


MADE at the City of Calgary, in the Province of Alberta, on  22nd day of September 2004.	 ALBERTA ENERGY AND UTILITIES BOARD
ATCO Gas and Pipelines Ltd. Amendment to Rider A with respect to the Town of Drayton Valley.	Application No. 1357125

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 Town of Drayton Valley (the Town) to be changed from 6.26 per cent of the gross revenue of ATCO Gas - North derived from the sale and deemed value of natural gas within the Town to 22 per cent of the revenue of ATCO Gas - North from the delivery of natural gas within the Town, but excluding revenue derived from the cost of gas. The exclusivity rights granted do not apply to a consumer whose consumption exceeds five hundred thousand (500,000) gigajoules annually. In addition, the agreement excludes an area of land covered under Order In Council 553/2002 from a franchise fee until January 1, 2006.

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 - North has given the EUB consent to proceed with the application without a hearing.

The EUB notes that these changes in rates result from the provisions included in the franchise agreement between the Town and ATCO Gas – North which was approved in Order U2004-357 issued in conjunction with this order. 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 per cent. 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.

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. 1357125 by ATCO Gas - North dated August 16, 2004, is approved, subject to the terms and conditions herein contained.

2. The new rate for the Town of Drayton Valley, as indicated on Rate Rider "A" attached as Schedule "A" to this Order, becomes effective upon the execution of the Town's Franchise Renewal Agreement with ATCO Gas and Pipelines Ltd.

END OF DOCUMENT

**Schedule A**

**ATCO Gas and Pipelines Ltd.**

**Rider A**

**Town of Drayton Valley**

**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 *	33.40	A	Eaglesham	5.26	C	Minburn	15.00	A
Red Deer	17.00	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	5.26	C	Nampa	18.84	A
Grande Prairie	34.75	A	Entwistle	17.32	A	Onoway	5.00	A
Lloydminster	7.00	C	Fairview	21.63	A	Oyen	8.70	C
Spruce Grove	8.26	C	Falher	15.00	A	Peace River	7.25	C
St. Albert	5.26	C	Fox Creek	12.93	A	Point Alison	5.26	C
Wetaskiwin	8.27	C	Gibbons	8.70	C	Ponoka	5.26	C
Alberta Beach	10.61	A	Girouxville	20.00	A	Provost	11.00	A
Alix	6.75	C	Golden Days	25.00	A	Rimbey	24.00	A
Amisk	9.10	A	Grand Centre	3.00	C	Rocky Mtn. House	5.26	C
Andrew	9.00	C	Grimshaw	28.00	A	Rycroft	5.25	C
Bashaw	15.00	A	Hardisty	5.26	C	Ryley	5.00	A
Beaverlodge	8.70	C	Hines Creek	5.25	C	Sangudo	9.25	A
Bentley	0.00	A	Hinton ***	8.00	A	Seba Beach	6.00	C
Berwyn	7.25	C	Holden	5.25	C	Sexsmith	5.25	C
Bittern Lake	17.68	A	Hughenden	10.98	A	Sherwood Park	6.00	C
Blackfalds	19.12	A	Hythe	8.70	C	Silver Beach	5.26	C
Bon Accord	8.70	C	Innisfree	17.50	A	Slave Lake	5.26	C
Breton	12.47	A	Irma	5.26	C	Spirit River	24.00	A
Bruderheim	10.00	A	Itaska	5.26	C	Stony Plain	8.11	C
Caroline	5.26	C	Jasper	5.25	C	Swan Hills	8.16	A
Chipman	5.26	C	Kitscoty	5.25	C	Sylvan Lake	20.00	A
Clive	16.17	A	Lacombe	22.00	A	Thorsby	11.69	A
Clyde	9.47	A	Lamont	35.00	A	Tofield	10.00	A
Cold Lake	5.26	C	Lavoy	5.25	C	Vegreville	8.11	C
Consort	22.00	A	Legai	5.26	C	Vermilion	15.00	A
Coronation	10.05	A	Lougheed	16.67	A	Veteran	9.73	A
Czar	11.84	A	Mannville	5.26	C	Viking	5.25	C
Donnelly	5.25	C	Mayerthorpe	9.42	A	Warburg	8.83	A
Drayton Valley	22.00	A	McLennan	6.25	C	Whitecourt **	5.26	C
			Millet	6.75	C			

\* 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.