



## ATCO GAS

### Weather Deferral Account Rate Rider

June 24, 2009



**ALBERTA UTILITIES COMMISSION**

Decision 2009-093: ATCO Gas

Weather Deferral Account Rate Rider

Application No. 1605061

Proceeding ID. 198

June 24, 2009

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**ATCO GAS  
WEATHER DEFERRAL ACCOUNT RATE RIDER**

**Decision 2009-093  
Application No. 1605061  
Proceeding ID. 198**

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**1 INTRODUCTION**

1. In Decision [2008-113](#),<sup>1</sup> the Alberta Utilities Commission (Commission) approved a weather deferral account for ATCO Gas (AG) effective January 1, 2008. On May 7, 2009 AG filed a weather deferral account rate rider application (Application) with respect to AG's north service territory (ATCO Gas North or AGN) to be effective July 1, 2009.

2. The Commission issued Notice of Application on May 12, 2009, and received Statements of Intent to Participate from the Consumers Coalition of Alberta (CCA), the Office of the Utilities Consumer Advocate (UCA), and The City of Calgary (Calgary). The Commission established a process to deal with the Application that included information requests, Argument and Reply Argument from AG on June 12, 2009.

3. The Commission considers the record for this proceeding (Proceeding) closed on June 12, 2009. The Commission assigned Commissioner Bill Lyttle to this Proceeding.

**2 BACKGROUND**

4. In Decision 2008-113 which approved the weather deferral account, the AUC noted that:

AG proposed that a 12-month rider would be required when either the North or the South weather deferral revenue accounts exceeded \$7 million dollars at April 30<sup>th</sup> of each year, which would represent about a +/- 10% variation in the normalized weather forecast.<sup>2</sup>

5. In the Application, AG submitted that the weather deferral account balance at April 30, 2009 for AGN was in a refund position of approximately \$7.245 million. ATCO Gas North requested approval of a weather deferral account rate rider (Rate Rider W) of \$0.075 per GJ to refund the weather deferral account balance over a 12-month period commencing July 1, 2009 to the AGN Low Use Rate Group only. This represented a refund of \$9 over the 12 months for an average residential customer with an annual consumption of 120 GJ. AG noted that the Low Use Rate Group was the only rate group with a commodity rate and therefore the only rate class to receive the proposed Rate Rider W.

6. AG used the 2009 throughput forecast as submitted in its January 19, 2009 compliance filing application<sup>3</sup> to Decision 2008-113 to derive the weather deferral account rate rider. AG

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<sup>1</sup> Decision 2008-113 – ATCO Gas 2008-2009 General Rate Application Phase I (Application 1553052, ID. 11) (Released: November 13, 2008)

<sup>2</sup> Decision 2008-113, page 107

<sup>3</sup> ATCO Gas 2008-2009 General Rate Application – Compliance Filing, Application 1603068, Proceeding ID 154

indicated that any differences between the approved refund amount and the actual refund amount would remain in the weather deferral account. AG calculated the refund rate is as follows:

$$\$7,245,000/96,643,012 \text{ GJ} = \$0.075/\text{GJ}^4$$

7. In reaching the determinations set out in this Decision, the Commission has considered the record of this proceeding, including the Argument and Reply Argument provided by each party. Accordingly, references in this Decision to specific parts of the record are intended to assist the reader in understanding the Commission's reasoning relating to a particular matter and should not be taken as an indication that the Commission did not consider other relevant portions of the record with respect to that matter.

### 3 DISCUSSION

8. In Decision 2008-113, the Commission approved the weather deferral account proposed by AG with an effective implementation date of January 1, 2008. In accordance with the methodology for collections or refunds of the weather deferral account, AGN filed this Application.

9. Intervenors expressed a number of concerns with the impact of the weather deferral account on customers, the collection/refund mechanics and concerns regarding future weather deferral account filings.

10. CCA expressed concern about the potential magnitude of future weather deferral account riders when combined with potential future general rate application changes and potential increases in natural gas commodity prices especially in light of the expiration of the Natural Gas Rebate Program on March 31, 2009.

