

**THE PROVINCE OF ALBERTA**

**GAS UTILITIES ACT**

**ALBERTA ENERGY AND UTILITIES BOARD**

**ORDER U99133**

**Application No. 990512**

**File 1505-1**

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ATCO Gas applied to the Alberta Energy and Utilities Board (the Board) by application dated November 9, 1999 requesting final approval of ATCO Gas - North's Rate Schedules, reflecting the distribution rates currently being charged by Northwestern Utilities Limited (Northwestern) approved in Order U99107 dated November 12, 1999. ATCO Gas also requested that the existing Northwestern "Natural Gas Sales Service Regulations" (Service Regulations) approved by the Board in Decision E94084 be approved as ATCO Gas - North's Service Regulations.

On 14 August 1998, Canadian Utilities Limited (CUL), Northwestern and Canadian Western Gas Limited (CWNG) collectively (the Applicants) applied for an order or orders of the Board in respect of certain transactions amongst the Applicants that would result in the reorganization of most of the operations of Northwestern and CWNG. Effective April 26, 1999, the gas distribution business of Northwestern and CWNG began to be conducted publicly under the name of ATCO Gas. The Board issued approval for the reorganization of Northwestern and CWNG in Decisions U99102, U99114, and U99130. Pursuant to Decision U99130, Northwestern and CWNG will complete the reorganization approved by the Board effective January 1, 2000.

Northwestern applied to the Board by letter dated November 5, 1999 requesting final approval of interim rates approved in Order U98191 dated December 24, 1998. The Northwestern interim rates were based on a negotiated settlement reached between Northwestern and its customers (the North Core Agreement) dated January 1, 1999. By Order U99107, dated November 12, 1999, the Board approved as final the Northwestern Utilities Limited Rate Schedules originally approved on an interim, refundable basis in Order U98191.

The Board has reviewed the ATCO Gas request to issue final approval of the ATCO Gas - North Rate Schedules, reflecting Northwestern's final rates approved in Order U99107, and is satisfied that finalizing these rates is appropriate and in the public interest. In addition, the Board considers it appropriate that the existing Northwestern Service Regulations be approved as ATCO Gas - North's Service Regulations.

Therefore the Alberta Energy and Utilities Board pursuant to section 36(1) of the *Gas Utilities Act* hereby orders as follows:

1. The ATCO Gas - North Rate Schedules (Schedule 1) attached to and forming part of this order shall be effective on an interim basis on and after January 1, 2000, to be declared final pending completion of the reorganization transactions approved in Decision U99130. Those reorganization transactions must be completed on or before February 29, 2000. Should the transactions not be completed by that date, the Rate Schedules will revert to the name of Northwestern Utilities Limited.
2. The existing Northwestern Service Regulations as set forth in Board Order E94084 shall be approved as the ATCO Gas - North Service Regulations commencing January 1, 2000 on an interim basis, to be declared final pending completion of the reorganization transactions approved in Order U99130. Those reorganization transactions must be completed on or before February 29, 2000. Should the transactions not be completed by that date, the Service Regulations will revert to the name of Northwestern Utilities Limited.

Dated in Calgary, Alberta on December 23, 1999.

**ALBERTA ENERGY AND UTILITIES BOARD**