

THE PROVINCE OF ALBERTA

GAS UTILITIES ACT

ALBERTA ENERGY AND UTILITIES BOARD

In the Matter of Changes to the
Delivery Rates, Tariffs and Rate
Riders of ATCO Gas and Pipelines –
ATCO Gas South and ATCO
Pipelines South

ORDER U2002-135

Application Nos. 1260378 and 1260380
File Nos. 8600-A4 and 8600-A4-1

1 BACKGROUND

On October 30, 2001, the Alberta Energy and Utilities Board (the EUB) issued Decision 2001-75 setting out its findings with respect to the methodology for managing utility gas supply portfolios and determining gas cost recovery rates (GCRR). In the Decision, the EUB dealt specifically with its expectations for determination of the GCRR and gas rate unbundling on a going forward basis. In particular, the EUB directed the utilities to administer and adjust the GCRR on a monthly basis, commencing April 1, 2002.

On March 21, 2002, the EUB issued Decision 2002-034 approving the method by which the monthly GCRR was to be determined, and the changes to the ATCO Gas and Pipelines Ltd. (AGPL) delivery rates, rate riders and tariffs. AGPL filed for approval of its revised rates and tariffs for its south operating divisions ATCO Gas South (AGS) and ATCO Pipelines South (APS), by letter dated March 22, 2002.

The EUB considers that monthly GCRR adjustments should be addressed separately as filings for acknowledgement.

In this Order the EUB deals with the other interim rate and tariff changes set out in Decision 2002-034 as required to implement the monthly GCRR. The EUB notes that the final form of the rate and tariff changes will be determined in due course as indicated in Decision 2002-034.

2 DETAILS OF THE APPLICATION

AGPL filed for approval of delivery rates, rate riders and other tariff changes arising from Decision 2002-034 for AGS and APS.

March 28, 2002

AGPL applied for changes to its delivery rates arising from:

- Transfer of gas acquisition costs to the GCRR.
- Transfer of penalty revenue to the GCRR.
- A new company owned production rate rider.
- A new company owned storage rate rider.

The total delivery rate adjustments by rate class are noted in the following table.

Schedule A – Rate Adjustments ATCO Gas and Pipelines - South							
Rate	Current Approved Rate	Gas Acquisition Adjustment	Penalty Revenue Adjustment	COP Adjustment	Storage Adjustment	Total Adjustment	Proposed Variable Rate Effective April 1, 2002
	\$/GJ	\$/GJ	\$/GJ	\$/GJ	\$/GJ	\$/GJ	\$/GJ
ATCO Gas							
1 General Sales Service (<8000 GJ/YR)	0.952	(0.022)	0.028	(0.002)	0.056	0.060	1.012
3 General Sales Service - Large Use	0.208	(0.022)	0.028	(0.002)	0.056	0.060	0.268
5 Irrigation Sales	0.715	(0.022)	0.028	(0.002)	0.125	0.129	0.844
7 Standby and Peaking Service	0.208	(0.022)	0.028	(0.002)	0.056	0.060	0.268
11 Core Market General Service	0.952	(0.022)	0.028	(0.002)	0.056	0.060	1.012
13 General Transportation Service				0.022	0.125	0.147	0.147
18 Transportation Service for Irrigation	0.715	(0.022)	0.028	(0.002)	0.056	0.060	0.775
ATCO Pipelines							
7 Standby, Peaking and Emergency-Trans.	0.208	(0.022)	0.028	(0.002)	0.056	0.060	0.268

AGPL also applied for a change in its tariff to amend its General Conditions to permit a Notification of Service transfer for renewal of Transportation or Buy/Sell service on 15 working days notice.

Under separate letter of March 22, 2002, AGPL applied for approval of:

- a company-owned production rate rider (COPRR) of \$0.039GJ for April 2002
- a company-owned storage rate rider (COSRR) of \$0.082/GJ for April 2002
- an irrigation company-owned storage rate rider of \$0.32/GJ

Consolidated rate schedules, rate riders, and tariffs for AGS and APS are attached as Schedule “A” and Schedule “B” to this Order, respectively.

3 EUB FINDINGS

The EUB has reviewed the applications by ATCO Gas and Pipelines for tariffs in the AGS and APS service territory, and finds that those tariffs comply with the directions provided by the EUB in Decision 2002-034.

Therefore, the EUB will approve the rates, rate riders and other tariff changes contained in those applications effective April 1, 2002.

THEREFORE, it is hereby ordered that:

- (1) For ATCO Gas South the tariff in Schedule "A" shall be effective for all consumption on and after April 1, 2002 on an interim refundable basis, based on actual or estimated meter readings.
- (2) For ATCO Pipelines South the tariff in Schedule "B" shall be effective for all consumption on and after April 1, 2002 on an interim refundable basis, based on actual or estimated meter readings.

DATED in Edmonton, Alberta on March 28, 2002.

ALBERTA ENERGY AND UTILITIES BOARD

SCHEDULE "A"

**ATCO GAS SOUTH
RATE SCHEDULES**



"Sch A - ATCO Gas
South Rate Schedule

(consisting of 30 pages)

SCHEDULE "B"

**ATCO PIPELINES SOUTH
RATE SCHEDULES**



"Sch B - ATCO
Pipelines South Rate

(consisting of 20 pages)

**ATCO GAS AND PIPELINES LTD.
ATCO GAS SOUTH
RATE SCHEDULES**

APRIL 1, 2002

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE SCHEDULES**

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Effective By Order U2002-135
On Consumption April 1, 2002
This replaces General Conditions
Previously Effective September 1, 2000
General Conditions Page 1 of 4

ATCO GAS AND PIPELINES LTD. - SOUTH GENERAL CONDITIONS

A. **GENERAL CONDITIONS APPLYING TO ALL RATES**

A1. **Approval of Alberta Energy and Utilities Board:**

Change in Rates from time to time are subject to approval by the Alberta Energy and Utilities Board for the Province of Alberta.

A2. **Municipal Tax Rider (Rider 'B'):**

All charges under the Rates, including any charges under other Riders, to Customers situated within the communities listed on Rider 'B' are subject to the addition of the charges shown.

A3. **Special Contracts:**

Unless varied by the Alberta Energy and Utilities Board, service to Customers under Special Contracts shall be subject to the terms and conditions thereof.

A4. **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 or at the Point of Receipt.