11. The Commission notes that the discontinuance of the Natural Gas Rebate Program was a decision of the Alberta Provincial Government and is beyond the purview of the Commission. Further, natural gas commodity prices are determined by the market. Accordingly, these matters are outside the immediate jurisdiction of the Commission.

12. CCA also noted concern with respect to possible future general rate application increases. While the Commission is sensitive to the possible cumulative impact to consumers of future distribution rate increases, the Commission has well established processes for parties to present and argue their case with respect to future general rate applications. The cumulative impact of potential price increases to customers can be reviewed and considered if appropriate in future applications.

13. The Commission also notes the potential for review of the weather deferral account methodology that was expressed in Decision 2008-113 in the event that the potential magnitude of future rate riders became onerous on customers. The Commission stated:

After examining the weather deferral account proposal, the Commission is of the view that the thresholds which have been proposed by AG minimize the number of potential riders required while balancing the rate impacts within a 12-month period, and that use of

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<sup>4</sup> Application, paragraph 3

the weather deferral account will replace the need for potential rate design changes that may have undesirable impacts on certain low use rate groups. Further, given the threshold limit as proposed by AG for collection or refund of accumulated amounts, the Commission considers that the collection should not be onerous on customers. However, if an extreme condition were to occur, resulting in two weather deferral account riders being applied simultaneously, the Commission considers that it may have to review the collection period, threshold amounts, or other details associated with the forecasting of normal weather.<sup>5</sup> (emphasis added)

14. In conjunction with expiration of the Alberta Natural Gas Rebate Program, CCA also raised the issue of a transfer of weather risk to customers. CCA considered that a reduction to the equity portion of the ATCO Gas stated capital should be considered by the Commission in light of the potentially reduced forecasting risk to the utility.

15. The CCA recognized, however, that the Commission has already made arrangements to consider the impact, if any, of the weather deferral account on the risk faced by the utility. In Decision 2008-113 the Commission stated:

The Commission had determined in Decision [2008-051](#) that the 2009 Generic Cost of Capital proceeding would deal with AG's proposed increase to its 2008 equity ratio as part of a module to the generic proceeding.<sup>181</sup> For this reason, any potential impact of a weather deferral account on AG's business risk for 2008 and 2009 will be addressed as part of the 2009 Generic Cost of Capital proceeding.<sup>6</sup>

<sup>181</sup> Decision 2008-051 – Generic Cost of Capital – Preliminary Questions Proceeding (Application 1561663 Proceeding ID. 15) (Released: June 18, 2008)

16. The Commission notes that the 2009 Generic Cost of Capital<sup>7</sup> proceeding is currently in progress. The Commission will not make any determinations with respect to risk as part of the present Proceeding.

17. UCA raised concerns regarding AG's approach for implementing the weather deferral account rate rider, and made the following recommendations:

- The temperature coefficient should be based on 2007 experience and not be changed until the completion of the next GRA.<sup>8</sup>
- The temperature basis should be the 10 year average ending 2007 and should be changed upon the completion of the next GRA.<sup>9</sup>
- The use of a 10 year average for a temperature basis is unnecessarily short, but should be retained because of its use in the most recent GRA.<sup>10</sup>
- The balance between temperatures below average versus temperatures above average is likely to create a maximum annual refund obligation that is greater than the maximum

<sup>5</sup> Decision 2008-113, page 109

<sup>6</sup> Decision 2008-113, page 108

<sup>7</sup> 2009 Generic Cost of Capital Proceeding, Application 1578571, Proceeding ID 85

<sup>8</sup> UCA Argument, paragraph 5

<sup>9</sup> UCA Argument, paragraph 7

<sup>10</sup> UCA Argument, paragraph 10

annual recovery opportunity. However, the use of normalized weather provides a balance and no adjustment to the process is required.<sup>11</sup>

18. Considering the process and procedure used by AG in this proceeding, UCA made the following recommendation:

In conclusion, the UCA submits that the Application raises more issues than it clarifies which shows the value which could have been achieved if AG had complied with the Commissions direction and provided a mock filing which would have provided all parties an opportunity to address the perceived shortcomings identified by the UCA in the Application. The UCA submits that before the Commission accepts or denies the current Application, AG should be directed to address the issues raised in this argument if not in standalone proceeding, in its next GRA. The AG calculations cannot be proofed, there is a mismatch of volumes and weather data and there may well be a degree of circularity in the process.<sup>12</sup>

