

THE PROVINCE OF ALBERTA

GAS UTILITIES ACT

ALBERTA ENERGY AND UTILITIES BOARD

ORDER U99135

Application No. 990513

File 1306-1

ATCO Gas applied to the Alberta Energy and Utilities Board (the Board) by application dated November 9, 1999 requesting interim approval of ATCO Gas - South's Rate Schedules, reflecting the existing distribution rates currently being charged by Canadian Western Natural Gas Company Limited (CWNG). ATCO Gas also requested that the existing CWNG "Natural Gas Sales Service Regulations" (Service Regulations) approved by the Board in Decision E93079 be approved as ATCO Gas - South's Service Regulations.

On August 14, 1998, Canadian Utilities Limited (CUL), CWNG and Northwestern Utilities Limited (Northwestern) 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 CWNG and Northwestern. Effective April 26, 1999, the gas distribution business of CWNG and Northwestern began to be conducted publicly under the name of ATCO Gas. The Board issued approval for the reorganization of CWNG and Northwestern in Decisions U99102, U99114, and U99130. Pursuant to Decision U99130, CWNG and Northwestern will complete the reorganization approved by the Board effective January 1, 2000.

The Board has reviewed the ATCO Gas request for approval of the ATCO Gas - South Rate Schedules on an interim basis and is satisfied that approving these interim rates is appropriate and in the public interest. In addition, the Board considers it appropriate that the existing CWNG Service Regulations be approved as ATCO Gas - South'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 - South 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. The Rate Schedules shall remain in the name ATCO Gas – South 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 Canadian Western Natural Gas Company Limited.
2. The existing CWNG Service Regulations as set forth in Board Order E93079 shall be approved on an interim basis as the ATCO Gas - South Service Regulations commencing January 1, 2000. The Service Regulations shall remain in the name ATCO Gas – South 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 Canadian Western Natural Gas Company Limited.

Dated in Calgary, Alberta on December 23, 1999.

ALBERTA ENERGY AND UTILITIES BOARD