A5. **Notification of Service Transfer:**

(a) **Core Market Direct Purchase Customers and Core Elect Customers:**

Customers transferring from Sales Service to Transportation Service or Buy/Sell Service must provide a minimum notice of 15 working days prior to the upcoming month.

Renewal of Transportation or Buy/Sell Service will require written notice to the Company 15 working days prior to the expiry of the existing annual contract. If no written notice is received, customers will be returned to Sales Service.

(b) Industrial End-Users and Class II Customers:

Customers transferring from Sales Service to Transportation Service or Buy/Sell Service must provide written notice a minimum of 15 working days prior to the upcoming month.

Customers transferring from Transportation Service or Buy/Sell Service to Sales Service must provide written notice a minimum of 15 working days prior to the upcoming month.

A6. Annual Contract:

The words "annual contract" as they appear on the Rate Schedules, shall mean a twelve month period commencing on the first day of the first month of the contract.

A7. Municipal Franchise Fee (Rider "A"):

All charges under the Rates, including any charges under other Riders, to Customers situated within the communities listed on Rider "A" are subject to the addition of the charges shown.

A8. 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.

B. *GENERAL CONDITIONS APPLYING TO RATES FOR SALES*

B1. Late Payment Charge:

When accounts are not paid in full on or before the due date, the amount relating to the current month's charge unpaid by the due date shall be increased by 5% and the increased amount shall become due and payable.

B2. Purchase Requirements:

In the case of short term sales agreements or where the sales have no adverse effect on the Company's load factor, the Company may waive the requirement in the Rates for "the purchase of the total requirements from the Company" from the Rates.

B3. Gas Cost Recovery:

All Sales Service Customers are subject to the provisions of Rider "F" for the recovery of Gas Costs.

B4. Special Contracts:

A special contract is required for all sales Customers with annual requirements in excess of 500,000 GJ.

B5. Company Owned Production:

All Sales Service Customers are subject to the provisions of Rider "G" crediting or debiting the difference between gas market prices and gas royalty costs.

B6. Company Owned Storage:

All Sales Service Customers (except rate 5) are subject to the provisions of Rider "H" crediting or debiting Carbon Storage related benefits and costs.

Rate 5 Sales Service Customers are subject to the provisions of Rider "I" crediting Carbon Storage related benefits and costs.

**C. *GENERAL CONDITIONS APPLYING TO RATES FOR
TRANSPORTATION SERVICE*****C1. Determination of Points of Receipt and Delivery:****(a) Core Market Transportation Service Rates:**

The standard receipt point for Rates 11 shall be at the Carbon Sales Interconnection and/or any other NOVA/COMPANY interconnection designated by COMPANY from time to time and/or Account Transfer.

(b) All Other Transportation Service Rates:

The Company shall determine specific Point of Receipt and specific Point of Delivery locations and the contract quantities to be accepted and delivered at each point by consultation and agreement with the Customer.

C2. Unaccounted For Gas and Fuel Gas:

Applicable Transportation Service Customers are subject to the provision of Rider "D" for the recovery of Unaccounted For Gas and Transmission Compressor Fuel Gas.

C3. Market Account Fees for Transmission Transportation Service:

Market Account services for Transmission Transportation customers are available on an annual basis. This service is subject to a fee of \$300 per month.

C4. Company Owned Production:

All Transportation Service Customers are subject to the provisions of Rider "G" crediting or debiting the difference between gas market prices and gas royalty costs.

C5. Company Owned Storage:

All Transportation Service Customers (except Rate 18) are subject to the provisions of Rider "H" crediting or debiting Carbon Storage related benefits and costs.

Rate 18 Transportation Service Customers are subject to the provisions of Rider "I" crediting Carbon Storage related benefits and costs.

D. *GENERAL CONDITIONS APPLYING TO CORE MARKET SERVICES***D1. Administrative Fees:**

The following administrative fees are applicable for each Core Market Transportation Service Agreement and each Core Buy/Sell Gas Purchase Contract for service provided to customers under Rates 11, 18 and 43.

\$125 per month

PLUS

\$5 per Customer Account per Year

D2. Transition Fees:

Transition fees of \$0.00 per GJ are applicable for each Core Market Transportation Service Agreement and each Core Buy/Sell Gas Purchase Contract for service provided to customers under Rates 11, 18 and 43 where written notice was provided to the Company of between 2 and 5 months for customers transferring from Sales Service.

D3. Provisions Applicable to Core Gas Purchase Option Agreements:**(a) Failure of Supply:**

In the event of a failure of CUSTOMER'S supply pursuant to Article A-V in Schedule A of the Core Gas Purchase Option Agreement, the applicable charge to CUSTOMER shall be 130% of the highest cost of Gas purchased by COMPANY on the Day of the failure, less the Price Payable by COMPANY.

(b) Purchase Price of Gas Payable by Company:

The monthly price payable for Gas purchased by COMPANY from CUSTOMER shall be:

As determined by negotiation between the COMPANY and the DIRECT SELLER.

(c) Load Factor:

The Load Factor to be used for calculation of the Maximum Daily Quantity shall be fifty three percent (53%).

Effective by Order U2001-503
On Consumption December 18, 2001
This replaces Rider "A"
Previously Effective April 30, 2001
Rider "A" Page 1 of 1

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

Additions to be made to the Rate of customers resident in municipalities that have agreed to accept payment of a percentage of gross revenue of the special franchise pursuant to Section 360, Chapter M-26.1 of The Municipal Government Act, Alberta, in lieu of a property tax assessed pursuant to that Act.

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	5.26	B
			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	5.29	C*	Cowley	5.26	C	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	Redwood Mds.	3.00	D
Black Diamond	14.00	A	Elnora	5.26	B	Rockyford	5.26	C
Bow Island	5.26	B	Foremost	5.26	C	Rosemary	5.26	B
Bowden	5.26	C	Fort Macleod	5.26	C	Standard	11.34	A
Brooks	5.25	B	Glenwood	5.26	C	Stavely	11.18	A
Burdett	11.18	A	Granum	5.25	B	Stirling	11.18	A
Canmore	5.26	B	High River	5.26	B	Strathmore	11.18	A
Carbon	15.07	A	Hill Spring	21.52	A	Taber	5.26	C**
Cardston	5.26	C	Hussar	13.74	A	Trochu	5.26	B
Carmangay	15.97	A	Innisfail	5.26	C	Turner Valley	5.26	B
Carstairs	5.26	C	Irricana	11.18	A	Vauxhall	5.26	C
Champion	15.01	A	Linden	5.26	C	Vulcan	7.00	C

Method

- A. Applied to gross revenues excluding gas costs (Rider "F") and 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").
 D. Applied to gross revenues including gas costs (Rider "F") but excluding deemed value(Rider E).
 * Rider "B" included.
 ** Includes a \$75,000 maximum annual allowable assessment on any individual metered account.