19. Calgary also raised concerns with the weather deferral account methodology, and recommended that:

AG should be directed at its next GRA to review how other Canadian and US gas LDC's calculate their normalization adjustments, and report to the Commission if there is a superior way to adjust for normal weather.<sup>13</sup>

20. The Commission notes that the need for the weather deferral account and associated methodology was determined in Decision 2008-113. The Commission will not revisit within this Decision the appropriateness of a weather deferral account. However the Commission does not preclude the possibility of reviewing and improving the weather deferral account methodology. On this basis the Commission considers the concerns raised by UCA and Calgary may have some merit and should be reviewed at an appropriate opportunity.

21. The Commission notes the following submission of AG:

ATCO Gas has not had an opportunity to properly understand or rebut the arguments of the UCA and CCA related to proposed changes or perceived issues with the normalization process. ATCO Gas therefore does not believe that the record is sufficiently complete to allow changes to be made to the normalization process at this time. Nevertheless, in the event that the Commission views that changes to the normalization process should be made, it should do so only on a going forward basis.<sup>14</sup>

22. CCA indicated that for fairness, its concerns should be viewed on a go forward basis only.<sup>15</sup>

23. The Commission considers there is a general agreement among parties that any modification of the weather deferral account would be appropriately addressed in a future proceeding. The Commission agrees that methodological concerns and possible adjustments to

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<sup>11</sup> UCA Argument, paragraph 12

<sup>12</sup> UCA Argument, paragraph 20

<sup>13</sup> Calgary Submission – Exhibit 0018.01.CITYCALG-198

<sup>14</sup> AG Reply, paragraph 2, page 2 of 9

<sup>15</sup> CCA Argument, page 4



the calculation of deferral account balances and collection/refund mechanics are properly the subject of the next general rate application. AG is directed at its next general rate application to provide a comprehensive review of the issues raised by interveners in this proceeding, particularly those noted in paragraphs 17, 18 and 19.

24. The Commission observes that the CCA does not object to the refund of the \$7.245 million AGN weather deferral account balance in the manner proposed by AG.<sup>16</sup> The Commission notes that Rate Rider W will refund approximately \$9 over a 12-month period to an average residential customer with an annual consumption of 120 GJ. Further, this refund is only applicable to low use customers.

25. Having reviewed the Application and the position of the interveners, it appears to the Commission that AG has followed the weather deferral account methodology as set out in AG's 2008-2009 general rate application and approved in Decision 2008-113. The Commission also concludes that the concerns of the interveners are more appropriately addressed in a future proceeding. Accordingly, the Commission considers it appropriate to approve the Application as filed.

26. The Commission observes that in Decision 2009-045,<sup>17</sup> 2009 interim rate increases were approved for AG effective May 1, 2009 to recover \$45.0 million in the AGN service area, and \$13.0 million in the ATCO Gas South service area. The Commission considers that it would be appropriate to implement the Rate Rider W refund as of July 1, 2009 to partially offset these interim rate increases to AGN low use customers thereby promoting rate stability and easing of any rate shock while also ensuring that customers' rates for a given period reflect the costs associated with the period in order to help maintain intergenerational equity.

27. On this basis the Commission considers that it would be appropriate to approve the applied for Rate Rider W commencing July 1, 2009.

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<sup>16</sup> CCA Argument, page 4

<sup>17</sup> Decision 2009-045 – ATCO Gas 2009 Interim Rates (Application 1603336, Proceeding ID. 156) (Released: April 24, 2009) and Decision 2009-045 (Errata) (Released: April 28, 2009)

#### 4 DECISION

28. The Commission approves the ATCO Gas Rate Rider W for low use customers in the ATCO Gas North service territory effective July 1, 2009, to refund the \$7,245,000 balance in the ATCO Gas North weather deferral account over a 12-month period, as shown in the rate schedule attached as [Appendix 2](#).

Dated in Calgary, Alberta on June 24, 2009.

