

THE PROVINCE OF ALBERTA

GAS UTILITIES ACT

ALBERTA ENERGY AND UTILITIES BOARD

IN THE MATTER of an amendment
to ATCO Gas and Pipelines Ltd.'s
Rider "A" and Rider "C" with
respect to the Village of Onoway

ORDER U2004-096

Application No. 1335421
File No. 6675-003-1

ATCO Gas – North, a division of ATCO Gas and Pipelines Ltd. (ATCO Gas - North) applied to the Alberta Energy and Utilities Board (the EUB) for an Order approving an amendment to Rate Rider "A" (surcharge for a franchise fee). This allows the franchise fee in the Village of Onoway (the Village) to be changed from 11 per cent to 5 per cent of the revenue of ATCO Gas -North from the delivery of natural gas within the Village, but excluding revenue derived from the cost of gas.

ATCO Gas – North has also applied for a change to Rate Rider "C" which recovers municipal taxes. ATCO Gas – North will provide an estimate of the municipal taxes to be collected for the Village after the Village completes the third reading of its by-law.

Notice of the application was published in conjunction with the Notice for the Village's application for renewal of its franchise agreement with ATCO Gas and Pipelines Ltd. and no objections were received. ATCO Gas - North has given the EUB consent to proceed with the application without a hearing.

The Board notes that these changes in rates result from the provisions included in the franchise agreement between the Village of Onoway and ATCO Gas – North which was approved in Order U2004- 095 issued in conjunction with this order. The franchise fee provisions included in the Agreement allow the Village to change the level of the franchise fee once annually within a cap of 35 per cent. Clause 4.c) of the Franchise Agreement includes a requirement for the Village to publish notice prior to any change in the level of the fee.

The Alberta Energy and Utilities Board, pursuant to the *Gas Utilities Act*, R.S.A. 2000, c. G-5, hereby orders as follows:

1. Application No. 1335421 by ATCO Gas - North dated February 25, 2004, is approved, subject to the terms and conditions herein contained.
2. The new rate for the Village of Onoway, as indicated on Rate Rider "A" attached as Schedule "A" to this Order, becomes effective upon the execution of the Village's Franchise Renewal Agreement with ATCO Gas and Pipelines Ltd.

2

Order U2004-096

3. The new rate for the Village of Onoway, as indicated on Rate Rider "C" attached as Schedule "B" to this Order, becomes effective upon the execution of the Village's Franchise Renewal Agreement with ATCO Gas and Pipelines Ltd.

DATED at the City of Edmonton, in the Province of Alberta, on April 12, 2004.

Laurie Bayda

ALBERTA ENERGY AND UTILITIES BOARD

SCHEDULE "A"

Effective With Decision
On Consumption
Rider "A" Page 1 of 1

ATCO GAS AND PIPELINES LTD. - NORTH
RIDER "A" TO ALL RATES
AND ANY OTHER RATES THERETO

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.

