



## ATCO Pipelines

2010 Final Revenue Requirement,  
Final Rates Filing and  
Deferral Accounts Disposition

October 1, 2010



**ALBERTA UTILITIES COMMISSION**

Decision 2010-475: ATCO Pipelines  
2010 Final Revenue Requirement,  
Final Rates Filing and Deferral Accounts Disposition  
Application Nos. 1606306 and 1606326  
Proceeding ID. 706

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# ALBERTA UTILITIES COMMISSION

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Calgary Alberta

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### 1 INTRODUCTION

1. On May 27, 2010, the Alberta Utilities Commission (AUC or Commission) issued Decision 2010-228<sup>1</sup> approving ATCO Pipelines' (AP) 2010-2012 Revenue Requirement Settlement and Alberta System Integration applications. AP was directed in Decision 2010-228 to file its 2010 final revenue requirements within 30 days of that Decision.

2. On June 29, 2010, AP filed an application (the Application) with the AUC in compliance with the Commission's directions in Decision 2010-228. AP requested AUC approval to finalize its 2010 revenue requirements and 2010 rates, subject to the remaining matters and placeholders identified in the aforementioned decision. AP also requested Commission approval for the disposition of three regulatory deferral accounts which currently are above the thresholds that require them to be cleared.

3. On June 30, 2010, the Commission issued a Notice of Application. Any party who wished to intervene in this proceeding was required to file a statement of intent to participate (SIP) to the AUC by July 15, 2010.

4. The Commission received SIPs from the following parties:

- The Office of the Utilities Consumer Advocate (UCA)
- ATCO Gas
- BP Canada Energy Company
- Enmax Energy Corporation
- Canadian Association of Petroleum Producers
- Gas Alberta Inc.
- TransAlta Corporation
- Consumers' Coalition of Alberta (CCA).

5. The UCA supported a written process including information requests and reserved a right to file intervenor evidence.

6. The Commission established a written process schedule. The UCA and the CCA were the only active intervenors in the proceeding.

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<sup>1</sup> Decision 2010-228: ATCO Pipelines, 2010-2012 Revenue Requirement Settlement and Alberta System Integration (Application No. 1605226, Proceeding ID. 223) (Released: May 27, 2010).

7. No intervenor evidence was submitted. The Commission received argument and reply argument from AP, the UCA and the CCA on September 8, 2010 and September 14, 2010, respectively. The Commission considers that the record for this proceeding closed on September 14, 2010. The division of the Commission assigned to deal with this matter consisted of Commissioners Carolyn Dahl Rees (Vice-Chair) and Bill Lyttle and Acting Commissioner Tom McGee.

## 2 BACKGROUND

8. On July 29, 2009 the Commission released [Decision 2009-110](#).<sup>2</sup> That Decision approved rates designed to collect the remaining revenue shortfalls associated with the 2008 and 2009 revenue requirements approved in [Decision 2009-033](#).<sup>3</sup>

9. On June 26, 2009 AP filed an application with the Commission that sought a number of approvals from the Commission with respect to a proposal to integrate regulated gas transmission services in Alberta involving the AP and NOVA Gas Transmission Ltd. (NGTL) systems (Integration) and a request to approve AP's revenue requirement for each of 2010, 2011 and 2012 pursuant to the terms of a negotiated settlement (Settlement Agreement) reached with certain customer representatives.

10. On January 22, 2010 the Commission issued [Decision 2010-038](#)<sup>4</sup> which considered AP's request for an interim revenue requirement for 2010 of approximately \$198.6 million and interim rates reflecting revenue requirement adjustments required pursuant to the terms of the Settlement Agreement. The Commission approved 85 percent of the requested interim rate increase and 85 percent recovery of the projected 2010 shortfall amounts with implementation February 1, 2010.

11. On May 27, 2010, [Decision 2010-228](#) approved AP's initial revenue requirements of \$211,782,000 for 2010, \$207,482,000 for 2011 and \$215,182,000 for 2012 as per the Settlement Agreement. The Commission also concluded that Integration was in the public interest and furthered the convenience of the public.

## 3 MATTERS FOR DECISION

12. The Application requires the Commission to consider AP's request for final 2010 revenue requirements, base rates and shortfall collection rate riders, subject to outstanding placeholders and reconciliation of deferral accounts. AP also requests Commission approval for the disposition of three regulatory deferral accounts which currently are above their approved thresholds:

- i. South Other Pipeline Delivery ("OPD") Deferral Account (OPD DA);
- ii. North Facility Connection Service ("FCS") Deferral Account (FCS DA); and

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<sup>2</sup> [Decision 2009-110](#): ATCO Pipelines 2008-2009 Rate Compliance Filing to [Decision 2009-033](#) (Application No. 1604966, Proceeding ID. 187) (Released: July 29, 2009).

