

THE PROVINCE OF ALBERTA

GAS UTILITIES ACT

ALBERTA ENERGY AND UTILITIES BOARD

IN THE MATTER of an Interim Rate
Adjustment for Delivery Service for ATCO
Pipelines – North, a Division of ATCO Gas
and Pipelines Ltd.

ORDER U2001-543

Application No. 1252224
File No. 6405-14-4

THE APPLICATION

By letter dated December 19, 2001, ATCO Pipelines – North, a Division of ATCO Gas and Pipelines Ltd.(AGPL), filed an application (the Application) with the Alberta Energy and Utilities Board (the Board) for approval to decrease its delivery service Rates 4, 5, 6, and University of Alberta on an interim basis by \$0.114/gigajoule, to be effective January 1, 2002.

AGPL advised that the proposed decrease is as a result of the sale of the petroleum and natural gas assets in the Viking-Kinsella field by AGPL.¹ which triggered a re-opener to the North Core Agreement (Agreement). The Rate Schedules proposed by AGPL are set out in Schedule “A”.

BACKGROUND

As a result of the sale of the Viking-Kinsella producing assets, approved by the Board in Decision 2001-104, dated December 11, 2001, the North Core Customer group (the NCC),² a group of customer representatives that actively participates in AGPL’s proceedings, and AGPL have negotiated an interim rate adjustment. The negotiations were triggered by a re-opener to the Agreement which originally established rates for the years 1998 to 2002 and was approved by the Board in Decision U98060, dated March 31, 1998. By memorandum of agreement dated January 1, 1999, the Agreement was amended and approved by the Board in Decision U99107, dated November 12, 1999. The Agreement was further amended by a re-opener settlement that was approved by the Board in Decision 2000-85, dated December 22, 2000. Section 6.1 (Class 1 Reopeners) of the Agreement (as amended) states “Sale of the Viking field” “...will not be subject to a materiality test.”[to re-open the Agreement].

¹ Refer to Decision 2001-104, dated December 11, 2001

² Ibid., refer to Appendix 1 for a list of the members of the NCC

AGPL stated that the delivery service rates have been agreed to by both AGPL and the NCC. AGPL also stated that the Application completed the application, made by ATCO Gas – North on December 12, 2001, for interim rates that were approved by the Board in Order 2001-501, dated December 19, 2001. AGPL stated that it and the NCC will determine the final impact of the re-opener early in the new year.

BOARD FINDINGS

The Board's statutory mandate requires that it fix just and reasonable rates for the regulated utilities under its jurisdiction. Ordinarily, the Board would require timely public notice of an application and take into account representations that it may receive from interested parties before issuing an order on a matter. However, the Board notes that AGPL distributed a copy of its proposal to the NCC, a group that would normally participate in the examination process involving the setting of delivery service rates. The Board understands that the NCC represents the majority of AGPL's customers and, therefore, considers that the distribution, in this instance, provides a useful degree of public notice. Further, the Board notes that the NCC provided its acceptance for the proposed decrease in the delivery service rates.

The Board notes that an increase in the Gas Cost Recovery Rate for ATCO Gas - North, which was in part triggered by the sale of the petroleum and natural gas assets in the Viking-Kinsella field, has been approved to be effective January 1, 2002. The Board considers it appropriate that the decrease to the delivery service charges, triggered by the Viking-Kinsella sale, also be approved to be effective January 1, 2002. Accordingly, the Board, pursuant to section 50(1) of the *Public Utilities Board Act*, R.S.A. 1980, c. P-37, herein exercises its discretion to deal with the Application as if due notice had been given to all interested parties.

ORDER

Therefore the Alberta Energy and Utilities Board, hereby orders as follows:

- (1) The ATCO Gas and Pipelines Ltd. – North Rate Schedules (Schedule "A") attached to and forming part of this Order shall be effective on an interim basis, on and after January 1, 2002. Specifically, Rate Schedules 4, 5, 6 and University of Alberta are approved by this Order. The Rate Schedules shall remain in effect pending completion of negotiations between ATCO Gas and Pipelines Ltd. - North and the North Core Customer group, and an application for final rates expected early in 2002.