Effective By Decision E93098
On Consumption January 1, 1994
This replaces Rider "B"
Previously Effective September 27, 1993
Rider "B" Page 1 of 1

**ATCO GAS AND PIPELINES LTD. - SOUTH
RIDER "B"
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 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 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.

Banff

Siksika Nation

Effective By Order 2000-79
On Transportation January 1, 2002
This replaces Rider "D"
Previously Effective January 1, 2001
Rider "D" Page 1 of 1

**ATCO GAS AND PIPELINES LTD. - SOUTH
RIDER "D" TO TRANSPORTATION
FIRM SERVICE DELIVERY RATES FOR THE RECOVERY OF
UNACCOUNTED FOR GAS AND FUEL GAS**

All Transportation Service Customers delivering gas off the Company's system, excluding gas delivered to the NGTL system via Exchange Service, will be assessed a combined UFG and Fuel Gas charge of 0.682% at the Point of Delivery. The UFG and Fuel Gas assessment will be made up "In-Kind" from each Customer Account.

Effective By Order 2000-61
On Consumption September 1 2000
This replaces Rider "E"
Previously Effective November 1, 1996
Rider "E" Page 1 of 1

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

In the absence of gas costs on a customer's bill, a "deemed value of natural gas" will be applied to the energy delivered to transportation service customers in the determination of municipal franchise tax payable by transportation service customers in municipalities that have agreed to accept payment of a percentage of gross revenues of the special franchise pursuant to Section 360 of the Municipal Government Act.

FOR ALL RATES:

The "Deemed Value" is an amount equal to the Gas Cost Recovery specified on Rider "F".

Effective By Order U2002-135
On Consumption on and after April 1, 2002
This replaces Rider "F"
Previously Effective November 1, 2001
Rider "F" Page 1 of 1

**ATCO GAS AND PIPELINES LTD. - SOUTH
RIDER "F" TO ALL SALES SERVICE RATES
FOR THE RECOVERY OF GAS COSTS**

To be applied to the energy sold to all sales service rates unless otherwise specified by specific contracts.

The recovery of Gas Costs is subject to reconciliation based on actual experienced Gas Costs as approved by the Alberta Energy and Utilities Board.

Gas Cost Recovery Rate:

For the period April 1, 2002 to April 30, 2002

\$4.391 per GJ

Effective By Order U2002-135
On Consumption on and after April 1, 2002

**ATCO GAS AND PIPELINES LTD. - SOUTH
RIDER "G"
TO ALL SALES SERVICE RATES
AND
ALL ATCO GAS TRANSPORTATION SERVICE RATES
FOR CREDITING OR DEBITING THE DIFFERENCE BETWEEN
GAS MARKET PRICES AND GAS ROYALTY COSTS**

To be applied to the energy sold to all sales service rates and energy delivered to all ATCO Gas transportation service rates unless otherwise specified by specific contracts.

The difference between gas market prices and gas royalty costs is subject to reconciliation by the Alberta Energy and Utilities Board.

Company Owned Production Rate Rider (COPRR):

April 1, 2002 to April 30, 2002

\$(0.039) per GJ

Effective By Order U2002-135
On Consumption on and after April 1, 2002

**ATCO GAS AND PIPELINES LTD. - SOUTH
RIDER "H"
TO ALL SALES SERVICE RATES EXCEPT FOR RATE 5 AND RATE 18
AND
ALL ATCO GAS TRANSPORTATION SERVICE RATES
FOR CREDITING OR DEBITING CARBON STORAGE RELATED BENEFITS AND
COST**

To be applied to the energy sold to all sales service rates (except Rate 5 and Rate 18) and energy delivered to all ATCO Gas transportation service rates unless otherwise specified by specific contracts.

The Carbon Storage related benefits and costs are subject to reconciliation by the Alberta Energy and Utilities Board.

Company Owned Storage Rate Rider (COSRR):

April 1, 2002 to April 30, 2002

\$(0.082) per GJ

Effective By Order U2002-135
On Consumption on and after April 1, 2002

**ATCO GAS AND PIPELINES LTD. - SOUTH
RIDER "I"
TO ALL SALES SERVICE RATE 5 AND RATE 18
FOR CREDITING CARBON STORAGE RELATED BENEFITS AND COSTS**

To be applied to the energy sold to sales service Rate 5 and Rate 18.

The Carbon Storage related benefits and costs are subject to reconciliation by the Alberta Energy and Utilities Board.

Rate 5 Company Owned Storage Rate Rider (COSRR):

April 1, 2002 to April 30, 2002

\$(0.320) per GJ

Effective By Order U2002-135
On Consumption April 1, 2002
This replaces Rate 1
Previously Effective September 1, 2000
Rate 1 Page 1 of 1

**ATCO GAS AND PIPELINES LTD. – SOUTH
RATE NO. 1 – GENERAL SALES SERVICE RATE**

Available to all customers using less than 8,000 GJ per year 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 service.

CHARGES:

Fixed Charge: \$13.00 per Month

Energy Charges:

Base	\$1.012 per GJ
Gas Cost Recovery	Rider "F"
Company Owned Production	Rider "G"
Company Owned Storage	Rider "H"

Minimum Monthly Charge: Fixed Charge

Effective By Order U2002-135
On Consumption April 1, 2002
This replaces Rate 3
Previously Effective September 1, 2000
Rate 3 Page 1 of 1

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE NO. 3 LARGE USE SALES SERVICE**

Available to all customers using 8,000 GJ or more per year on an annual contract 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 service.

