTA Phase 1 (Application No. 1579247, ID 88) Forecast Update Filing, October 10, 2008

² AUC Decision 2008-103 – *AltaGas Utilities Inc. 2007 Deficiency Rider Interim Refundable Rates and Standard Contribution – Rural Other* (Application 1575162/ EPS ID 64) (Released: October 21, 2008)

³ AUC Decision 2009-024 – *AltaGas Utilities Inc. 2009 Interim Refundable Rates* (Application 1598641/EPS ID 145) (Released: February 11, 2009)

(SIP) by March 6, 2009. The Office of the Utilities Consumer Advocate (UCA) and the Consumers' Coalition of Alberta (CCA) filed SIPs. The CCA indicated that it did not object to the Application. The UCA was silent as to whether it opposed or supported the Application.

7. The Commission considers the record for the proceeding closed on March 6, 2009.

2 DETAILS OF THE APPLICATION

8. On July 14, 2008, AUI filed its 2008/2009 GTA with the AUC.⁴ In the original 2008/2009 GTA filing, AUI forecast revenue deficiencies of \$6.0 million for 2008 and \$9.7 million for 2009. On October 10, 2008, AUI filed the First Forecast Update to its 2008/2009 GTA, with revised forecast revenue deficiencies of \$6.2 million for 2008 and \$9.4 million for 2009. The Commission, in Decision 2008-103 released on October 21, 2008, granted AUI approval to implement interim refundable rates based on AUI's 2007 GTA (2007 Interim Rates). The 2007 Interim Rates that took effect November 1, 2008, allowed AUI to recover costs through rates at a level commensurate to the 2007 final approved revenue requirement.⁵ AUI also filed a 2009 Interim Refundable Rates⁶ application on December 10, 2008. On February 11, 2009, AUI received approval from the AUC to implement interim refundable rates effective March 1, 2009 pursuant to Decision [2009-024](#).⁷

9. In the Application, AUI references Decision 2009-024 (and prior Alberta Energy and Utilities Board (EUB) decisions⁸), in which the Commission identified the factors it considered when evaluating an application for an interim rate increase. AUI submits that it fulfilled those criteria.

10. AUI submits that it is probable that it will incur the forecast costs that it proposes to recover through the 2008 Interim Rates Increase, given that the increase would recover only 50% of the forecast revenue deficiency.

11. AUI further states that the Application is based on forecasts that will be reviewed in detail in the 2008/2009 GTA process and adjustments may be made; however, AUI submits, it is reasonable to expect that any adjustments will not reduce the 2008 deficiency by more than 50%. By applying to recover only 50% of the 2008 deficiency, AUI has accounted for "all or some portion of any contentious items"⁹ included in the 2008/2009 GTA. AUI states that it expects Inter-Affiliate Services, Shared Costs to be of a contentious nature. The portion of Inter-Affiliate Services, Shared Costs in the 2008 revenue deficiency that may be contested is \$1.1 million;

⁴ AUI 2008/2009 GTA Phase 1 (Application No. 1579247, ID 88), July 14, 2008

⁵ AUC Decision 2008-032 – *AltaGas Utilities Inc., 2007 General Rate Application Phase I Refiling* (Application 1556301) (Released: April 30, 2008)

⁶ AUI 2009 Interim Refundable Rates Application (Application No. 1598641, ID 145), December 10, 2008

⁷ AUC Decision 2009-024 – *AltaGas Utilities Inc. 2009 Interim Refundable Rates* (Application 1598641/EPS ID 145) (Released February 11, 2009)

⁸ AUC Decision 2009-024, page 2, see also AUC Decision [2008-120](#) – *ATCO Pipelines 2008-2009 Revised Interim Rates* (Application 1584560/EPS ID 98), pages 10 and 11, EUB Decision [2007-110](#) – *ATCO Pipelines 2008 Interim Rates* (Application 1547779) (Released: December 20, 2007), pages 6 and 7, EUB Decision [2007-105](#) – *ATCO Gas 2008 Interim Rates* (Application 1544977) (Released: December 19, 2007), pages 5 and 6, and EUB Decision 2005-099, pages 7 and 8

⁹ EUB Decision 2007-110, see also EUB Decision 2007-105 pages 5 and 6, and EUB Decision 2005-099 pages 7 and 8

(\$2.3 million forecast less \$1.2 million approved in AUC Decision 2008-032 for AUI's 2007 GTA).