Dated in Edmonton, Alberta on December 20, 2001

ALBERTA ENERGY AND UTILITIES BOARD

December 20, 2001

SCHEDULE "A"
ATCO GAS AND PIPELINES LTD. NORTH
RATE SCHEDULES



"U2001-543
Schedule A-ATCO Pip

(consisting of 21 pages)

**ATCO GAS AND PIPELINES LTD.
NORTH**

RATE SCHEDULES

JANUARY 1, 2002

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

INDEX

	<u>Page</u>
<u>Conditions</u>	
General Conditions.....	1
Special Contract Conditions	4
<u>Riders</u>	
Rider "A" Municipal Franchise Fee.....	6
Rider "B" Municipal Property Tax and Specific Costs.....	7
Rider "D" Unaccounted For Gas.....	8
Rider "E" Deemed Value of Gas.....	9
Rider "F" Gas Cost Recovery	10
<u>ATCO Pipelines North Sales Rates</u>	
Rate 4 General Transmission Sales Service - Large Use	11
Rate 5 Sales to Other Distribution Companies for the Purpose of Resale	13
Rate 6 Sales to Power Plants.....	14
Rate 7 Sales to Gas Alberta.....	15
Rate 8 Standby, Peaking and Emergency Sales Service Rate	16
University of Alberta – Special Contract Rate	18
Town of Wainwright – Special Contract Rate	19

ATCO Pipelines North Transportation Rates – Not Included

- Straddle Plant Special Contract Rate
- Rate TFS - Transportation Firm Service
- Rate TFS – Transportation Firm Service – Agrium Dow
- Rate TIS - Transportation Interruptible Service
- Rate FSDA – Transportation Firm Service to Alliance Pipeline
- Rate ISDA – Transportation Interruptible Service to Alliance Pipeline
- Rate 10 Transportation Service (Closed Rate)
- Rate 30 Long Term Producer Transportation (Closed Rate)
- Rate 31 One Year Producer Transportation (Closed Rate)
- Rate 33 Three Year Producer Transportation (Closed Rate)
- Rate 34 Interruptible Producer Transportation (Closed Rate)

ATCO Gas North Rates (See ATCO Gas Web Page www.atcogas.com)

- Rate 1
- Rate 3
- Rate 9
- Rate 11
- Rate 13
- Rate 13B
- Rate 15

Effective by Order U2001-501
On Consumption January 1, 2002
General Conditions
Previously Effective April 1, 1998
General Conditions Page 1 of 3

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

A. GENERAL CONDITIONS APPLYING TO ALL RATES

A1. Approval of Alberta Energy and Utilities Board:

Changes 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 will be given the options of providing written notice to the Company:

- (i) a minimum of 2 months in advance of transfer; in which case a charge for transition fees will be assessed.
- (ii) 5 months or more in advance of transfer; in which case no charge for transition fees will be assessed.

Renewal of Transportation or Buy/Sell Service will require written notice to the Company 2 months 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 between Sales Service, Transportation Service or Buy/Sell Service must provide a minimum of 5 months written notice to Company.

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 SERVICE

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.

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 and 15 shall be at the Carbon Sales Interconnection and/or any other TransCanada Transmission / Company interconnection designated by Company from time to time.

(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. Production and Gathering Margin Charge:

The Company will apply a charge to the Winter and Summer DGA for existing Rate 3 Customers switching to the General or Modified General Transportation Service Rates (Rate 13 and 13B). This charge will equal \$0.049/GJ and will be applied against the actual monthly throughput related to the former Rate 3 Customers who have switched subsequent to April 1, 1998.

Special Contract Conditions
Previously Effective January 1, 1997
Special Contract Conditions Page 1 of 2

**ATCO GAS AND PIPELINES LTD. - NORTH
SPECIAL CONTRACT CONDITIONS**

1. CHARGES ASSOCIATED WITH CORE MARKET SERVICES

(a) **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, 15, and 43.

\$125 per month

PLUS

\$5 per Customer Account per Year

(b) **Transition Fees:**

Transition fees of \$0.00 per GJ are applicable under each Core Market Transportation Service Agreement and each Core Buy/Sell gas Purchase Contract for service provided to Customers under rates 11, 15, and 43 where written notice was provided to the Company of between 2 and 5 months for Customers transferring from Sales Service.