<sup>3</sup> [Decision 2009-033](#): ATCO Pipelines 2008-2009 General Rate Application Phase I – Settlement Agreement (Application No. 1527976, Proceeding ID. 13) (Released: March 18, 2009).

<sup>4</sup> [Decision 2010-038](#): ATCO Pipelines 2010 Interim Revenue Requirement and 2010 Interim Rates (Application No. 1605719, Proceeding ID. 424) (Released: January 22, 2010).

iii. South Load Balancing Deferral Account (LBDA).

13. No intervener objected to the Application. Interveners raised questions with respect to the implementation date of rates and riders, whether or not the deferral accounts would be cleared/refunded to zero or only to their thresholds, and the impact that the implementation of Integration might have on future deferral account adjustment balances. The process schedule included information requests and responses, where these items of clarification were dealt with.

14. In reaching its determinations set out within this Decision, the Commission has considered all relevant materials comprising the record of this proceeding, including the submissions provided by each party. Accordingly, references in this Decision to specific parts of the record are intended to assist the reader in understanding the Commission's reasoning relating to a particular matter and should not be taken as an indication that the Commission did not consider all relevant portions of the record with respect to that matter.

## **4 DISCUSSION OF MATTERS FOR DECISION**

### **4.1 2010 Final Revenue Requirement and Rates**

15. The Settlement Agreement requires AP to hold an annual November meeting with customers. AP is then required to file an application for regulatory approval of items resolved at the November meeting.

16. AP met with customers in November 2009 with respect to the required updates to the 2010 revenue requirements.

17. AP explained the revisions to its 2010 revenue requirement, discussed at the November 2009 meeting with customers, as follows:

In compliance with Clause 17 of the Settlement, AP revised its 2010 revenue requirements based on the update of the forecast for capital expenditures, capital additions, construction work in progress ("CWIP") and depreciation expense for the current year and the capital expenditures, capital additions and depreciation expense planned for the upcoming year, as presented at the November 2009 meeting with customers. As well, inputs such as the forecast percentage change in the Alberta Consumer Price Index ("CPI") as provided by the Conference Board of Canada and adjustments to reflect changes in the Cost of Capital as per Clause 2 of the Settlement were incorporated into the calculation of the 2010 revenue requirements. The revised 2010 revenue requirements were reviewed and accepted by customers and schedules reflecting these changes were provided as part of AP's December 11, 2009 Interim 2010 Revenue Requirements and 2010 Interim Rates Application.

In compliance with Clause 17 of the Settlement, the 2010 Final Revenue Requirements in this Application have been revised (as per Clause 17 of the Settlement) to:

- i. include the clearing of the Transition expense deferral account balance as at December 31, 2009; and

- ii. adjust the 2010 opening rate base to reflect the 2009 actual closing balances.<sup>5</sup>

18. As discussed above, in Decision 2010-038, the Commission approved AP's Interim Rates Application with implementation February 1, 2010. The Commission approved 85 percent of the revenue shortfalls to be included in determining the adjusted interim rates. In the Application AP applied to finalize 2010 revenue requirements subject to outstanding placeholders after taking into account amounts collected pursuant to the interim rates approved in Decision 2010-038.

19. AP proposed to finalize 2010 rates based on the method used to calculate AP's 2009 final rates as approved in Decision 2009-110, consistent with its submission in its Settlement Agreement and Integration application wherein AP indicated that it would not be filing a general rate application Phase II at this time, given the anticipated implementation of Integration. AP would apply its shortfall recoveries to base rates and riders on an across-the-board basis on all demand and commodity rates for transportation service, for a proposed period of September 1 through December 31, 2010.

20. AP calculated its 2010 revenue shortfalls by comparing its final 2010 revenue requirement filed in this Application to actual and projected revenues at 2009 final rates<sup>6</sup> which resulted in a revenue shortfall of approximately \$14.4 million for AP North (APN) and \$4 million for AP South (APS). Based on AP's revenue shortfalls. AP calculated the percentage increase to be applied to its 2009 final rates as approved in Decision 2009-110 to determine final base rates for APN and APS for 2010 which resulted in an increase of 12.9 percent and 8.4 percent respectively on an across-the-board basis. AP also proposed rate riders (Rider "F") for APN of 2.6 percent and APS of 2.4 percent of its existing interim rates to recover the revenue shortfalls of approximately \$14.4 million for APN and \$4 million for APS to October 1, 2010 resulting from the interim rates in place from February 1, 2010 to September 30, 2010 that only recovered approximately 85 percent of AP's 2010 revenue requirement as approved in Decision 2010-038.<sup>7</sup>

#### **4.1.1 Views of the Parties**

21. The UCA supported the finalization of the 2010 revenue requirement subject to the resolution of placeholders and deferral accounts. The UCA submitted that it did not object to AP's application as amended by certain information responses.