CHARGES:

Fixed Charge: \$250.00 per Month plus \$3.25 per Month
per GJ of 24 Hr. Billing Demand

Energy Charges:

Base	\$0.268 per GJ
Gas Cost Recovery	Rider "F"
Company Owned Production	Rider "G"
Company Owned Storage	Rider "H"

Minimum Monthly Charge: Fixed Charge

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 period during the current and preceding eleven billing periods provided that the greatest amount of gas delivered in any consecutive 24 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 By Order U2002-135
On Consumption April 1, 2002
This replaces Rate 5
Previously Effective September 1, 2000
Rate 5 Page 1 of 1

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE NO. 5 - OPTIONAL IRRIGATION PUMPING SERVICE RATE**

Available on special contract to all customers who use natural gas as a fuel for engines pumping irrigation water between April 1 and October 31.

CHARGES:

Fixed Charge: \$20.00 per Month

Energy Charges:

Base	\$0.844 per GJ
Gas Cost Recovery	Rider "F"
Company Owned Production	Rider "G"
Company Owned Storage	Rider "I"

Minimum Monthly Charge: Fixed Charge

Effective By Order U2002-135
On Consumption April 1, 2002
This replaces Rate 7
Previously Effective January 1, 1994
Rate 7 Page 1 of 2

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE NO. 7 - STANDBY, PEAKING AND EMERGENCY SERVICE**

A. STANDBY AND PEAKING SERVICE

Available to all customers on an annual contract.

CHARGES:

Fixed Charge: Fixed Charge of Rate No. 3

Energy Charge:
Winter Period: 1.3 times the Energy Charges of Rate No. 3

Summer Period: Energy Charges of Rate No. 3

Minimum Monthly Charge: Fixed Charge

Minimum Annual Charge: The minimum annual charge is the sum of the
Fixed Charges plus the Energy Charges
in the contract year

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 period during the current Billing Demand Period provided that the greatest amount of gas delivered in any consecutive 24 hours in the summer period shall be divided by 2, **or**
2. The Nominated Demand

NOMINATED DEMAND:

All customers must nominate in writing twelve months in advance of each contract year the maximum consumption required for any 24-hour period in that contract year (the "Nominated Demand"). For the first contract year, the Company may accept a nomination less than twelve months in advance of the contract year. The Company reserves the right to restrict the amount of gas in GJ delivered in any one hour to **5%** of the Nominated Demand.

B. EMERGENCY SERVICE

(i) **Authorized Sales**

Available only at the option of the Company.

CHARGES:

Fixed Charge: \$15.00 per Day

Energy Charge: Highest cost of Gas purchased by Company on the Day of sale, with a floor price of the Energy Charges of Rate No. 1

(ii) **Unauthorized Sales**

CHARGES:

Fixed Charge: \$125.00 per Day

Energy Charge: Five (5) times Rider "F", with a minimum price of the highest cost of Gas purchased by Company on the Day of sale

Effective By Decision E93098
On Consumption January 1, 1994
This replaces Rate 8
Previously Effective January 1, 1992
Rate 8 Page 1 of 1

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE NO. 8 - UNMETERED GAS LIGHT SERVICE**

This rate is for the unmetered consumption of gas for Company installed and approved gas lights.

Fixed Charge: \$2.75 per Mantle per Month

Minimum Monthly Charge: Fixed Charge

Effective By Decision E93098
On Consumption January 1, 1994
This replaces Rate 40
Previously Effective January 1, 1992
Rate 40 Page 1 of 1

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE NO. 40 BUY/SELL SALES**

Available on contract for the provision of firm Buy/Sell service. The exact services rendered, together with terms and conditions of the service shall be negotiated and submitted to the Alberta Energy and Utilities Board for approval in each case.

CHARGES:

Transportation Charges as per the applicable Rate Schedule

PLUS

The Cost of Gas Supply acquired for the CUSTOMER

PLUS

An Administrative Fee as negotiated and approved by the Alberta Energy and Utilities Board. The Administrative Fee is a charge negotiated between the COMPANY and the CUSTOMER for the COMPANY to arrange for and administer the gas supply contracts dedicated to the CUSTOMER. The fee will depend on the services required by the CUSTOMER including the type and number of contracts delivering natural gas dedicated to the CUSTOMER.

Effective By Decision E95112
On Consumption November 1, 1995
This replaces Rate 41
Previously Effective February 1, 1995
Rate 41 Page 1 of 1

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE NO. 41 BUY/SELL SERVICE FOR NATURAL GAS
SUPPLIED BY AN INDUSTRIAL END-USER FOR SALE TO COMPANY**

Available under an Annual Contract for Gas supplied and sold by CUSTOMER to COMPANY provided that:

- (i) The CUSTOMER is an Industrial End-User who is provided with Gas Sales Service by COMPANY under Rate 1 or 3.
- (ii) The CUSTOMER has executed a Core Buy/Sell Gas Purchase Contract with the COMPANY for Buy/Sell service which is subject to the provisions of this Rate Schedule and incorporates the COMPANY'S Buy/Sell Regulations as amended from time to time and approved by the Alberta Energy and Utilities Board.
- (iii) The Gas is delivered by CUSTOMER to COMPANY at a mutually acceptable Point of Delivery on COMPANY'S Gas Pipeline System.

ANNUAL QUANTITY:

The Annual Quantity of Gas to be delivered by CUSTOMER and purchased by COMPANY during the Contract Year shall be the actual consumption by CUSTOMER during the 12 months ended March 31 immediately preceding the Contract Year. If such quantity will not be representative of the Contract Year, a mutually acceptable forecast will be used.

MAXIMUM DAILY QUANTITY:

The Maximum Daily Quantity that CUSTOMER shall be obligated to deliver to COMPANY on any day shall equal the Annual Quantity divided by the product of the Load Factor and the number of days in the Contract Year. The Load Factor to be used for calculation of the Maximum Daily Quantity shall be forty percent (40%).

PRICE PAYABLE BY COMPANY:

The price payable for Gas purchased by COMPANY from CUSTOMER shall be:

November 1 to March 31

Rider "F"

April 1 to October 31

Rider "F"

FAILURE OF SUPPLY:

In the event of a failure of CUSTOMER'S supply pursuant to Clause 5.6 of Article A-V of the Buy/Sell Regulations, the applicable charge to CUSTOMER shall be 130% of the highest cost of Gas purchased by COMPANY on the Day of the failure, less the Price Payable by COMPANY.