12. AUI submits that it would continue safe utility operations with or without collecting the proposed 50% portion of the 2008 deficiency, but would suffer financial hardship in doing so.

13. AUI submits that allowing it to recover 50% of the 2008 deficiency, as proposed, would provide greater rate stability and ease rate shock. AUI anticipates that the 2008/2009 GTA would not conclude until late 2009 or early 2010, with consideration for the time required to complete compliance filings that would follow the original GTA decision. This Application, AUI submits, facilitates a gradual recovery of 50% of the 2008 deficiency in 2009. AUI asserts that initiating the recovery of the 2008 deficiency now would stabilize rates by effectively lengthening the time over which AUI would recover the 2008 deficiency. This would also lessen the potential for rate shock associated with recovering the full 2008 deficiency and 2009 deficiency after the 2008/2009 GTA concludes. In addition to helping stabilize rates and reducing rate shock, the gradual approach provides more appropriate price signals to customers.

14. AUI adds that allowing AUI to recover 50% of the 2008 deficiency, as proposed, would improve the matching of costs to customers who incurred those costs, compared to a recovery process that would not be implemented until after the 2008/2009 GTA concludes. AUI submits that any delays in the recovery of the 2008 deficiency would increase intergenerational inequity.

15. AUI essentially proposes to use the same approach that was approved by the Commission in Decision 2008-103. AUI indicates that the only difference in this Application is that the calculation of the interim rates adjustment is based on an unapproved forecast rather than an approved revenue deficiency, and it is only requesting that 50% of the deficiency be included in the interim rates. AUI submits that other interim rates adjustments have been based on unapproved revenue requirements in prior decisions for Centra Gas Alberta Inc.,¹⁰ ATCO Gas,¹¹ and ATCO Pipelines.¹² AUI further submits that all but the Centra Gas Alberta Inc. application incorporated across-the-board percentage rate increases.

16. As noted above, AUI proposes to apply an across-the-board increase of 11.533%, to the base fixed charge, default supply provider administration fee, variable base energy charge, and demand charge to all AUI open rate classes identified below in Table 1. AUI proposes that charges for Rate 6 – Standby, Peaking, and Emergency Service customers would continue to mirror the charges of Rates 3 and 13:

¹⁰ Public Utilities Board, Alberta Decision E91067, *Centra Gas Alberta Inc., Interim Rates Application* (Released: August 28, 1991)

¹¹ EUB Decision 2002-115 – *ATCO Gas Interim Rates Application* (Application 1284374) (Released: December 24, 2002), EUB Decision 2005-099 – *ATCO Gas Interim Rates Application* (Application 1404168) (Released: August 29, 2005), AUC Decision 2007-105 – *ATCO Gas 2008 Interim Rates Application* (Application 1544977) (Released: December 19, 2007)

¹² EUB Decision 2007-110 – *ATCO Pipelines 2008 Interim Rates* (Application 1547779) (Released: December 20, 2007)

Table 1. AUI Rate Classes

Rate	Description
Rate 1	Small General Service
Rate 2	Large General Service (Optional)
Rate 3	Demand/Commodity General Service (Optional)
Rate 4	Irrigation Pumping Service (Optional)
Rate 11	Small General Service for Retailer
Rate 12	Large General Service (Optional) for Retailer
Rate 13	Demand/Commodity General Service (Optional) for Retailer
Rate 14	Irrigation Pumping Service (Optional) for Retailer

17. AUI provides the following calculations of the 2008 forecast revenue deficiency and proposed rate adjustment of 11.533%, which would result in collection of \$2,857,812:

Table 2. AUI Calculation of Proposed 2008 Interim Refundable Rate Adjustment

Line	Description	Amount (\$)
1	2008 forecast deficiency before tax per 2008/2009 GTA Oct. 10, 2008 Forecast Update	\$ 6,244,159
2	<i>Less:</i> 2008 forecast revenue increase due to 2007 Interim Rates approval	528,536
3	Updated 2008 deficiency (Line 1 minus Line 2)	5,715,623
4	<i>Times:</i> 50%	.50
5	Amount of 2008 deficiency AUI proposes to recover (Line 3 times Line 4) with the 2008 Interim Rates Increase	\$ 2,857,812