22. Consistent with Clause 17 of the Settlement Agreement, AP submitted that it adjusted its approved Revenue Requirement (Decision 2010-228) as described in AUC-AP-1(a). This adjusted revenue requirement remains subject to the remaining matters and placeholders identified in Decision 2010-228.

#### **4.1.2 Views of the Commission**

23. The Commission has reviewed the Application, notes that interveners have not objected to the applied for 2010 revenue requirement adjustments and is satisfied that AP has complied with the terms of the Settlement Agreement. Specifically, the Commission notes that AP's

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<sup>5</sup> AUC-AP-1(a).

<sup>6</sup> Alberta System Integration Application No. 1605226, Attachment 5, and Attachments 2.2 and 2.3 of this Application, Tables 2.2-18 and 2.3-18 utilizing 2009 final rates approved in Decision 2009-110.

<sup>7</sup> Exhibit 3, Application, pages 3-5

updated 2010 revenue requirement declined from approximately \$198,572,000 in the Settlement Agreement to \$197,069,000 in the Application. Table 1 below summarizes the major differences.

**Table 1. Updated 2010 Revenue Requirement**

	Settlement Agreement <sup>8</sup>	Application <sup>9</sup>
	(\$ 000)	(\$ 000)
Rate Base	767,799	758,666
Capital Expenditures	90,084	85,801
Depreciation	44,500	43,397
Capital Cost Allowance	42,672	42,554
Income Tax	14,380	10,533
Inflation Rate <sup>10</sup>	2.70%	1.90%

24. The decline in rate base would also lead to a lower return on rate base of approximately \$678,380. Depreciation expense is lower in the Application than in the Settlement Agreement primarily due to delays in the completion and commissioning of the Scotford Upgrader.<sup>11</sup> The Commissions also accepts that AP's opening 2010 rate base applied for reflects 2009 actual closing balances. The Commission is also satisfied that AP has included in its 2010 revenue requirement forecast its actual Deferred AP/NGTL Integration Transition costs<sup>12</sup> to the end of 2009 as AP is required to clear the Transition Expense Deferral Account balance as per its 2008-2009 Revenue Requirement Settlement.

25. Therefore AP's forecast 2010 revenue requirements for APN and APS are approved as final subject to the reconciliation of deferral accounts and the outstanding matters and placeholders related to:

- a. The Utility Asset Disposition Rate Review proceeding (Application No. 1566373);
- b. Issues related to certain salt cavern assets (Application No. 1527976);
- c. ATCO Utilities 2003-2007 Benchmarking and I-Tek Placeholders True Up (Application No. 1562012);
- d. ATCO Utilities Evergreen I Application (Application No. 1577426);
- e. ATCO Utilities Evergreen II Application (Application No. 1605338); and
- f. ATCO Utilities Pension Common Matters Application (Application No. 1605254).

The Commission also notes that the Settlement Agreement provides:

Should a decision by the Alberta Utilities Commission ("AUC"), after any review and variance or appeal process is completed, relating to any of the foregoing proceedings result in approved costs that are different from the costs in this Settlement, then that

<sup>8</sup> ID 223, Exhibit 2, Schedule 2.1.

<sup>9</sup> Exhibit 6, Schedules 2.1.

<sup>10</sup> ID 424, Exhibit 11.07, Attachment 1, Conference Board of Canada Report.

<sup>11</sup> UCA-AP-2(c).

<sup>12</sup> Exhibit 6, Schedule 2.1-1.

difference will be captured in a deferral account to be addressed in AP's revenue requirement for the next year.<sup>13</sup>

**2010 Final Rates and Revenue Shortfall Recovery Rider (Rider "F")**

26. The Commission considers that AP's proposal, to calculate its 2010 final rates as approved in Decision 2009-110 and to recover its shortfall recoveries on an across-the-board basis on all demand and commodity rates for transportation service, is reasonable. The Commission notes that no parties objected to AP's application to finalize 2010 base rates and recover revenue shortfalls via Rider "F". To the contrary, interveners cooperated to file reply argument earlier than required by the Commission in an effort to expedite the application and if possible put in place rates by October 1, 2010.<sup>14</sup>

27. When considering the effective date for AP's base rates and Rider "F", the Commission considered the potential rate impact of different dates for implementation of final 2010 base rates and the shortfall rate rider on customers as provided by AP in response to AUC-AP-6(b).

**Table 2. Potential Rate Impact for Final 2010 Base Rates**

	Sep 1, 2010	Oct 1, 2010	Nov 1, 2010
AP North Customers	2.6%	3.4%	5.1%
AP South Customers	2.4%	3.3%	4.9%

Percentage rate increases are the combined effect of base rate increases and shortfall rate riders over existing interim rates in 2010.

