

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 Rosemary

ORDER U2003-440

Application No. 1318336
File No. 6675-R11-1

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 Rosemary (the Village) to be changed from 5.26 per cent of the gross revenue of ATCO Gas - North derived from the sale of natural gas within the Village to 14.78 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.

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 Rosemary and ATCO Gas – North which was approved in Order U2003-439 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. U2003-440 by ATCO Gas - North dated October 27, 2003, is approved, subject to the terms and conditions herein contained.

2. The new rate for the Village of Rosemary, 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.
3. The new rate for the Village of Rosemary, 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 December 17, 2003.



ALBERTA ENERGY AND UTILITIES BOARD

SCHEDULE "A"

Effective by Order 2003-066
 On Consumption September 23, 2003
 This replaces Rider "A"
 Previously Effective November 1, 2002
 Rider "A" Page 1 of 1

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

The percentage shown is to be applied as an addition to the total billings calculated under the Rates including charges allowed under other Riders in effect.

	Franchise			Franchise			Franchise	
	Fee	Method		Fee	Method		Fee	Method
Calgary	11.11	C	Claresholm	5.25	B	Lomond	5.26	C
Lethbridge	32.30	A	Coaldale	11.30	A	Longview	16.00	A
			Coalhurst	12.44	A	Magrath	11.18	A
Acme	5.26	B	Cochrane	5.26	C	Milk River	5.26	C
Airdrie	7.50	C	Coutts	5.26	B	Nanton	5.25	B
Banff	5.25	C	Cowley	13.79	A	Nobleford	5.26	C
Banff Park	5.25	B	Cremona	5.26	C	Okotoks	5.25	B
Barnwell	13.00	A	Crossfield	11.23	A	Olds	6.00	C
Barons	14.97	A	Crowsnest Pass	5.26	C	Penhold	5.26	C
Bassano	5.26	C	Delburne	5.26	C	Picture Butte	5.26	C
Beiseker	11.18	A	Didsbury	5.26	C	Raymond	11.18	A
Big Valley	5.26	C	Duchess	12.67	A	Rockyford	5.26	C
Black Diamond	14.00	A	Elnora	5.26	B	Rosemary	14.78	A
Bow Island	10.50	A	Foremost	5.26	C	Standard	11.34	A
Bowden	5.26	C	Fort Macleod	12.50	A	Stavely	11.18	A
Brooks	5.25	B	Glenwood	5.26	C	Stirling	11.18	A
Burdett	11.18	A	Granum	5.25	B	Strathmore	11.18	A
Canmore	5.26	B	High River	5.26	B	Taber	5.26	C**
Carbon	15.07	A	Hill Spring	21.52	A	Trochu	5.26	B
Cardston	5.26	C	Hussar	13.74	A	Turner Valley	5.26	B
Carmangay	15.97	A	Innisfail	5.26	C	Vauxhall	5.26	C
Carstairs	5.26	C	Irricana	11.18	A	Vulcan	7.00	C
Champion	15.01	A	Linden	5.26	C			

Method

- A. Applied to gross revenues excluding gas costs (Rider "F"), deemed value (Rider "E"), the Company owned production rate rider (COPRR) (Rider "G") and the Company owned storage rate rider (COSRR) Market Value portion of (Rider "H").
 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 \$75,000 maximum annual allowable assessment on any individual metered account.

SCHEDULE "B"

Effective By Decision 2003-066
On Consumption September 23, 2003
Rider "C" Page 1 of 1

**ATCO GAS AND PIPELINES LTD. - SOUTH
RIDER "C"
TO RATE NO. 1 TO RATE NO. 8
AND ANY OTHER RIDERS THERETO**

Additions to be made to the Rate of customers resident in municipalities that receive a property tax assessed under the Municipal Government Act. The addition is the estimated percentage of gross revenue excluding gas costs (Rider "F"), deemed value (Rider "E"), company owned production rate rider (COPRR) (Rider "G") and company owned storage rate rider (COSRR) Market Value portion of (Rider "H") 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"), deemed value (Rider "E"), company owned production rate rider (COPRR) (Rider "G") and company owned storage rate rider (COSRR) Market Value portion of (Rider "H") required to provide for the costs payable each year. To the extent that this percentage may be more or 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.

Bow Island
Rosemary