#### ALBERTA UTILITIES COMMISSION

*(original signed by)*

Bill Lyttle  
Commissioner

**APPENDIX 1 – PROCEEDING PARTICIPANTS**

Name of Organization (Abbreviation) Counsel or Representative (APPLICANTS)
ATCO Gas (AG) R. Trovato
Consumers Coalition of Alberta J. Wachowich J. Jodoin
The City of Calgary M. Rowe D. Evanchuk H. Johnson
Office of the Utilities Consumer Advocate J. A. Bryan H. J. Vander Veen

Alberta Utilities Commission
Commission Panel B. Lyttle, Commissioner
Commission Staff B. McNulty (Commission Counsel) C. Burt A. Laroija D. R. Weir

## **APPENDIX 2 – ATCO GAS NORTH RATE SCHEDULES**

[\(return to text\)](#)



Appendix 2 - ATCO  
Gas North Rate Schedules

(consists of 16 pages)

**APPENDIX 2**

**ATCO GAS AND PIPELINES LTD.**

**ATCO GAS NORTH**

**RATE SCHEDULES**

**Effective July 1, 2009**

Effective July 1, 2009

**ATCO GAS AND PIPELINES LTD. - NORTH  
RATE SCHEDULES****INDEX**

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Effective July 1, 2009

Effective by Decision 2007-059  
On Consumption September 1, 2007  
This Replaces General Conditions  
Previously Effective May 4, 2004**ATCO GAS AND PIPELINES LTD. - NORTH  
GENERAL CONDITIONS****1. Approval of Alberta Utilities Commission:**

Changes in Rates from time to time are subject to approval by the Alberta Utilities Commission for the Province of Alberta.

**2. Special Contracts:**

Unless varied by the Alberta Utilities Commission, service to Customers under Special Contracts shall be subject to the terms and conditions thereof. A special contract is required for all Customers with annual requirements in excess of 500,000 GJ.

**3. Specific Facilities Conditions:**

The Rates do not include extra costs incurred by the Company and payable by the Customer for Special Facilities or conditions requested by the Customer at the Point of Delivery.

**4. Winter Period - Summer Period:**

The winter period is the five calendar months from November 1 to March 31, and the summer period is the seven calendar months from April 1 to October 31.

**5. Late Payment Charge:**

When accounts are not paid in full on or before the due date, the Company will apply a 1% penalty on the amount due. If the payment is not received by the next billing cycle, a 1% penalty will be applied to the balance carried forward (including interest).

**6. Terms and Conditions:**

The Company's Terms and Conditions for Distribution Service Connections and Distribution Access Service apply to all Customers and form part of these Rate Schedules.

**7. DSP Rider F:**

The words "DSP Rider "F" " as they appear on the Rate Schedules, shall mean the Default Supply Provider's Regulated Services Gas Cost Flow-Through Rate for ATCO Gas.

Effective July 1, 2009

On Consumption January 1, 2009  
This Replaces Rider "A"  
Previously Effective September 3, 2008

**ATCO GAS AND PIPELINES LTD. – NORTH**  
**ATCO GAS – NORTH AND ATCO PIPELINES - NORTH**  
**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.

Method C. - Applied to gross revenues and Rider "E".