28. Given that none of the interveners objected to the proposed base rate increases or to the recovery of shortfall amounts during the balance of calendar 2010 via Rider "F", the Commission considers an October 1, 2010 implementation date is the preferred option in order to minimize rate impacts. A summary of AP's 2010 final rates and revenue shortfall Rider "F" for APN and APS effective October 1, 2010 is provided below.

<sup>13</sup> Decision 2010-228, Terms of the Settlement, pages 9-10. ("foregoing proceedings" relate to those listed in paragraph 25(a-f) of this Decision.)

<sup>14</sup> Exhibit 48.01, CCA Reply Argument, page 4; Exhibit 46.01, UCA Argument, page 1.

Table 3. ATCO Pipelines North – Final Rates and Revenue Shortfall Rider “F”

	Total Rates Oct 1 - Dec 31, 2010 Table 4.4	Proposed Base Rates Effective Oct 1, 2010 <sup>(2)</sup>	Rider “F” Effective Oct 1 - Dec 31, 2010
<b>Demand Charges (\$/GJ/Month)</b>			
Distributing Companies	4.325	4.177	0.148
<b>Producers</b>			
Firm	3.822	3.691	0.131
Short Term Firm	3.365	3.234	0.131
<b>Industrial</b>			
FSD One Year	3.562	3.440	0.122
FSD Three Year	3.391	3.275	0.116
FSD Five Year	3.223	3.113	0.110
<b>Commodity Charges (\$/GJ)</b>			
<b>Producers</b>			
Producers OR/IT (Jan-May, Oct-Dec)	0.111	0.106	0.005
Producers OR/IT (Jun-Sep) <sup>(1)</sup>	0.126	0.121	0.005
<b>Industrial</b>			
Industrial Overrun	0.123	0.119	0.004
Straddle Plant	0.099	0.096	0.003

<sup>(1)</sup> Rate will have added \$0.170 (IT/OR Surcharge per Decision 2004-096) for final rate.  
<sup>(2)</sup> Per Attachment 3 of Application.

Table 4. ATCO Pipelines South – Final Rates and Revenue Shortfall Rider “F”

	Total Rates Oct 1 - Dec 31, 2010 Table 4.7	Proposed Base Rates Effective Oct 1, 2010 <sup>(2)</sup>	Rider “F” Effective Oct 1 - Dec 31, 2010
<b>Demand Charges (\$/GJ/Month)</b>			
Distributing Companies	2.534	2.458	0.076
<b>Producers</b>			
Firm	4.302	4.173	0.129
Short Term Firm	3.845	3.717	0.128
<b>Industrial</b>			
FSD One Year	2.148	2.084	0.064
FSD Three Year	2.046	1.984	0.062
FSD Five Year	1.942	1.884	0.058
<b>Commodity Charges (\$/GJ)</b>			
<b>Producers</b>			
Producers OR/IT (Jan-May, Oct-Dec)	0.126	0.122	0.004
Producers OR/IT (Jun-Sep) <sup>(1)</sup>	0.141	0.137	0.004
<b>Industrial</b>			
Industrial Overrun	0.073	0.072	0.001
Agrium Carsland Rebate	-0.035	-0.034	-0.001

(1) Rate will have added \$0.147 (IT/OR Surcharge per Decision 2004-096) for final rate.  
(2) Per Attachment 3 of Application.

29. Therefore, taking into account the above analysis, AP’s proposed rates are approved as final effective October 1, 2010, subject to the reconciliation of deferral accounts and the outstanding matters and placeholders referred to in paragraph 25 above. The Commission considers that by granting this approval, concerns with respect to intergenerational inequity and rate shock are mitigated thereby contributing to the determination of just and reasonable rates.

#### 4.2 Deferral Accounts

30. AP requested Commission approval for the disposition of three regulatory deferral accounts which currently are above their approved thresholds:

- i. South Other Pipeline Delivery (OPD) Deferral Account (OPD DA)
- ii. North Facility Connection Service (FCS) Deferral Account (FCS DA)
- iii. South Load Balancing Deferral Account (LBDA).

#### South Other Pipeline Delivery Deferral Account (Rider “H”)

31. In Decision 2007-007,<sup>15</sup> the Alberta Energy and Utilities Board (Board) directed AP to file applications for reconciliations and riders as required, one month after any month in which

<sup>15</sup> Decision 2007-007: ATCO Pipelines 2006 Other Pipeline Delivery Deferral Accounts (Application No. 1465142) (Released: January 30, 2007).

the North or South OPD DA balance exceeded the threshold of \$1,000,000. AP's APS OPD DA balance as of April 30, 2010, net of any OPD refund previously approved by the Commission was \$1,595,000. AP applied to refund the APS OPD DA balance to customers based on the OPD methodology previously approved by the Commission in Decision 2010-126.<sup>16</sup> AP proposed to refund this balance over the period of September 1, 2010 to December 31, 2010.