(c) **Provisions Applicable to Core Gas Purchase Option Agreements:**

(i) **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.

(ii) **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.

(iii) **Load Factor:**

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

2. TRANSALTA UTILITIES LIMITED – KEEPHILLS

In addition to the charges under the Rates, TransAlta Utilities Limited shall be charged a fixed monthly charge representing one twelfth of the annual return, income tax depreciation and operating and maintenance costs for facilities installed to provide service to the Keephills power plant.

3. EPCOR- GENESEE

In addition to the charges under the Rates, EPCOR shall be charged a fixed monthly charge representing one twelfth of the annual return, income tax, depreciation and operating and maintenance costs for facilities installed to provide service to the Genesee Power Plant.

Effective with Decision U2001-251
On Consumption October 15, 2001
Rider "A" Page 1 of 1

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

<u>Municipality</u>		<u>Method</u>	<u>%</u>	<u>Municipality</u>		<u>Method</u>	<u>%</u>
Edmonton	City	A	*22.70	Hughenden	Village	A	10.98
Red Deer	City	A	17.00	Hythe	Village	C	8.70
Camrose	City	A	22.00	Innisfree	Village	A	17.50
Fort McMurray	City	B	8.70	Irma	Village	C	5.26
Grande Prairie	City	C	10.00	Itaska	Summer Village	B	5.26
Lloydminster	City	B	7.00	Jasper	Town	B	5.25
Spruce Grove	City	B	8.26	Kitscoty	Village	C	5.25
St. Albert	City	B	5.26	Lacombe	Town	C	5.26
Wetaskiwin	City	C	8.27	Lamont	Town	C	5.26
Alberta Beach	Summer Village	A	10.61	Lavoy	Village	B	5.25
Alix	Village	C	6.75	Legal	Village	C	5.26
Amisk	Village	A	9.10	Lougheed	Village	B	5.26
Andrew	Village	C	9.00	Mannville	Village	C	5.26
Bashaw	Town	B	5.25	Mayerthorpe	Town	A	9.42
Beaverlodge	Town	C	8.70	McLennan	Town	C	6.25
Bentley	Village	A	8.53	Millet	Town	C	6.75
Berwyn	Village	C	7.25	Minburn	Village	A	15.00
Bittern Lake	Village	A	17.68	Mirror	Village	A	12.60
Blackfalds	Town	B	5.26	Mundare	Town	C	5.00
Bon Accord	Town	C	8.70	Nampa	Village	C	5.25
Breton	Village	A	12.47	Onoway	Village	A	11.00
Bruderheim	Town	C	5.25	Oyen	Town	C	8.70
Caroline	Village	C	5.26	Peace River	Town	C	7.25
Chipman	Village	B	5.26	Point Alison	Summer Village	C	5.26
Clive	Village	B	5.25	Ponoka	Town	B	5.26
Clyde	Village	A	9.47	Provost	Town	A	11.00
Cold Lake	Town	C	5.26	Rimbey	Town	B	5.26
Consort	Village	C	5.26	Rocky Mtn. House	Town	C	5.26
Coronation	Town	A	10.05	Rycroft	Village	C	5.25
Czar	Village	A	11.84	Ryley	Village	C	5.25
Donnelly	Village	C	5.25	Sangudo	Village	A	9.25
Drayton Valley	Town	B	6.26	Seba Beach	Summer Village	B	6.00
Eaglesham	Village	B	5.26	Sexsmith	Village	C	5.25
Eckville	Town	C	5.26	Sherwood Park	Unincorporated	B	6.00
Edgerton	Village	C	5.26	Silver Beach	Summer Village	B	5.26
Edson	Town	B	5.26	Slave Lake	Town	C	5.26
Entwistle	Village	A	17.32	Spirit River	Town	A	24.00
Evansburg	Village	B	5.26	Stony Plain	Town	B	8.11
Fairview	Town	C	5.25	Swan Hills	Town	A	8.16
Falher	Town	C	2.56	Sylvan Lake	Town	B	5.26
Fox Creek	Town	A	12.93	Thorsby	Village	A	11.69
Gibbons	Town	C	8.70	Tofield	Town	C	7.00
Girouxville	Village	C	5.25	Vegreville	Town	C	8.11
Golden Days	Summer Village	B	5.26	Vermilion	Town	C	5.26
Grand Centre	Town	C	3.00	Veteran	Village	A	9.73
Grimshaw	Town	A	28.00	Viking	Town	C	5.25
Hardisty	Town	C	5.26	Warburg	Village	A	8.83
Hines Creek	Village	C	5.25	Whitecourt	Town	C	**5.26
Hinton	Town	B	5.26	Wildwood	Unincorporated	B	5.26
Holden	Village	C	5.25				