<u>Municipality</u>	<u>%</u>	<u>Method</u>	<u>Municipality</u>	<u>%</u>	<u>Method</u>	<u>Municipality</u>	<u>%</u>	<u>Method</u>
Edmonton *	32.00	A	Eaglesham	5.26	C	Minburn	15.00	A
Red Deer	31.00	A	Eckville	24.00	A	Mirror	12.60	A
Camrose	15.00	A	Edgerton	15.00	A	Mundare	20.00	A
Fort McMurray	8.70	C	Edson***	20.00	A	Nampa	16.84	A
Ft. Saskatchewan	0.00	A	Entwistle	17.32	A	Onoway	5.00	A
Grande Prairie	25.00	A	Fairview	21.63	A	Oyen	30.00	A
Lloydminster	25.00	A	Falher	15.00	A	Peace River	7.25	C
Spruce Grove	8.26	C	Fox Creek	12.93	A	Point Alison	15.00	A
St. Albert	5.26	C	Gibbons	30.00	A	Ponoka	17.00	A
Wetaskiwin	35.00	A	Girouxville	20.00	A	Provost	14.00	A
Alberta Beach	10.61	A	Golden Days	25.00	A	Rimbey	24.00	A
Alix	20.00	A	Grimshaw	28.00	A	Rocky Mtn. House	22.00	A
Amisk	9.10	A	Hardisty	20.00	A	Rycroft	15.00	A
Andrew	9.00	C	Hines Creek	30.00	A	Ryley	5.00	A
Bashaw	15.00	A	Hinton ***	9.60	A	Seba Beach	6.00	C
Beaverlodge	8.70	C	Holden	0.00	A	Sexsmith	25.00	A
Bentley	0.00	A	Hughenden	10.98	A	Sherwood Park	6.50	C
Berwyn	20.00	A	Hythe	8.70	C	Silver Beach	20.00	A
Bittern Lake	17.68	A	Innisfree	25.00	A	Slave Lake	22.50	A
Blackfalds	19.12	A	Irma	20.00	A	Spirit River	24.00	A
Bon Accord	25.00	A	Itaska	12.00	A	Stony Plain	17.00	A
Breton	12.47	A	Jasper Muni	17.10	A	Swan Hills	0.00	A
Bruderheim	10.00	A	Jasper Ntl Pk	17.10	A	Sylvan Lake	20.00	A
Caroline	20.00	A	Kitscoty	10.00	A	Thorsby	11.69	A
Chipman	0.00	A	Lacombe	22.00	A	Tofield	10.00	A
Clive	16.17	A	Lamont	35.00	A	Vegreville	33.00	A
Clyde	9.47	A	Lavoy	5.25	C	Vermilion	15.00	A
Cold Lake	13.00	A	Legal	16.60	A	Veteran	3.00	A
Consort	22.00	A	Lougheed	16.67	A	Viking	21.51	A
Coronation	10.05	A	Mannville	20.00	A	Warburg	10.00	A
Czar	11.84	A	Mayerthorpe	5.00	A	Wembley	25.00	A
Donnelly	30.00	A	McLennan	24.00	A	Whitecourt ***	19.00	A
Drayton Valley***	22.00	A	Millet	22.00	A			

\* Includes a \$485,000 maximum annual allowable assessment (Max) on any individual metered account.

\*\*\* Includes a \$10, 000 maximum annual allowable assessment (Max) on any individual metered account.



Effective July 1, 2009

Effective by Order U2008-109  
On Consumption September 3, 2008  
This Replaces Rider "B"  
Previously Effective July 1, 2008

**ATCO GAS AND PIPELINES LTD. – NORTH  
ATCO GAS – NORTH AND ATCO PIPELINES - NORTH  
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:

Fort Saskatchewan	Vegreville
Wabamun	Rycroft
Wembley	Irma
Stony Plain Indian Reserve	Bon Accord
Paul Band Indian Reserve	Mannville
Fort McMurray No. 468 First Nation Band	Berwyn
Jarvis Bay	Holden
Norglenwold	Mayerthorpe
Argentia Beach	Silver Beach
Lakeview	Kitscoty
Hinton	Caroline
Sylvan Lake	Cold Lake
Breton	Grande Prairie
Bashaw	Red Deer
Bentley	Edson
Vermilion	Fort McMurray
Blackfalds	Municipality of Jasper
Edgerton	Legal
Bruderheim	Swan Hills
Nampa	Veteran
Tofield	Whitecourt
Camrose	Point Alison
Lamont	Wetaskiwin
Minburn	Oyen
Clive	Lloydminster
Lacombe	Slave Lake
Onoway	Innisfree
Mundare	Viking
Falher	Hardisty
Girouxville	
Golden Days	
Warburg	
Ryley	
Ponoka	
Millett	
Stony Plain	
Provost	
Itaska Beach	

Effective July 1, 2009

Effective by Decision 2008-105  
On Consumption November 1, 2008  
This Replaces Rider “D”  
Previously Effective November 1, 2007

**ATCO GAS AND PIPELINES LTD. – NORTH  
ATCO GAS - NORTH  
RIDER “D” FOR THE RECOVERY OF  
UNACCOUNTED FOR GAS (UFG)**

All gas delivered off the ATCO Gas North distribution systems will be assessed a distribution UFG charge of 0.211 % at the Point of Delivery. The UFG assessment will be made up “In-Kind” from each Retailer Service Account.