32. Consistent with Decision 2010-126, AP calculated the allocation of the APS OPD DA surplus (including applicable financing charges) of \$1,613,000 among the customer groups based on 2009 OPD nominations. Rider "H" is currently in place in the APS service area. Rider "H" provides a credit to customers refunding the surplus balance in the APS OPD DA to October 31, 2009, as approved in Decision 2010-126. Rider "H" as approved is set to expire on December 31, 2010. AP proposed to revise the existing Rider "H" for the period of September 1, 2010 to December 31, 2010 to include within the rider the additional surplus amount on a combined basis.

### **North Facility Connection Service Deferral Account (Rider "J")**

33. In Decision 2006-020,<sup>17</sup> the Board directed AP to address any balances in the FCS Deferral Accounts (FCS DA)<sup>18</sup> for North and South that were greater than \$500,000. On April 22, 2010, AP informed the Commission that the APN FCS DA had exceeded the threshold of \$500,000 with a refund balance of \$531,000, but requested that the Commission relieve AP of the requirement to file an APN FCS DA application at that time. In a letter dated August 4, 2010, the Commission transferred the record for Proceeding ID. 607 and consideration of the North FCS deferral account to this Proceeding.

34. AP calculated the allocation of the APN FCS DA surplus (including applicable financing charges) of \$539,000 among customer groups based on 2009 OPR nominations. AP proposed to refund the APN FCS DA balance as a rate rider (Rider "J") for the period of September 1, 2010 to December 31, 2010 by customer group to customers based on the FCS methodology previously approved by the Board in Decision 2006-020.

### **South Load Balancing Deferral Account (Rider "I")**

35. At January 31, 2010, APS LBDA exceeded the threshold of  $\pm$ \$5 million approved by the AUC in Decision 2009-017,<sup>19</sup> with a balance of \$5,079,000. In a letter dated March 5, 2010, AP requested that the Commission relieve AP of the requirement to file an APS LBDA Application at that time. In Decision 2010-223<sup>20</sup> the Commission approved AP's request to delay its APS LBDA filing and directed AP to include, with its application for approval of its 2010 final rates, the information which is otherwise included in an application for the disposition of the LBDA South balance after the threshold has been exceeded.<sup>21</sup>

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<sup>16</sup> Decision 2010-126: ATCO Pipelines North/South 2009 Other Pipeline Delivery Deferral Account Balances (Application No. 1605738, Proceeding ID. 453) (Released: March 24, 2010).

<sup>17</sup> Decision 2006-020: ATCO Pipelines North and South Other Pipeline Receipt (OPR) Rate Changes (Application No. 1415327) (Released: March 8, 2006).

<sup>18</sup> The FCS DA records the difference between the approved forecast and actual FCS charges from NGTL.

<sup>19</sup> Decision 2009-017: ATCO Pipelines (A Division of ATCO Gas and Pipelines Ltd.) 2008-2009 Load Balancing Deferral Account (Application No. 1597841, Proceeding ID. 142) (Released: January 29, 2009).

<sup>20</sup> Decision 2010-223: ATCO Pipelines Load Balancing Deferral Account South System (Application No. 1605964, Proceeding ID. 532) (Released: May 25, 2010).

<sup>21</sup> Decision 2010-223, paragraph 18.

36. At April 30, 2010, APS LBDA balance was \$5,533,000, with a \$6,258,000 surplus relating to a volume variance and a \$724,000 deficit relating to a price variance. AP proposed to deal only with the \$6,258,000 surplus volume variance at this time by refunding and allocating the APS LBDA volume surplus of \$6,258,000 among FSR, ITR, FSR Overrun and OPR customers and calculated the rate rider (Rider "I") for each group consistent with the methodology approved in Decision 2009-261.<sup>22</sup> AP calculated the riders by allocating the \$6,258,000 volume variance using forecast billing determinants for FSR, ITR, FSR Overrun, and OPR nominations for the period September 1, 2010 to March 31, 2011. The volumes include 2010 billing determinants approved in Decision 2010-228 and AP's forecast of the 2011 billing determinants and OPR nominations. AP submitted that its proposed refund of APS LBDA balance would be completed March 31, 2011, prior to the implementation of Integration.

#### 4.2.1 Views of the Parties

37. The CCA proposed that all deferral accounts should be returned to a zero balance. Positive deferral account accumulations or surpluses reflect rates which have been over collected likely because they have been set too high. The CCA submitted that to simply return deferral account balances to tolerance levels is not fair to customers. Returning balances to tolerance levels allows AP to retain surpluses which will not be returned to the customers who paid the excess rates. The CCA submitted that all deferral accounts should be returned to a zero balance sooner rather than later in light of impending Integration of AP with NGTL.