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").

* Includes a \$370,000 maximum annual allowable assessment (Max) on any individual metered account.

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

This Replaces Rider "B"
Previously Effective February 1, 1998
Rider "B" Page 1 of 1

**ATCO GAS AND PIPELINES LTD. - NORTH
RIDER "B" 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 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 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:

- Fort Saskatchewan
- Wabamun
- Wembley
- Stony Plain Indian Reserve
- Paul Band Indian Reserve
- Fort McMurray No. 468 First Nation Band
- Jarvis Bay
- Norglenwold

Effective By Decision 2001-80
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. - NORTH
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 TransCanada Transmission system via Exchange Service, will be assessed a combined UFG and Fuel Gas charge of 1.124% at the Point of Delivery. The UFG and Fuel Gas assessment will be made up "In-Kind" from each Customer Account.

Effective by Order U2001-501
On Consumption January 1, 2002
This Replaces Rider "E"
Previously Effective April 1, 1998
Rider "E" Page 1 of 1

**ATCO GAS AND PIPELINES LTD. - NORTH
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 fee 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 Transportation Service Rates the "Deemed Value" is an amount equal to:

- (a) **For Rate 11 and 15:** The "Deemed Value" is an amount equal to the Gas Cost Recovery specified on Rider "F"
- (b) **For Rate 13 and TFS-FSD:** The "Deemed Value" is an amount equal to Rider "F" **plus** \$0.049 per GJ
- (c) **For Rate 13B:** The "Deemed Value" is an amount equal to Rider "F" **less** \$0.041 per GJ

Effective By Decision 2001-448
On Consumption January 1, 2002
This Replaces Rider "F"
Previously Effective November 1, 2001
Rider "F" Page 1 of 1

**ATCO GAS AND PIPELINES LTD. - NORTH
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 contract.

The Recovery of Gas Costs is subject to reconciliation based on actual experienced Gas Costs as approved by the Public Utilities Board.

Gas Cost Recovery Rate:

For the period January 1, 2002 to March 31, 2002

\$3.537 per GJ

Effective By Order U2001-543
On Consumption January 1, 2002
This Replaces Rate 4
Previously Effective January 1, 2001
Rate 4 Page 1 of 2

**ATCO GAS AND PIPELINES LTD. - NORTH
RATE NO. 4 GENERAL TRANSMISSION SALES SERVICE - LARGE USE**

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: \$860.00 per Month *plus* \$3.47 per Month
per GJ of 24 Hr. Billing Demand

Energy Charges:

Base	\$0.049 per GJ
Gas Cost Recovery	Rider "F"

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

DETERMINATION OF BILLING DEMAND:

The Billing Demand shall be the greater of:

1. The greater 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 Order U2001-543
On Consumption January 1, 2002
This Replaces Rate 5
Previously Effective January 1, 2001
Rate 5 Page 1 of 1

**ATCO GAS AND PIPELINES LTD. - NORTH
RATE NO. 5 SALES TO OTHER DISTRIBUTION COMPANIES
FOR THE PURPOSE OF RESALE**

Available on an annual contract to other distribution companies purchasing their total requirements from the Company for resale to other Customers except for standby, peaking or emergency service.

