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 Town
of Vulcan

ORDER U2000-243

Application No. 2000197
File No. 6675-V6-1

ATCO Gas and Pipelines Ltd. (ATCO Gas) applied to the Alberta Energy and Utilities Board (EUB) for an Order approving an amendment to Rate Rider "A" (surcharge for a franchise fee). ATCO Gas' franchise agreement with the Town of Vulcan (the Town) as approved in Order U2000-242 dated July 13, 2000 allows for an increased franchise fee from 5.26% to 7% which would be applied to transportation customers as well as sales customers. The franchise fee for transportation customers will be calculated on the transportation service revenue and the deemed value of the transported gas. The Town accepts this payment in lieu of taxing the special franchise, lands, buildings, improvements, pipelines, work and transmission lines, equipment and apparatus belonging to and used by ATCO Gas exclusively for the purpose of supplying natural gas within the Town.

Notice of the application was published in conjunction with the Notice for the Town's application for renewal of its franchise agreement with ATCO Gas. Notice was also served on transportation customers in the Town. No objections were received and 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. 2000197 by ATCO Gas and Pipelines Ltd. dated June 14, 2000 is approved, subject to the terms and conditions herein contained.

2.   The new Rate Rider "A" for the Town of Vulcan, 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 July 13, 2000.

ALBERTA ENERGY AND UTILITIES BOARD

SCHEDULE "A"

**ATCO GAS AND PIPELINES LTD.
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 Tax	Method		Franchise Tax	Method		Franchise Tax	Method
Calgary	11.11	C	Claresholm	5.25	B	Lomond	5.26	C
Lethbridge	11.11	C	Coaldale	5.26	B	Longview	5.26	B
			Coalhurst	5.26	B	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	5.26	B	Crossfield	11.23	A	Olds	6.00	C
Barons	5.26	B	Crowsnest Pass	5.26	C	Penhold	5.26	C
Bassano	5.26	C	Delburne	5.26	C	Picture Butte	5.26	C
Beiseker	5.26	B	Didsbury	5.26	C	Raymond	11.18	A
Big Valley	5.26	C	Duchess	5.26	B	Rockyford	5.26	C
Black Diamond	5.26	B	Elnora	5.26	B	Rosemary	5.26	B
Bow Island	5.26	B	Foremost	5.26	C	Standard	5.26	B
Bowden	5.26	C	Fort Macleod	5.26	C	Stavely	11.18	A
Brooks	5.25	B	Glenwood	5.26	C	Stirling	5.26	B
Burdett	11.18	A	Granum	5.25	B	Strathmore	5.26	B
Canmore	5.26	B	High River	5.26	B	Taber	5.26	C
Carbon	5.26	B	Hill Spring	5.26	B	Trochu	5.26	B
Cardston	5.26	C	Hussar	5.26	B	Turner Valley	5.26	B
Carmangay	5.26	B	Innisfail	5.26	C	Vauxhall	5.26	C
Carstairs	5.26	C	Irricana	11.18	A	*Vulcan*	*7.00*	C
Champion	5.26	B	Linden	5.26	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").

* Rider "B" included .