38. The CCA considered that the LBDA pricing variance should be addressed in this application given the approaching implementation of Integration.

39. AP noted in Argument that in response CCA-AP-5(b), it had clarified its intentions with respect to clearing the deferral accounts balances referred to in this Application. AP stated that "Clear" means to reduce to zero, so that the full balance is addressed. Therefore, AP submitted that the Application is intended to reduce the applied for deferral accounts balances to zero. Further, the finalization of 2010 rates will not limit AP's ability to "return deferral account amounts, and other customer amounts, to AP customers." Although AP rates will cease to exist upon Integration implementation, implementation will not occur until mid 2011.<sup>23</sup>

40. Additionally, as stated in AP's Information Response UCA-AP-4(b):

AP will be filing an Application early in 2011 in order to address all deferral account balances as appropriate prior to the Integration implementation date.

41. Therefore, AP submitted that it will refund/charge customers for all deferral account balances as appropriate prior to the Integration implementation date. Accordingly, it was not necessary to deal with the LBDA pricing variance or other deferral accounts not part of this Application at this time.

#### 4.2.2 Views of the Commission

42. The Commission notes that no parties opposed AP's proposed methods to address the three deferral accounts addressed in the Application, although CCA raised a concern that AP has

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<sup>22</sup> Decision 2009-261: ATCO Pipelines 2009 Load Balancing Deferral Account South System (Application No. 1605468 Proceeding, ID. 304) (Released: December 17, 2009).

<sup>23</sup> AUC-AP-1(i).

not addressed the price variance portion of the LBDA and suggested that it should be considered within this proceeding.

43. AP stated its intention to address all deferral account balances, including the price variance portion of the LBDA, before implementation of Integration. The Commission directs that such an application be filed at least four months prior to the anticipated date for implementation of Integration.

44. The Commission is satisfied with AP's explanation in response CCA-AP-5(b) that when AP stated that it would "clear" the deferral accounts it meant that it will reduce the account to zero, so that the full balance is addressed.

45. The Commission is satisfied that AP's proposal to refund the APS OPD DA balance to customers in calendar 2010, based on the OPD methodology previously approved by the Commission in Decision 2010-126, is reasonable. The Commission is also satisfied that AP's proposal to refund the APN FCS DA balance as a rate rider (Rider "J") in calendar 2010 is reasonable and consistent with method approved in Decision 2006-020.

46. The Commission is satisfied that AP's proposal to refund and allocate the APS LBDA volume surplus of \$6,258,000 among FSR, ITR, FSR Overrun and OPR customers via a rate rider (Rider "I") for each group effective October 1, 2010 to March 31, 2011 is consistent with the methodology approved in Decision 2009-261.

47. The Commission notes that the financing charges applied to the above deferral accounts were consistent with AUC [Rule 023: Rules Respecting Payment of Interest](#).

### **4.3 Implementation Date of Rates and Riders**

48. In the Application, AP requested an effective date for its 2010 final base rates and shortfall and deferral account rate riders of September 1, 2010. ATCO also provided updated rate figures for October and November.<sup>24</sup> Given that the process associated with the application did not close until mid September, an October 1 implementation date is the earliest that can be considered.

49. The Commission notes that no parties objected to the methodology utilized by AP in calculating the deferral account rate riders or an implementation date of October 1, 2010 or the period over which the deferral account rate riders would be in effect. The Commission also considers that the Application is in compliance with previous Board and Commission decisions dealing with the refund/collection of deferral account balances that have exceeded their thresholds. The Commission therefore approves AP's proposed methods to address the three deferral accounts and the respective riders to refund balances over their threshold effective October 1, 2010. A summary of the deferral account rate riders is provided below.

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<sup>24</sup> Exhibit 31.01 and Exhibit 031.03, AUC-AP-69(a), Attachment 1 and 2.

Table 5. Summary of OPD, FCS and LBDA Rate Riders by Customer Group

	October 1, 2010
<b>South OPD DA Rate Rider "H" (\$/GJ/Month)</b>	
FSU	(0.041)
FSR	(2.080)
FSD	(0.104)
<b>North FCS DA Rider "J"(\$/GJ/Month)</b>	
FSU	(0.013)
FSR	(0.163)
FSD	(0.099)
<b>South LBDA Rate Rider "I"</b>	
FSU (\$/GJ/Month)	(1.527)
Producer OR/IT (\$/GJ)	(0.050)
OPR (\$/GJ)	(0.050)