Municipality		Method	%	Municipality		Method	%
Edmonton	City	A	*33.40				
Red Deer	City	A	17.00	Hughenden	Village	A	10.98
Camrose	City	A	22.00	Hythe	Village	C	8.70
Fort McMurray	City	B	8.70	Innisfree	Village	A	17.50
Grande Prairie	City	A	34.75	Irma	Village	C	5.26
Lloydminster	City	B	7.00	Itaska	Summer Village	B	5.26
Spruce Grove	City	C	8.26	Jasper	Town	B	5.25
St. Albert	City	B	5.26	Kitscoty	Village	C	5.25
Wetaskiwin	City	C	8.27	Lacombe	Town	C	5.26
Alberta Beach	Summer Village	A	10.61	Lamont	Town	C	5.26
Alix	Village	C	6.75	Lavoy	Village	B	5.25
Amisk	Village	A	9.10	Legal	Village	C	5.26
Andrew	Village	C	9.00	Lougheed	Village	A	16.67
Bashaw	Town	B	5.25	Mannville	Village	C	5.26
Beaverlodge	Town	C	8.70	Mayerthorpe	Town	A	9.42
Bentley	Village	A	8.53	McLennan	Town	C	6.25
Berwyn	Village	C	7.25	Millet	Town	C	6.75
Bittern Lake	Village	A	17.68	Minburn	Village	A	15.00
Blackfalds	Town	B	5.26	Mirror	Village	A	12.60
Bon Accord	Town	C	8.70	Mundare	Town	C	5.00
Breton	Village	A	12.47	Nampa	Village	C	5.25
Bruderheim	Town	C	5.25	Onoway	Village	A	5.00
Caroline	Village	C	5.26	Oyen	Town	C	8.70
Chipman	Village	B	5.26	Peace River	Town	C	7.25
Clive	Village	B	5.25	Point Alison	Summer Village	C	5.26
Clyde	Village	A	9.47	Ponoka	Town	B	5.26
Cold Lake	Town	C	5.26	Provost	Town	A	11.00
Consort	Village	C	5.26	Rimbey	Town	B	5.26
Coronation	Town	A	10.05	Rocky Mtn. House	Town	C	5.26
Czar	Village	A	11.84	Rycroft	Village	C	5.25
Donnelly	Village	C	5.25	Ryley	Village	C	5.25
Drayton Valley	Town	B	6.26	Sangudo	Village	A	9.25
Eaglesham	Village	B	5.26	Seba Beach	Summer Village	B	6.00
Eckville	Town	C	5.26	Sexsmith	Village	C	5.25
Edgerton	Village	C	5.26	Sherwood Park	Unincorporated	B	6.00
Edson	Town	B	5.26	Silver Beach	Summer Village	B	5.26
Entwistle	Village	A	17.32	Slave Lake	Town	C	5.26
Fairview	Town	C	5.25	Spirit River	Town	A	24.00
Falher	Town	C	2.56	Stony Plain	Town	B	8.11
Fox Creek	Town	A	12.93	Swan Hills	Town	A	8.16
Gibbons	Town	C	8.70	Sylvan Lake	Town	A	20.00
Girouxville	Village	C	5.25	Thorsby	Village	A	11.69
Golden Days	Summer Village	B	5.26	Tofield	Town	C	7.00
Grand Centre	Town	C	3.00	Vegreville	Town	C	8.11
Grimshaw	Town	A	28.00	Vermilion	Town	C	5.26
Hardisty	Town	C	5.26	Veteran	Village	A	9.73
Hines Creek	Village	C	5.25	Viking	Town	C	5.25
Hinton	Town	A	***8.00	Warburg	Village	A	8.83
Holden	Village	C	5.25	Whitecourt	Town	C	**5.26

Method:

- A. Applied to gross revenues excluding gas costs (Rider "F"), deemed value (Rider "E").
B. Applied to gross revenues including gas costs (Rider "F") from sales service rates.
C. Applied to gross revenues including gas costs (Rider "F") and deemed value (Rider "E").

* Includes a \$408,333 maximum annual allowable assessment (Max) on any individual metered account. The percentage has been approved on an interim refundable basis.

** The deemed value of natural gas is applied only to Customers using less than 300,000 GJs per year.

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

SCHEDULE "B"

Effective by Decision
: On Consumption
Rider "C" Page 1 of 1

**ATCO GAS AND PIPELINES LTD. - NORTH
RIDER "C" TO ALL RATES
AND ANY OTHER RIDERS THERETO**

Additions to be made to the Rate for Customers resident in municipalities that receive a property tax assessed under The Municipal Taxation Act. The addition is the estimated percentage of gross revenue excluding gas costs (Rider "F") and deemed value (Rider E") 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 gross revenue provided in the Rider will be adjusted on the 1st of February each year.

AND

Additions to be made to the Rate of Customers resident in areas or municipalities for the recovery of specific costs which are not generally incurred by the Company. The addition is the estimated percentage of gross revenue excluding gas costs (Rider "F") and deemed value (Rider E") required to provide for the costs payable each year. To the extent that this percentage may be more of less than that required to recover the costs incurred, 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:

Lakeview
Sylvan Lake
Hinton
Onoway