Effective By Decision U96062
On Consumption November 1, 1996
Rate 43 Page 1 of 2

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE NO. 43 BUY/SELL SERVICE FOR NATURAL GAS
SUPPLIED BY A CORE END-USER FOR SALE TO COMPANY**

Available under an Annual Contract for Gas supplied and sold by CUSTOMER to COMPANY provided that:

- (i) The CUSTOMER is a Core End-User who is provided with Gas Sales Service by COMPANY under Rate 1 or 3 or is a Rate 5 CUSTOMER consuming less than 500,000 GJ per year.
- (ii) The CUSTOMER has executed a Core Buy/Sell Gas Purchase Agreement with the COMPANY for Buy/Sell service which is subject to the provisions of this Rate Schedule and incorporates the COMPANY'S Core Market Buy/Sell Regulations as amended from time to time and approved by the Alberta Energy and Utilities Board.
- (iii) The Gas is delivered by CUSTOMER to COMPANY at the Carbon Sales interconnection and/or any other NOVA/COMPANY interconnection designated by Company from time to time.

ANNUAL QUANTITY:

Annual Quantity of Gas to be delivered by CUSTOMER and purchased by COMPANY during the Contract Year shall be the estimated normalized annual consumption by CUSTOMER.

MAXIMUM DAILY QUANTITY:

The Maximum Daily Quantity that CUSTOMER shall be obligated to deliver to COMPANY on any day shall equal the Annual Quantity divided by the product of the Load Factor and the number of days in the Contract Year. The Load Factor to be used for calculation of the Maximum Daily Quantity shall be fifty three percent (53%).

PRICE PAYABLE BY COMPANY:

The monthly price payable for Gas purchased by COMPANY from CUSTOMER shall be:

The average price of monthly intra-Alberta Gas bought and sold for the delivery Month on the NOVA transmission system, based on agreements made during the Month immediately prior to the delivery Month, as reported by the delivery Month's Canadian Gas Price Reporter, published by Canadian Enerdata Ltd., or its successor, in the "Monthly Canadian and U.S. natural gas price summary" table, in the column containing the delivery Month, on the line "Alberta Spot Price - AECO C/N.I.T. C\$/GJ", or any words or phrases used in substitution therefore.

FAILURE OF SUPPLY:

In the event of a failure of CUSTOMER'S supply pursuant to Clause 5.6 of Article A-V of the Core Buy/Sell Regulations the applicable charge to CUSTOMER shall be 130% of the highest cost of Gas purchased by COMPANY on the Day of the failure, less the Price Payable by COMPANY.

Effective By Order U2002-135
On Consumption April 1, 2002
This replaces Rate 11
Previously Effective September 1, 2000
Rate 11 Page 1 of 1

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE NO. 11 TRANSPORTATION SERVICE RATE FOR
NATURAL GAS DELIVERED FROM THE COMPANY'S SYSTEM
TO CORE MARKET END-USERS**

Available under an Annual Contract for the transportation of Gas owned by others provided that:

- (i) The CUSTOMER uses less than 8,000 GJ per year.
- (ii) The CUSTOMER does not utilize the COMPANY'S facilities only for standby, peaking, or emergency service.
- (iii) The Gas is delivered from the COMPANY'S Gas Pipeline System to a Core End-user.
- (iv) The CUSTOMER has the exclusive contractual control of Gas flows at the Point of Delivery and contractual control of Gas flows at the Point(s) of Receipt.
- (v) The CUSTOMER has executed a Core Market Transportation Service Agreement with the COMPANY which is subject to the provisions of this Rate Schedule, General Conditions and/or Special Contract Conditions and incorporates the COMPANY'S Core Market Transportation Service Regulations (Regulations) as amended from time to time and approved by the Alberta Energy and Utilities Board.

CHARGES:

Fixed Charge per Month: \$13.00 per Month

Energy Charge:

Variable \$1.012 per GJ

Company Owned Production Rider "G"

Company Owned Storage Rider "H"

PLUS

A provision for Unaccounted For Gas as per Rider "D" of the Rate Schedules

Minimum Monthly Charge: The minimum monthly charge is the Fixed Charge plus any Specific Facility Charges

Effective By Order U2002-135
On Transportation April 1, 2002
This replaces Rate 13
Previously Effective September 1, 2000
Rate 13 Page 1 of 2

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE NO. 13 – GENERAL TRANSPORTATION SERVICE RATE**

Available under an Annual Contract for the transportation of Gas owned by others provided that:

- (i) The customer uses in excess of 8,000 GJ per year.
- (ii) The CUSTOMER has the exclusive contractual control of Gas flows at the Point of Delivery.
- (iii) The CUSTOMER has executed a Transportation Agreement with the COMPANY which is subject to the provisions of this Rate Schedule and incorporates the COMPANY'S Natural Gas Transmission Transportation Service Regulations (Regulations) as amended from time to time and approved by the Alberta Energy and Utilities Board.

A. FIRM SERVICE CHARGES AT EACH POINT OF DELIVERY

Fixed Charge: \$275.00 per Month

Energy Charge:

Variable \$0.147 per GJ

Company Owned Production Rider "G"

Company Owned Storage Rider "H"

PLUS

Demand Charge: \$5.30 per Month per GJ
of 24-Hour Billing Demand

PLUS

Rider "D" of the Rate Schedules

B. OVERRUN SERVICE

CHARGES AT POINT OF DELIVERY:

Provided Company accepts a Customer's Nomination at the Point of Delivery in excess of 110% of the Customer's Nominated Demand, the charge for the amount of gas in excess of 110% of the Nominated Demand shall be:

Variable Charge: \$0.261 per GJ

PLUS

Rider "D" of the Rate Schedules

C. UNAUTHORIZED SERVICES**CHARGES AT POINT OF DELIVERY:**

For all gas taken in excess of 110% of the Customer's Nominated Demand where Company has refused to accept a Nomination or where Company has advised the Customer to curtail service to 110% of the Nominated Demand, the charge shall be:

Charges as per:

Rate 7 b (ii)

D. APPLICABLE to "A", "B" or "C"**NOMINATED DEMAND:**

The Nominated Demand will be as specified in the Regulations and the Firm Service Agreement (FSA).

BILLING DEMAND:

The Billing Demand for any month equals the maximum gas flow in any 24-hour period during the month subject to a minimum amount of 90% of the Nominated Demand and a maximum amount of 110% of the Nominated Demand.