Table 3. AUI Calculation of Proposed 2008 Interim Rates Increase

Line	Description	Amount (\$)
1	Amount of 2008 deficiency AUI proposes to recover with the 2008 Interim Rates Increase	\$ 2,857,812
2	<i>Divide by:</i> Forecast revenue at existing rates from May 1, 2009 to Dec. 31, 2009	\$ 24,780,262
3	2008 Interim Rates Increase	11.533%

18. AUI states that the adjustments to AUI's rates are based on multiplying the proposed 2008 Interim Rates increase of 11.533% across-the-board to each of the rates as filed in AUI's 2009 Interim Refundable Rates compliance filing in response to Order 1 from Decision 2009-024, dated February 18, 2009, and related compliance Decision [2009-026](#).¹³

3 VIEWS OF THE COMMISSION

19. When evaluating the merits of an interim rates application, the Commission must weigh the potential benefits of granting the application - from the perspective of rate stability and minimization of rate shock should the applied-for revenue requirement (in the current GRA) be approved - against the costs that are the basis for the interim rates increase, whether they be contentious or non-contentious items, and the impact the revenue deficiency has on the financial welfare of the utility and on the safety of utility operations.

¹³ AUC Decision 2009-026 – *AltaGas Utilities Inc. 2009 Interim Refundable Rates, Rate Schedules* (Application 1604809/ EPS ID 169) (Released: February 27, 2009)

20. In Decision 2005-099,¹⁴ the EUB noted the various factors it employed when evaluating an application for an interim rates increase and grouped the factors into two categories: those relating to the quantum of, and need for, the rate increase and those that relate to more general public interest considerations:

Quantum and need factors are those which relate to the specifics of the requested rate increase and include:

- The identified revenue deficiency should be probable and material
- All or some portion of any contentious items may be excluded from the amount collected
- Is the increase required to preserve the financial integrity of the applicant or to avoid financial hardship to the applicant?
- Can the applicant continue safe utility operations without the interim adjustment?

If all or a portion of the suggested rate increase appears appropriate after a consideration of the quantum and need factors, the Board must assess certain general public interest factors to see if a rate increase is justified,[*sic*] these include:

- Interim rates should promote rate stability and ease rate shock
- Interim adjustments should help to maintain intergenerational equity
- Can interim rate increases be avoided through the use of carrying costs
- Interim rate increases may be required to provide appropriate price signals to customers
- It may be appropriate to apply the interim rider on an across-the-board basis.

The Board recognizes that the above listed considerations may be given different weighting depending on the specific circumstances surrounding each application.

21. In Decision U96047,¹⁵ the Board stated:

Interim rates are generally intended to provide some relief from the detrimental effects of lengthy proceedings on the applicant's financial position and/or to lessen any rate shock which may result from final disposition of an application. The Board also notes that interim rate determinations are, by their nature, expeditious and made on the basis of *prima facie* evidence which is not fully tested.

Quantum and Need Factors

22. The Commission considers that AUI's 2008 forecast revenue deficiency of \$5,715,623 is material. The Commission also considers that, on a *prima facie* review, AUI's request to collect 50% of the 2008 forecast revenue deficiency adequately takes into account the quantum associated with contentious issues.

23. The Commission notes that the AUI 2008-2009 GTA, which is currently in progress, is the appropriate venue for parties to fully test all contentious items. It also notes that in the event of any over-collections using interim rates, that difference would be refunded to customers at a later date. Further, the Commission notes that no party objected to the Application.

¹⁴ EUB Decision 2005-099 – *ATCO Gas 2005-2007 General Rate Application, Interim Rate Application* (Released August 29, 2005), pages 7-8

¹⁵ Decision U96047, *NOVA Gas Transmission Ltd. 1996 Interim Rate Application* (Released: May 8, 1996), page 4

24. The Commission finds that AUI has followed the accepted approach to calculating the 2008 forecast revenue deficiency by taking the difference between forecast revenue at existing rates and forecast revenue requirement. The increase of 11.533% is calculated by dividing the amount of the 2008 deficiency AUI proposes to recover, by the forecast distribution revenues at existing rates from May 1, 2009 to December 31, 2009 for AUI's open rate classes 1/11, 2/12, 3/13 and 4/14. On this basis the Commission considers that the quantum factor for interim rates is justified.