50. The Commission therefore approves:

- (i) Final revenue requirements for APN and APS as applied for, subject to reconciliation of deferral accounts and the remaining matters and placeholders identified in paragraph 25 above;
- (ii) Final base rates for APN and APS and the Rate Schedules attached as [Appendix 4](#) effective October 1, 2010, subject to reconciliation of deferral accounts and the remaining matters and placeholders identified in paragraph 25 above;
- (iii) AP's Final Revenue Shortfall Rate Riders (Rider "F") for the period October 1 to December 31, 2010;
- (iv) AP's South OPD DA revised Rate Rider (Rider "H") for the period October 1 to December 31, 2010;
- (v) AP's North FCS DA Rate Rider (Rider "J") for the period October 1 to December 31, 2010; and
- (vi) AP's South LBDA Rate Rider (Rider "I") for the period October 1 2010 to March 31, 2011.

51. ATCO Pipelines is directed to immediately file a notice of this Decision and the amended tariff provisions on its website and amend its tariff schedules accordingly.

**5 ORDER**

52. IT IS HEREBY ORDERED THAT:

- (1) ATCO Pipelines 2010 final revenue requirements for APN and APS are approved, subject to reconciliation of deferral accounts and the remaining matters and placeholders indentified in paragraph 25.
- (2) ATCO Pipelines 2010 final base rates for APN and APS and related Rate Schedules attached as Appendix 4 are approved effective October 1, 2010 subject to reconciliation of deferral accounts and the remaining matters and placeholders indentified in paragraph 25.
- (3) ATCO Pipelines Final Revenue Shortfall Rate Riders (Rider “F”) are approved effective for the period October 1 to December 31, 2010.
- (4) ATCO Pipelines South Other Pipeline Delivery Deferral Account revised Rate Rider (Rider “H”) is approved effective October 1 to December 31, 2010.
- (5) ATCO Pipelines North Facility Connection Service Deferral Account Rate Rider (Rider “J”) is approved effective October 1 to December 31, 2010.
- (6) ATCO Pipelines South Load Balancing Deferral Account Rate Rider (Rider “I”) is approved effective October 1, 2010 to March 31, 2011.
- (7) ATCO Pipelines shall immediately file a notice of this Decision and the amended tariff provisions on its website and amend its tariff schedules accordingly.

Dated on October 1, 2010.

**ALBERTA UTILITIES COMMISSION**

*(original signed by)*

Carolyn Dahl Rees  
Vice-Chair

*(original signed by)*

Bill Lyttle  
Commissioner

*(original signed by)*

Thomas McGee  
Acting Commissioner



## APPENDIX 1 – PROCEEDING PARTICIPANTS

Name of Organization (Abbreviation) Counsel or Representative
ATCO Pipelines (AP) E. Jansen C. Mayross D. Dunlop N. MacLean J. Burnett
ATCO Gas D. Wilson R. Trovato J. Santos
BP Canada Energy Company C. Worthy G. Boone
Canadian Association of Petroleum Producers R. Graham R. Fairbairn
Consumers' Coalition of Alberta (CCA) J. A. Wachowich J. A. Jodoin
ENMAX Energy Corporation A. Morgans C. Fluke J. Schlauch L. Freund P. Haldane R. Stubbings R. Findlay
Gas Alberta Inc. T. Marriott K. Kellgren L. Kerchof R. Daw D. Symon G. Garbutt K. Dannacker
The Office of the Utilities Consumer Advocate (UCA) T. Marriott K. Kellgren L. Kerckhof R. Daw B. Shymanski
TransAlta Corporation C. Price P. Serafini

Alberta Utilities Commission

Commission Panel

C. Dahl Rees, Vice-Chair  
B. Lyttle, Commissioner  
T. McGee, Acting Commissioner

Commission Staff

B. McNulty(Commission Counsel)  
R. Armstrong, P.Eng.  
M. McJannet  
C. Taylor

## APPENDIX 2 – ABBREVIATIONS

Abbreviation	Name in Full
AP	ATCO Pipelines
APN	ATCO Pipelines North
APS	ATCO Pipelines South
CCA	Consumers Coalition of Alberta
FCS	Facility Connection Service
FCS DA	Facility Connection Service Deferral Account
FSR	Firm Receipt Transportation Service
ITR	Interruptible Receipt Transportation Service
LBDA	Load Balancing Deferral Account
NGTL	Nova Gas Transmission Ltd.
OPD	Other Pipeline Delivery
OPD DA	Other Pipeline Delivery Deferral Account
OPR	Other Pipeline Receipt
OPR DA	Other Pipeline Receipt Deferral Account

### **APPENDIX 3 – SUMMARY OF COMMISSION DIRECTIONS**

This section is provided for the convenience of readers. In the event of any difference between the Directions in this section and those in the main body of the Decision, the wording in the main body of the Decision shall prevail.