GAS IMBALANCES:**Settlement of Monthly Imbalance Quantity when Based on Daily Information:**

Magnitude of Imbalance Quantity	Reasons for Imbalance Quantity	Settlement by COMPANY	Price
<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 By Order U2002-135
On Transportation April 1, 2002
This replaces Rate 18
Previously Effective September 1, 2000
Rate 18 Page 1 of 1

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE NO. 18 TRANSPORTATION SERVICE RATE FOR NATURAL GAS
DELIVERED FROM THE COMPANY'S SYSTEM TO CUSTOMERS WHO
USE NATURAL GAS AS A FUEL FOR ENGINES
PUMPING IRRIGATION WATER**

Available under a Summer Period contract for the transportation of Gas owned by others provided that:

- (i) The CUSTOMER is using natural gas as a fuel for engines pumping irrigation water between April 1 and October 31.
- (ii) The CUSTOMER does not utilize the Company's facilities only for standby, peaking, or emergency service.
- (iii) The Gas is delivered from the Company's Gas Pipeline System to a customer who uses natural gas as a fuel for engines pumping irrigation water.
- (iv) The CUSTOMER has the exclusive contractual control of Gas flows at the Point of Delivery and contractual control of Gas flows at the Point(s) of Receipt.
- (v) The CUSTOMER has executed a Core Market Transportation Service Agreement with the COMPANY which is subject to the provisions of this Rate Schedule, General Conditions and/or Special Contract Conditions and incorporates the Company's Core Market Transportation Service Regulations ("Regulations") as amended from time to time and approved by the Alberta Energy and Utilities Board.

CHARGES:

Fixed Charge per Month: \$20.00 per Month

Energy Charge:

Variable	\$0.844 per GJ
Company Owned Production	Rider "G"
Company Owned Storage	Rider "I"

PLUS

A provision for Unaccounted For Gas as per
Rider "D" of the Rate Schedules

Minimum Monthly Charge: The minimum monthly charge is the Fixed Charge plus any Specific Facility Charges

Effective By Decision 2000-61
On Consumption September 1, 2000
This Replaces Rate 50
Previously Effective January 1, 1994
Rate 50 Page 1 of 1

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE NO. 50 BALANCING SERVICE RATE FOR
TRANSPORTATION CUSTOMERS**

Available under contract with any Transportation Rate offered by the Company provided that:

- (i) CUSTOMER has executed a transportation service agreement or contract with Company to which this Balancing Service is to apply.
- (ii) CUSTOMER contracts for Balancing Service for a minimum term of one contract year or for the term of CUSTOMER'S transportation agreement if less than one year.

CHARGES:

Variable Charge Applicable at Point(s) of Delivery: \$0.001 per GJ
For each $\pm 1\%$ increase to monthly imbalance limit contained in Customer's Transportation Rate or Contract

**ATCO GAS AND PIPELINES LTD.
ATCO PIPELINES SOUTH
RATE SCHEDULES**

APRIL 1, 2002

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE SCHEDULES
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Effective By Order U2002-135
On Consumption April 1, 2002
This replaces General Conditions
Previously Effective November 1, 2001

**ATCO GAS AND PIPELINES LTD. - SOUTH
GENERAL CONDITIONS**

A. GENERAL CONDITIONS APPLYING TO ALL RATES

A1. Approval of Alberta Energy and Utilities Board:

Change in Rates from time to time are subject to approval by the Alberta Energy and Utilities Board for the Province of Alberta.

A2. Municipal Tax Rider (Rider 'B'):

All charges under the Rates, including any charges under other Riders, to Customers situated within the communities listed on Rider 'B' are subject to the addition of the charges shown.

A3. Special Contracts:

Unless varied by the Alberta Energy and Utilities Board, service to Customers under Special Contracts shall be subject to the terms and conditions thereof.

A4. 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 or at the Point of Receipt.

A5. Notification of Service Transfer:

(a) Core Market Direct Purchase Customers and Core Elect Customers:

Customers transferring from Sales Service to Transportation Service or Buy/Sell Service must provide a minimum notice of 15 working days prior to the upcoming month.

Renewal of Transportation or Buy-Sell Service will require written notice to the Company 15 working days prior to the expiry of the existing annual contract. If no written notice is received, customers will be returned to Sales Service.

(b) Industrial End-Users and Class II Customers:

Customers transferring from Sales Service to Transportation Service or Buy/Sell Service must provide written notice a minimum of 15 working days prior to the upcoming month.

Customers transferring from Transportation Service or Buy/Sell Service to Sales Service must provide written notice a minimum of 15 working days to the upcoming month.

A6. Annual Contract:

The words "annual contract" as they appear on the Rate Schedules, shall mean a twelve month period commencing on the first day of the first month of the contract.

A7. Municipal Franchise Fee (Rider "A"):

All charges under the Rates, including any charges under other Riders, to Customers situated within the communities listed on Rider "A" are subject to the addition of the charges shown.

A8. 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.

B. GENERAL CONDITIONS APPLYING TO RATES FOR SALES**B1. Late Payment Charge:**

When accounts are not paid in full on or before the due date, the amount relating to the current month's charge unpaid by the due date shall be increased by 5% and the increased amount shall become due and payable.

B2. Purchase Requirements:

In the case of short term sales agreements or where the sales have no adverse effect on the Company's load factor, the Company may waive the requirement in the Rates for "the purchase of the total requirements from the Company" from the Rates.

B3. Gas Cost Recovery:

All Sales Service Customers are subject to the provisions of Rider "F" for the recovery of Gas Costs.

B4. Special Contracts:

A special contract is required for all sales Customers with annual requirements in excess of 500,000 GJ.

B5. Company Owned Production:

All Sales Service Customers are subject to the provisions of Rider "G" crediting or debiting the difference between gas market prices and gas royalty costs.

B6. Company Owned Storage:

All Sales Service Customers (except rate 5) are subject to the provisions of Rider "H" crediting or debiting Carbon Storage related benefits and costs.

Rate 5 Sales Service Customers are subject to the provisions of Rider "I" crediting Carbon Storage related benefits and costs.

C. *GENERAL CONDITIONS APPLYING TO RATES FOR TRANSPORTATION SERVICE***C1. Determination of Points of Receipt and Delivery:****(a) Core Market Transportation Service Rates:**

The standard receipt point for Rates 11 shall be at the Carbon Sales Interconnection and/or any other NOVA/COMPANY interconnection designated by COMPANY from time to time and/or Account Transfer.