25. The Commission notes that AUI filed a Second Forecast Update (Second Update) to its 2008-2009 GTA on March 6, 2009, which stated a reduction in its revenue deficiency of approximately \$600,000.¹⁶ Given that the Application is requesting approval of interim rates that will be subject to future reconciliation and that the impact to the Application from the Second Update is minimal, the Commission sees little added value, in this case, in requiring AUI to update its Application. The Commission is therefore prepared to consider the Application based on the forecast revenue deficiency included within AUI's First Forecast Update.

26. AUI noted it would continue safe operations without the proposed rate increase, but would suffer financial hardship in doing so. The Commission considers it is the interest of both ratepayers and AUI that the utility not bear any unnecessary financial hardship. On this basis the Commission considers that there is a need factor associated with this interim rates application.

27. Based on the above assessment of the quantum and need factors, the Commission considers it would be appropriate to award some level of interim rates to AUI.

General Public Interest Factors

28. As quoted above, the General Public Interest Factors include:

- Interim rates should promote rate stability and ease rate shock
- Interim adjustments should help to maintain intergenerational equity
- Can interim rate increases be avoided through the use of carrying costs
- Interim rate increases may be required to provide appropriate price signals to customers
- It may be appropriate to apply the interim rider on an across-the-board basis.

29. The EUB made the following statement in Decision [2002-115](#):¹⁷

An interim rate increase aimed at recovering a portion of any shortfall that is ultimately demonstrated and approved provides for a leveling out of the impact of any final rate increase, thereby promoting rate stability and easing any rate shock to customers at a later date.¹⁸

30. The Commission agrees with the above statement. While the Commission is in the process of assessing the merits of AUI's 2008/2009 GTA application, the Commission considers that the following statement from AUI has merit:

Initiating the recovery of the 2008 deficiency now will stabilize rates by effectively lengthening the time over which AUI will recover the 2008 deficiency. This will also

¹⁶ AltaGas Utilities Inc. 2008-2009 GTA Second Forecast Update dated March 6, 2009, Schedule 2.1

¹⁷ Decision 2002-115, *ATCO Gas 2003/2004 General Rate Application* (Released: December 24, 2002)

¹⁸ Decision 2002-115, page 10

lessen the potential for rate shock associated with recovering the full 2008 deficiency and 2009 deficiency after the 2008/2009 GTA concludes.¹⁹

31. The Commission notes that AUI has provided examples of the approximate effect resulting from the 2008 Interim Rates for average consumers across AUI's various customer categories, as follows:

Rate Class	1/11 Residential	1/11 Commercial	1/11 Rural	2/12 Large General Service	3/13 Direct/Commodity General Service(Optional)	4/14 Irrigation
Increase	\$33	\$77	\$37	\$703	\$2,603	\$86

32. The Commission considers that AUI's interim rates application will result in a more desirable price signal being sent to consumers and that intergenerational inequity and rate shock are minimized when rates are directionally aligned with the cost of services that are being provided.

33. On this basis the Commission considers that AUI's Application meets the general public interest factors and should be approved.

34. The Commission approves an interim rate increase which would have the effect of recovering 50% (\$2,857,812) of AUI's 2008 forecast revenue deficiency as stated within AUI's First Forecast Update, to be implemented on May 1, 2009, in an across-the-board fashion. The approved Rate Schedules are attached in Appendix 2 of this Decision.

4 ORDER

35. IT IS HEREBY ORDERED THAT:

- (1) AltaGas Utilities Inc. is authorized to recover approximately 50% of its 2008 forecast revenue deficiency as stated within AltaGas Utilities Inc.'s October 10, 2008 Forecast Update to its 2008-2009 GTA, calculated to be \$2,857,812, which results in an interim rate increase of 11.533%, effective May 1, 2009.
- (2) AltaGas Utilities Inc.'s attached rate schedules are hereby approved.

Dated in Calgary, Alberta on March 30, 2009.