Effective July 1, 2009

Effective by Decision 2007-059  
On Consumption September 1, 2007  
This Replaces Rider "E"  
Previously Effective April 1, 2002

**ATCO GAS AND PIPELINES LTD. - NORTH  
RIDER "E" TO DELIVERY SERVICE RATES  
FOR THE DETERMINATION OF THE "DEEMED VALUE OF NATURAL GAS"  
FOR CALCULATION OF MUNICIPAL FRANCHISE FEE PAYABLE**

A Deemed Value of Natural Gas Rate will be applied to the energy delivered to Delivery Service Customers for the determination of municipal franchise fee payable by Customers in municipalities designated as Method "C" municipalities on Rider "A" of these Rate Schedules.

**FOR ALL RATES:**

The "Deemed Value" is an amount equal to the Gas flow Through Rate specified on the DSP Rider "F".

Effective July 1, 2009

Effective by Decision 2009-045 (Errata)  
On Consumption May 1, 2009  
This Replaces Rider “G”  
Previously Effective January 1, 2008

**ATCO GAS AND PIPELINES LTD. - NORTH  
RIDER “G” SURCHARGE TO ALL DELIVERY SERVICE RATES**

To be applied to the fixed charge, variable charge and demand charges to all customers unless otherwise specified by specific contracts or the Commission, effective March 1, 2009.

For All Delivery Service Rates the amount is equal to:

34.03%

Effective July 1, 2009

Effective by Decision 2008-117  
On Consumption December 1, 2008

**ATCO GAS AND PIPELINES LTD. - NORTH  
RIDER "H" INTERIM PLACEHOLDER RIDER**

To be applied to the fixed charge, variable charge and demand charges to all customers unless otherwise specified by specific contracts or the Commission, effective December 1, 2008 to November 30, 2009.

For All Delivery Service Rates the amount is equal to:

2.36%

Effective July 1, 2009

Effective by Order U2008-264  
On Consumption September 1, 2008

**ATCO GAS AND PIPELINES LTD. - NORTH  
RIDER "T" TRANSMISSION SERVICE CHARGE ADJUSTMENT TO LOW USE AND  
HIGH USE DELIVERY SERVICE RATES**

To be applied to Low Use and High Use customers unless otherwise specified by specific contracts or the Commission, effective September 1, 2008 to August 31, 2009.

**Rider "T" - Transmission Service Charge Rider**

Low Use Delivery Rate	\$0.110 per GJ
High Use Delivery Rate	\$0.035 per GJ per Day of 24 Hr. Billing Demand

Effective July 1, 2009

Effective by Decision 2009-093  
On Consumption July 1, 2009

**ATCO GAS AND PIPELINES LTD. - NORTH  
RIDER "W" WEATHER DEFERRAL ACCOUNT RIDER**

To be applied to Low Use customers unless otherwise specified by specific contracts or the Commission, effective July 1, 2009 to June 30, 2010.

Low Use Delivery Rate

\$0.075 per GJ Credit

Effective July 1, 2009

Effective by Decision 2009-093  
On Consumption July 1, 2009  
This Replaces Low Use Delivery Service  
Previously Effective May 1, 2009**ATCO GAS AND PIPELINES LTD. - NORTH  
LOW USE DELIVERY SERVICE**

Available to all Customers using less than 8,000 GJ per year, except those customers who utilize the Company's facilities for emergency service only.

**CHARGES:**

<b>Fixed Charge:</b>	\$0.605 per Day
<b>Variable Charge:</b>	\$1.012 per GJ
<b>Delivery Rate Surcharge:</b>	Rider "G"
<b>Interim Placeholder Rider:</b>	Rider "H"
<b>Transmission Service Charge Rider:</b>	Rider "T"
<b>Weather Deferral Account Rider:</b>	Rider "W"

**ADDITIONAL CHARGES:**

For Low Use Delivery Service customers that obtain gas services from Retailers the following additional charges will apply.