CHARGES:

Fixed Charge: \$275.20 per Month

Energy Charges:

Base \$0.270 per GJ
Gas Cost Recovery Rider "F"

Minimum Monthly Charge: Fixed Charge

Effective By Order U2001-543
On Consumption January 1, 2002
This Replaces Rate 6
Previously Effective January 1, 2001
Rate 6 Page 1 of 1

**ATCO GAS AND PIPELINES LTD. - NORTH
RATE NO. 6 SALES TO POWER PLANTS**

Available to ATCO Electric, TransAlta Utilities Limited, EPCOR - Genessee, and Whitecourt Power Limited Partnership power plants served directly from the high pressure transmission system.

CHARGES:

Fixed Charge: \$860.00 per Month *plus* \$2.33 per Month
per GJ of 24 Hr. Billing Demand

Energy Charges:

Base	\$0.049 per GJ
Gas Cost Recovery	Rider "F"

Minimum Monthly Charge: Fixed Charge

DETERMINATION OF BILLING DEMAND:

The Billing Demand shall be the greater of:

1. The greater 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.

NOMINATED DEMAND:

ATCO Electric, TransAlta Utilities Limited, EPCOR and Whitecourt Power Limited Partnership must nominate, for each plant, 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 4.2% of the Nominated Demand. If plants are served from the same point on the Company's system then the nominated demands for those plants may be summed and the conditions and restrictions shall apply to the combined plants.

NOMINATED ANNUAL VOLUME:

ATCO Electric must nominate in writing twelve months in advance of each contract year the annual volume for each power plant for that contract year. TransAlta Utilities Limited must nominate in writing twelve months in advance of each contract year the annual volume for the Wabamun, Sundance and Keephills Plants combined for that contract year. EPCOR must nominate in writing twelve months in advance of each contract year the annual volume for the Genessee Plant (Nominated Annual Volume).

Effective By Order 2001-501
On Consumption January 1, 2002
This Replaces Rate 7
Previously Effective January 1, 2001
Rate 7 Page 1 of 1

**ATCO GAS AND PIPELINES LTD. - NORTH
RATE NO. 7 SALES TO GAS ALBERTA**

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

CHARGES:

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

Fixed Charge:		\$320.00 per Month
Energy Charges:		
Base		\$0.197 per GJ
Gas Cost Recovery		Rider "F"

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

Fixed Charge:		\$320.00 per Month
Energy Charges:		
Base		\$0.197 per GJ
Gas Cost Recovery		Rider "F"

This Replaces Rate 8
Previously Effective January 1, 1997
Rate 8 Page 1 of 2

**ATCO GAS AND PIPELINES LTD. - NORTH
RATE NO. 8 STANDBY, PEAKING AND EMERGENCY
SALES SERVICE**

A. STANDBY AND PEAKING SERVICE

Available to all Customers on an annual contract.

Fixed Charge: Fixed Charge of Rate 3

Energy Charge:
 Winter Period 1.3 times the Energy Charge 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

BILLING DEMAND PERIOD:

The Billing Demand Period shall mean the twelve month period commencing November 1 and ending October 31.

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 billing period during the current Billing Demand Period 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.

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 to the Nominated Demand and 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.

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:**

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 Order U2001-543
On Consumption January 1, 2002
This Replaces Special Contract Rate U of A
Previously Effective January 1, 2001
University of Alberta Page 1 of 1

**ATCO GAS AND PIPELINES LTD. - NORTH
UNIVERSITY OF ALBERTA - SPECIAL CONTRACT RATE**

Available from the Company's main high pressure transmission lines.

CHARGES:

Fixed Charge:

Customer Charge at each Point of Delivery \$860.00 per Month

PLUS

Demand Charge:

\$2.42 per Month per GJ of
24 Hr. Billing Demand

Energy Charges:

Base \$0.049 per GJ
Gas Cost Recovery Rider "F"

Minimum Monthly Charge:

Fixed Charge

DETERMINATION OF BILLING DEMAND:

The Billing Demand shall be the greatest amount of gas in GJ delivered in any consecutive 24-hour period during the current and preceding eleven billing periods.

Town of Wainwright Page 1 of 1

**ATCO GAS AND PIPELINES LTD. - NORTH
TOWN OF WAINWRIGHT - SPECIAL CONTRACT RATE**

Special Contract Rate for all sales to the Town of Wainwright.

Pricing is as specified in the contract.