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" with respect to the City of Lethbridge

ORDER U2001-503

Application No. 1247911 File No. 6675-L8-1

ATCO Gas and Pipelines Ltd. (ATCO Gas) 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 City of Lethbridge (the City) to be changed from 11.11 per cent of the gross revenue of ATCO Gas inclusive of the deemed value of natural gas delivered to its customers within the City, to 32.3 per cent of the revenue of ATCO Gas derived only from the non-gas portion of its customers' bills within the City. The City accepts this payment in lieu of taxing the special franchise, lands, buildings, improvements, pipelines, works, machinery, equipment and apparatus owned or used by ATCO Gas in the exercise of the franchise and related operations within the City.

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

The Alberta Energy and Utilities Board, pursuant to the *Gas Utilities Act*, R.S.A. 1980, c. G-4, hereby orders as follows:

- 1. Application No. 1247911 by ATCO Gas and Pipelines Ltd. dated November 5, 2001, is approved, subject to the terms and conditions herein contained.
- 2. The new rate for the City of Lethbridge, as indicated on Rate Rider "A" attached as Schedule "A" to this Order, becomes effective upon the execution of its Franchise Renewal Agreement with ATCO Gas and Pipelines Ltd.

DATED at the City of Edmonton, in the Province of Alberta, on December 18, 2001.

ALBERTA ENERGY AND UTILITIES BOARD

SCHEDULE "A"

This schedule is not available for the web site. Please contact EUB Information Services

-- Phone: (403) 297-8190 -- Fax: (403) 297-7040

-- E-mail: eub.info_services@gov.ab.ca