<b>Unaccounted For Gas:</b>	Rider "D"
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Effective July 1, 2009

Effective by Decision 2009-045  
 On Consumption May 1, 2009  
 This Replaces High Use Delivery Service  
 Previously Effective September 1, 2008  
 High Use Page 1 of 2

## ATCO GAS AND PIPELINES LTD. - NORTH HIGH USE DELIVERY SERVICE

Available to all Customers using 8,000 GJ or more per year on an annual contract, except those customers who utilize the Company's facilities for emergency service only.

### **CHARGES:**

<b>Fixed Charge:</b>	\$.671 per Day
<b>Demand Charge:</b>	\$0.280 per GJ per Day of 24 Hr. Billing Demand
<b>Variable Charge:</b>	\$0.000 per GJ
<b>Delivery Rate Surcharge:</b>	Rider "G"
<b>Interim Placeholder Rider:</b>	Rider "H"
<b>Transmission Service Charge Rider:</b>	Rider "T"

### **DETERMINATION OF BILLING DEMAND:**

The Billing Demand shall be the greater of:

1. The greatest amount of gas in GJ delivered in any consecutive 24 hour billing 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 shall be divided by 2, **or**
2. The Nominated Demand.

PROVIDED that for a Customer who elects to take service only during the summer period, the Billing Demand for each billing period shall be the greatest amount of gas in GJ in any consecutive 24 hours in that billing period.

In the first contract year, the Company shall estimate the Billing Demand from information provided by the Customer.

### **NOMINATED DEMAND:**

A Customer whose maximum consumption exceeds 4,500 GJ for any 24 hour period in the winter period must nominate in writing twelve months in advance of each contract year the maximum consumption for any 24 hour period in the winter period in that contract year (the "Nominated Demand"). The Company reserves the right to restrict the amount of gas in GJ delivered in the winter period to the Nominated Demand and to restrict the amount of gas in GJ delivered in any one hour to **5%** of the Nominated Demand.

Effective July 1, 2009

High Use Page 2 of 2

**ADDITIONAL CHARGES:**

For High Use Delivery Service customers that obtain gas services from Retailers the following additional charges will apply.

**Unaccounted For Gas:**

Rider "D"

**Gas Imbalances:****Settlement of Monthly Imbalance Quantity when Based on Daily Information:**

<b>Magnitude of Imbalance Quantity</b>	<b>Reasons for Imbalance Quantity</b>	<b>Settlement by Company</b>	<b>Price</b>
<5%	Overdeliveries	N/A	N/A
	Underdeliveries	N/A	N/A
>5%	Overdeliveries	Purchase	75% of the Average Daily AECO "C" Prices for that Month
	Underdeliveries	Sale	130% of the Average Daily AECO "C" Prices for that Month

**Settlement of Imbalance Quantity Arising from Adjustments:**

When the Customer's Account is put out of balance by actual adjustments, the Customer is required to bring the account into balance by providing 1/25 of the imbalance amount on a daily basis over a 25-day period.

Effective July 1, 2009

Effective by Decision 2007-059  
On Consumption September 1, 2007  
This Replaces Rate 8  
Previously Effective January 1, 2006

**ATCO GAS AND PIPELINES LTD. - NORTH  
EMERGENCY DELIVERY SERVICE**

**CHARGES:**

**AUTHORIZED:**

**Fixed Charge:** \$15.00 per Day

**Variable Charge:** Variable Charge of Low Use DSP Delivery Service

**Gas Cost Recovery:** Highest cost of Gas purchased by the DSP on the Day of Sale, with a minimum price of the DSP Rider "F".

**UNAUTHORIZED:**

**Fixed Charge:** \$125.00 per Day

**Gas Cost Recovery:** Five (5) times the DSP Rider "F", with a minimum price of the highest cost of Gas purchased by the DSP on the Day of Sale.

Effective July 1, 2009

Effective by Decision 2007-059  
On Consumption September 1, 2007  
This Replaces Rate 9  
Previously Effective January 1, 2006

**ATCO GAS AND PIPELINES LTD. - NORTH  
UNMETERED GAS LIGHT SERVICE**

Applicable to all Customers with Company installed and approved gas lights.

**CHARGES:**

**Fixed Charge:** \$0.090 per Mantle per Day