(b) All Other Transportation Service Rates:

The Company shall determine specific Point of Receipt and specific Point of Delivery locations and the contract quantities to be accepted and delivered at each point by consultation and agreement with the Customer.

C2. Unaccounted For Gas and Fuel Gas:

Applicable Transportation Service Customers are subject to the provision of Rider "D" for the recovery of Unaccounted For Gas and Transmission Compressor Fuel Gas.

C3. Market Account Fees for Transmission Transportation Service:

Market Account services for Transmission Transportation customers are available on an annual basis. This service is subject to a fee of \$300 per month.

C4. Company Owned Production:

All ATCO Gas Transportation Service Customers are subject to the provisions of Rider "G" crediting or debiting the difference between gas market prices and gas royalty costs.

C5. Company Owned Storage:

All ATCO Gas Transportation Service Customers (except Rate 18) are subject to the provisions of Rider "H" crediting or debiting Carbon Storage related benefits and costs.

Rate 18 Transportation Service Customers are subject to the provisions of Rider "I" crediting Carbon Storage related benefits and costs.

D. GENERAL CONDITIONS APPLYING TO CORE MARKET SERVICES**D1. Administrative Fees:**

The following administrative fees are applicable for each Core Market Transportation Service Agreement and each Core Buy/Sell Gas Purchase Contract for service provided to customers under Rates 11, 18 and 43.

\$125 per month

PLUS

\$5 per Customer Account per Year

D2. Transition Fees:

Transition fees of \$0.00 per GJ are applicable for each Core Market Transportation Service Agreement and each Core Buy/Sell Gas Purchase Contract for service provided to customers under Rates 11, 18 and 43 where written notice was provided to the Company of between 2 and 5 months for customers transferring from Sales Service.

D3. Provisions Applicable to Core Gas Purchase Option Agreements:**(a) Failure of Supply:**

In the event of a failure of CUSTOMER'S supply pursuant to Article A-V in Schedule A of the Core Gas Purchase Option Agreement, the applicable charge to CUSTOMER shall be 130% of the highest cost of Gas purchased by COMPANY on the Day of the failure, less the Price Payable by COMPANY.

(b) Purchase Price of Gas Payable by Company:

The monthly price payable for Gas purchased by COMPANY from CUSTOMER shall be:

As determined by negotiation between the COMPANY and the DIRECT SELLER.

(c) Load Factor:

The Load Factor to be used for calculation of the Maximum Daily Quantity shall be fifty three percent (53%).

Effective by Decision U2001-503
On Consumption December 18, 2001
This replaces Rider "A"
Previously Effective April 30, 2001

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

Additions to be made to the Rate of customers resident in municipalities that have agreed to accept payment of a percentage of gross revenue of the special franchise pursuant to Section 360, Chapter M-26.1 of The Municipal Government Act, Alberta, in lieu of a property tax assessed pursuant to that Act.

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	5.26	B
			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	5.29	C*	Cowley	5.26	C	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	Redwood Mds.	3.00	D
Black Diamond	14.00	A	Elnora	5.26	B	Rockyford	5.26	C
Bow Island	5.26	B	Foremost	5.26	C	Rosemary	5.26	B
Bowden	5.26	C	Fort Macleod	5.26	C	Standard	11.34	A
Brooks	5.25	B	Glenwood	5.26	C	Stavely	11.18	A
Burdett	11.18	A	Granum	5.25	B	Stirling	11.18	A
Canmore	5.26	B	High River	5.26	B	Strathmore	11.18	A
Carbon	15.07	A	Hill Spring	21.52	A	Taber	5.26	C**
Cardston	5.26	C	Hussar	13.74	A	Trochu	5.26	B
Carmangay	15.97	A	Innisfail	5.26	C	Turner Valley	5.26	B
Carstairs	5.26	C	Irricana	11.18	A	Vauxhall	5.26	C
Champion	15.01	A	Linden	5.26	C	Vulcan	7.00	C

Method

- A. Applied to gross revenues excluding gas costs (Rider "F") and 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").
 D. Applied to gross revenues including gas costs (Rider "F") but excluding deemed value(Rider E).
 * Rider "B" included.
 ** Includes a \$75,000 maximum annual allowable assessment on any individual metered accountr.

Effective By Decision E93098
On Consumption January 1, 1994
This replaces Rider "B"
Previously Effective September 27, 1993

**ATCO GAS AND PIPELINES LTD. - SOUTH
RIDER "B"
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 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 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.

Banff

Siksika Nation

Effective By Decision U2000-308
On Transportation January 1, 2001
This replaces Rider "D"
Previously Effective January 1, 2001

**ATCO GAS AND PIPELINES LTD. - SOUTH
RIDER "D" TO TRANSPORTATION
FIRM SERVICE DELIVERY RATES FOR THE RECOVERY OF
UNACCOUNTED FOR GAS AND FUEL GAS**

All Transportation Service Customers delivering gas off the Company's system, excluding gas delivered to the NGTL system via Exchange Service, will be assessed a combined UFG and Fuel Gas charge of 0.682% at the Point of Delivery. The UFG and Fuel Gas assessment will be made up "In-Kind" from each Customer Account.

Effective By Order 2000-61
On Consumption September 1 2000
This replaces Rider "E"
Previously Effective November 1, 1996

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

In the absence of gas costs on a customer's bill, a "deemed value of natural gas" will be applied to the energy delivered to transportation service customers in the determination of municipal franchise tax payable by transportation service customers in municipalities that have agreed to accept payment of a percentage of gross revenues of the special franchise pursuant to Section 360 of the Municipal Government Act.

FOR ALL RATES:

The "Deemed Value" is an amount equal to the Gas Cost Recovery specified on Rider "F".

Effective By Order U2002-135
On Consumption on and after April 1, 2002
This replaces Rider "F"
Previously Effective November 1, 2001

**ATCO GAS AND PIPELINES LTD. - SOUTH
RIDER "F" TO ALL SALES SERVICE RATES
FOR THE RECOVERY OF GAS COSTS**

To be applied to the energy sold to all sales service rates unless otherwise specified by specific contracts.

The recovery of Gas Costs is subject to reconciliation based on actual experienced Gas Costs as approved by the Alberta Energy and Utilities Board.