ALBERTA UTILITIES COMMISSION

(original signed by)

Anne Michaud
Acting Commissioner

¹⁹ Application, page 7

APPENDIX 1 – PROCEEDING PARTICIPANTS

Name of Organization (Abbreviation) Counsel or Representative (APPLICANTS)
AltaGas Utilities Inc. (AUI) R. Koizumi J. Coleman
Consumers' Coalition of Alberta (CCA) J. Wachowich
The Office of the Utilities Consumer Advocate (UCA) R. Henderson

Alberta Utilities Commission Commission Panel A. Michaud, Acting Commissioner Commission Staff V. Slawinski (Commission Counsel) M. McJannet P. Howard C. Burt

APPENDIX 2 – RATE SCHEDULES



Appendix 2 - Rate
Schedules.pdf

(consists of 9 pages)

RATE NO. 1	SMALL GENERAL SERVICE
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Description:

Available to all customers except those customers who do not purchase their total natural gas requirements from the Company or who utilize the Company's facilities only for standby, peaking or emergency services.

Charges:

Fixed Charge:

Base	\$ 0.794/Day
Default Supply Provider Administration Fee	\$ 0.074/Day

Variable Energy Charge:

Base	\$ 1.636/GJ
Gas Cost Recovery	Rate Rider "D"
Third Party Transportation	Rate Rider "G"

The minimum daily charge will be the Fixed Charge.

EFFECTIVE DATE: May 1, 2009	REPLACING RATE EFFECTIVE: March 1, 2009 Decision 2009-026	Page 1 of 1 SGS
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RATE NO. 2	LARGE GENERAL SERVICE (OPTIONAL)
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Description:

Available to all customers except those customers who do not purchase their total natural gas requirements from the Company or who utilize the Company's facilities only for standby, peaking or emergency services.

Charges:

Fixed Charge:

Base	\$ 13.218/Day
Default Supply Provider Administration Fee	\$ 0.074/Day

Variable Energy Charge:

Base	\$ 0.931/GJ
Gas Cost Recovery	Rate Rider "D"
Third Party Transportation	Rate Rider "G"

The minimum daily charge will be the Fixed Charge.

EFFECTIVE DATE: May 1, 2009	REPLACING RATE EFFECTIVE: March 1, 2009 Decision 2009-026	Page 1 of 1 LGS
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RATE NO. 3	DEMAND/COMMODITY GENERAL SERVICE (OPTIONAL)
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Description:

Available to all customers except those customers who do not purchase their total natural gas requirements from the Company or who utilize the Company's facilities only for standby, peaking or emergency services.

Charges:

Demand Charge \$ 0.242/Day/GJ
 of Billing Demand

Fixed Charge:

Base \$ 22.029/Day
 Default Supply Provider Administration Fee \$ 0.074/Day

Variable Energy Charge:

Base \$ 0.021/GJ
 Gas Cost Recovery Rate Rider "D"
 Third Party Transportation Rate Rider "G"

The minimum daily charge will be the Demand Charge and Fixed Charge.

Determination of Billing Demand:

The Billing Demand shall be the greater of:

1. 100 GJ, or
2. The Contract Demand, or
3. The greatest amount of gas (GJ) delivered in any consecutive 24-hour period during the current and preceding eleven billing periods provided that the greatest amount of gas delivered in any 24 consecutive hours in the summer period (April 1 to October 31, inclusive) shall be divided by 2.

EFFECTIVE DATE: May 1, 2009	REPLACING RATE EFFECTIVE: March 1, 2009 Decision 2009-026	Page 1 of 1 DCGS
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RATE NO. 4	IRRIGATION PUMPING SERVICE (OPTIONAL)
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Description:

Available only to customers for the use of natural gas as a fuel for engines pumping irrigation water from **April 1 to October 31**, inclusive.

Charges:

		<u>April 1 to October 31</u>
Fixed Charge:		
Base		\$ 1.666/Day
Default Supply Provider Administration Fee		\$ 0.074/Day
Variable Energy Charge:		
Base		\$ 1.445/GJ
Gas Cost Recovery		Rate Rider "D"
Third Party Transportation		Rate Rider "G"

The minimum daily charge will be the Fixed Charge.

EFFECTIVE DATE: May 1, 2009	REPLACING RATE EFFECTIVE: March 1, 2009 Decision 2009-026	Page 1 of 1 IPS
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RATE NO. 6	STANDBY, PEAKING, AND EMERGENCY SERVICE
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Description:

Available only at the option of the Company.