Gas Cost Recovery Rate:

For the period April 1, 2002 to April 30, 2002

\$4.391 per GJ

Effective By Order U2002-135
On Consumption on and after April 1, 2002

**ATCO GAS AND PIPELINES LTD. - SOUTH
RIDER "G"
TO ALL SALES SERVICE RATES
AND
ALL ATCO GAS TRANSPORTATION SERVICE RATES
FOR CREDITING OR DEBITING THE DIFFERENCE BETWEEN
GAS MARKET PRICES AND GAS ROYALTY COSTS**

To be applied to the energy sold to all sales service rates and energy delivered to all ATCO Gas transportation service rates unless otherwise specified by specific contracts.

The difference between gas market prices and gas royalty costs is subject to reconciliation by the Alberta Energy and Utilities Board.

Company Owned Production Rate Rider (COPRR):

April 1, 2002 to April 30, 2002

\$(0.039) per GJ

Effective By Order U2002-135
On Consumption on and after April 1, 2002

**ATCO GAS AND PIPELINES LTD. - SOUTH
RIDER "H"
TO ALL SALES SERVICE RATES EXCEPT FOR RATE 5 AND RATE 18
AND
ALL ATCO GAS TRANSPORTATION SERVICE RATES
FOR CREDITING OR DEBITING CARBON STORAGE RELATED BENEFITS AND
COST**

To be applied to the energy sold to all sales service rates (except Rate 5 and Rate 18) and energy delivered to all ATCO Gas transportation service rates unless otherwise specified by specific contracts.

The Carbon Storage related benefits and costs are subject to reconciliation by the Alberta Energy and Utilities Board.

Company Owned Storage Rate Rider (COSRR):

April 1, 2002 to April 30, 2002

\$(0.082) per GJ

Effective By Order U2002-135
On Consumption on and after April 1, 2002

**ATCO GAS AND PIPELINES LTD. - SOUTH
RIDER "I"
TO ALL SALES SERVICE RATE 5 AND RATE 18
FOR CREDITING CARBON STORAGE RELATED BENEFITS AND COSTS**

To be applied to the energy sold to sales service Rate 5 and Rate 18.

The Carbon Storage related benefits and costs are subject to reconciliation by the Alberta Energy and Utilities Board.

Rate 5 Company Owned Storage Rate Rider (COSRR):

April 1, 2002 to April 30, 2002

\$(0.320) per GJ

Effective By Decision E93098
On Consumption January 1, 1994
This Replaces Rate 4
Previously Effective April 1, 1993

**ATCO PIPELINES SOUTH
RATE NO. 4 - OPTIONAL SALES SPECIAL TRANSMISSION
LARGE USE HIGH LOAD FACTOR RATE**

Available to all customers served directly from the Company's main high pressure transmission lines on an annual contract, 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 service.

CHARGES:

Fixed Charge: \$500.00 per Month plus \$2.30 per Month
per GJ of 24 Hr. Billing Demand

Energy Charges:

Base	\$0.180 per GJ
Gas Cost Recovery	Rider "F"
Company Owned Production	Rider "G"
Company Owned Storage	Rider "H"

Minimum Monthly Charge: Fixed Charge

Minimum Annual Charge: The minimum annual charge shall be calculated at the end of each contract year, and shall be the greater of:

1. the sum of the Fixed Charges plus the Energy Charges for the contract year, or
2. the sum of:

the number of GJ if any, by which 300,000 GJ exceeds the customer's consumption in the contract year times the difference between the customer's weighted average Energy Charge for the contract year and \$0.25 per GJ.

AND

the sum of the customer's Fixed Charges plus the Energy Charges for the contract year.

ATCO PIPELINES SOUTH**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 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.

NOMINATED ANNUAL VOLUME:

A customer whose maximum consumption exceeds 4 500 GJ for any 24-hour period must nominate in writing twelve months in advance of each contract year the annual volume in GJ for that contract year. (Nominated Annual Volume.)

Effective By Decision E93098
On Consumption January 1, 1994
This Replaces Rate 6
Previously Effective April 1, 1993

**ATCO PIPELINES SOUTH
RATE NO. 6 - SALES TO GAS ALBERTA**

Available to Gas Alberta for rural systems except for standby, peaking or emergency service.

A. For rural systems served directly from the high pressure transmission system.

CHARGES:

Energy Charges:

Base	\$0.500 per GJ
Gas Cost Recovery	Rider "F"
Company Owned Production	Rider "G"
Company Owned Storage	Rider "H"

B. For rural systems served from the Company's distribution system.

CHARGES:

Energy Charges:

Base	\$0.671 per GJ
Gas Cost Recovery	Rider "F"

Effective By Order U2002-135
On Consumption April 1, 2002
This replaces Rate 7
Previously Effective January 1, 1994

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE NO. 7 - STANDBY, PEAKING AND EMERGENCY SERVICE**

A. STANDBY AND PEAKING SERVICE

Available to all customers on an annual contract.

CHARGES:

Fixed Charge: Fixed Charge of Rate No. 3

Energy Charge:
Winter Period: 1.3 times the Energy Charges of Rate No. 3
Summer Period: Energy Charges of Rate No. 3

Minimum Monthly Charge: Fixed Charge

Minimum Annual Charge: The minimum annual charge is the sum of the
Fixed Charges plus the Energy Charges
in the contract year

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 period during the current Billing Demand Period provided that the greatest amount of gas delivered in any consecutive 24 hours in the summer period shall be divided by 2, **or**
2. The Nominated Demand

NOMINATED DEMAND:

All customers must nominate in writing twelve months in advance of each contract year the maximum consumption required for any 24-hour period in that contract year (the "Nominated Demand"). For the first contract year, the Company may accept a nomination less than twelve months in advance of the contract year. The Company reserves the right to restrict the amount of gas in GJ delivered in any one hour to **5%** of the Nominated Demand.

B. EMERGENCY SERVICE

(i) **Authorized Sales**

Available only at the option of the Company.

CHARGES:

Fixed Charge: \$15.00 per Day

Energy Charge: Highest cost of Gas purchased by Company on the Day of sale, with a floor price of the Energy Charges of Rate No. 1

(ii) **Unauthorized Sales**

CHARGES:

Fixed Charge: \$125.00 per Day

Energy Charge: Five (5) times Rider "F", with a minimum price of the highest cost of Gas purchased by Company on the Day of sale