Charges:

Demand Charge \$ 0.242/Day/GJ
 of Billing Demand

Fixed Charge:

Base \$ 22.029/Day
 Default Supply Provider Administration Fee \$ 0.074/Day

Variable Energy Charge 1.3 times the Variable Base Charge of Rate No. 3
 plus the greater of:
 (a) 1.3 times the GCR; or
 (b) 1.3 times the actual cost of gas purchased

The minimum daily charge will be the Demand Charge and Fixed Charge.

Determination of Billing Demand:

The Billing Demand shall be the greater of:

1. 100 GJ, or
2. The Contract Demand, or
3. The greatest amount of gas (GJ) delivered in any consecutive 24-hour period during the current and preceding eleven billing periods provided that the greatest amount of gas delivered in any 24 consecutive hours in the summer period (April 1 to October 31, inclusive) shall be divided by 2.

EFFECTIVE DATE: May 1, 2009	REPLACING RATE EFFECTIVE: March 1, 2009 Decision 2009-026	Page 1 of 1 SPES
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RATE NO. 11	SMALL GENERAL SERVICE FOR RETAILER
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Description:

Distribution service is available to retailers under contract for the delivery of retail supply.

Charges:

Fixed Charge:

Base \$ 0.794/Day

Variable Energy Charge:

Base \$ 1.636/GJ
 Third Party Transportation Rate Rider "G"

The minimum daily charge will be the Fixed Charge.
 This service is not available for standby, peaking or emergency services.

EFFECTIVE DATE: May 1, 2009	REPLACING RATE EFFECTIVE: March 1, 2009 Decision 2009-026	Page 1 of 1 SGS-R
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RATE NO. 12	LARGE GENERAL SERVICE (OPTIONAL) FOR RETAILER
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Description:

Distribution service is available to retailers under contract for the delivery of retail supply.

Charges:

Fixed Charge:

Base \$ 13.218/Day

Variable Energy Charge:

Base \$ 0.931/GJ
 Third Party Transportation Rate Rider "G"

The minimum daily charge will be the Fixed Charge.
 This service is not available for standby, peaking or emergency services.

EFFECTIVE DATE: May 1, 2009	REPLACING RATE EFFECTIVE: March 1, 2009 Decision 2009-026	Page 1 of 1 LGS-R
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RATE NO. 13	DEMAND/COMMODITY GENERAL SERVICE (OPTIONAL) FOR RETAILER
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Description:

Distribution service is available to retailers under contract for the delivery of retail supply.

Charges:

Demand Charge \$ 0.242/Day/GJ
 of Billing Demand

Fixed Charge:

Base \$ 22.029/Day

Variable Energy Charge:

Base \$ 0.021/GJ
 Third Party Transportation Rate Rider "G"

The minimum daily charge will be the Demand Charge and Fixed Charge.

Determination of Billing Demand:

The Billing Demand shall be the greater of:

1. 100 GJ, or
2. The Contract Demand, or
3. The greatest amount of gas (GJ) delivered in any consecutive 24-hour period during the current and preceding eleven billing periods provided that the greatest amount of gas delivered in any 24 consecutive hours in the summer period (April 1 to October 31, inclusive) shall be divided by 2.

EFFECTIVE DATE: May 1, 2009	REPLACING RATE EFFECTIVE: March 1, 2009 Decision 2009-026	Page 1 of 1 DCGS-R
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RATE NO. 14	IRRIGATION PUMPING SERVICE (OPTIONAL) FOR RETAILER
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Description:

Distribution service is available to retailers under contract for the delivery of retail supply. Available to retailers only for the use of natural gas as a fuel for engines pumping irrigation water from **April 1 to October 31**, inclusive.

Charges:

		April 1 to <u>October 31</u>
Fixed Charge:		
Base		\$ 1.666/Day
Variable Energy Charge:		
Base		\$ 1.445/GJ
Third Party Transportation		Rate Rider "G"

The minimum daily charge will be the Fixed Charge.
 This service is not available for standby, peaking or emergency services.

EFFECTIVE DATE: May 1, 2009	REPLACING RATE EFFECTIVE: March 1, 2009 Decision 2009-026	Page 1 of 1 IPS-R
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