1. AP stated its intention to address all deferral account balances, including the price variance portion of the LBDA, before implementation of Integration. The Commission directs that such an application be filed at least four months prior to the anticipated date for implementation of Integration..... Paragraph 43
2. ATCO Pipelines is directed to immediately file a notice of this Decision and the amended tariff provisions on its website and amend its tariff schedules accordingly.  
..... Paragraph 51

## APPENDIX 4 – RATE SCHEDULES

[\(return to text\)](#)



Appendix 4 - Rate  
Schedules

(consists of 39 pages)

|



## **RATE SCHEDULES**

**October 1, 2010**

# ATCO PIPELINES RATE SCHEDULES

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Rate Riders “A”, “B”, and “E”, are common to ATCO Pipelines and ATCO Gas and may be revised on a regular basis. Refer to [www.atcopipelines.com](http://www.atcopipelines.com) for the latest versions.

Effective April 1, 2006  
By Order U2006-107  
This Replaces General Conditions  
Previously Effective November 1, 2004

## **ATCO PIPELINES**

### **GENERAL CONDITIONS APPLYING TO RATE SCHEDULES**

**1. 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.

**2. Other Charges:**

i) Specific Facilities Conditions

The Rates do not include additional costs incurred by ATCO Pipelines and payable by Customer for Specific Facilities or costs relating to conditions requested by the Customer at a Point of Delivery or Point of Receipt that are outside the scope of ATCO Pipelines' standard policies.

ii) Other Conditions

The Rates do not include additional costs incurred by ATCO Pipelines and payable by Customer for levels of service beyond that normally provided (i.e. after normal hours for responding to Gas off-specification situations, meter switching at stations, etc.).

**3. Unaccounted For Gas and Fuel (Rider "D"):**

Rate Rider "D" charges are applied to all Rates that receipt gas onto ATCO Pipelines' Gas Pipeline System (FSR, FSRS, ITR, OPR).

Effective April 1, 2006  
By Order U2006-107  
This Replaces General Conditions  
Previously Effective November 1, 2004

**4. Daily Customer Account Balancing**

- (a) Settlement of Daily Imbalance Quantity, if required, will require a future application to the Board.
- (b) Daily Account Tolerance Zone

Each Customer Account will have a Daily Account Tolerance Zone established that is the product of +/-7% of the prior month average daily physical receipts or deliveries credited to the account.

- (i) The minimum Daily Account Tolerance Zone for Customer Accounts with prior month average daily physical receipts or deliveries greater than 5,000 GJ/d is +/- 1,000 GJ/d.
- (ii) The minimum Daily Account Tolerance Zone for Customer Accounts with prior month average daily physical receipts or deliveries less than or equal to 5,000 GJ/d is +/- 500 GJ/d.
- (iii) Exceptions, if any, to Daily Account Tolerance Zone are defined in the Business Policies and Practices.
- (iv) Customer Accounts for Market Account Service must balance to zero at all times.

**5. Interzonal Account Transfers**

North to South and South to North Account Transfers are suspended.

**6. Non-Compliance / Unauthorized Services**

Where ATCO Pipelines has advised Customer to reduce transportation service to the Nomination as requested by ATCO Pipelines and a subsequent Non-Compliance notice has been issued to Customer, the charge on the Non-Compliance Quantity shall be five (5) times the NGX/AECO Intra-Alberta previous gas day trading instrument daily high. Should this price not be available, the charge will be based upon the industry-recognized daily reference price for the previous day.

**7. Storage**

Gas delivered from the Gas Pipeline System into a storage or peaking facility (i.e. Carbon storage and salt cavern peaking) and returned does not incur charges under these Rate Schedules.

**8. Agreements**

Separate Agreements are required for service in each of the North and South zones.

Effective April 1, 2006  
By Order U2006-107  
This Replaces General Conditions  
Previously Effective November 1, 2004

**9. Other Pipeline Receipt (OPR) and Other Pipeline Delivery Commodity(OPDC)**

OPR and OPDC are available under FSR, ITR, FSD, FSU, and MAS Agreements (i.e. separate Agreements are not required for service under OPR and OPDC).

**10. Agreement Term**

Please refer to specific Rate Schedules for information pertaining to Agreement term.

Effective October 1, 2010  
By Decision 2010-475  
This Replaces Rates FSR, FSRS, ITR  
Previously Effective April 1, 2010

**ATCO PIPELINES**  
**RECEIPT TRANSPORTATION SERVICE FROM PRODUCERS**  
**Rates FSR, FSRS, ITR**

**A) General Description**

ATCO Pipelines' receipt transportation service is available to Customers who physically receipt Gas onto the Gas Pipeline System at an on-system Point of Receipt. The Gas is then allocated to Customer's receipt account on ATCO Pipelines' system and is available to transfer to other Customer Accounts. As selected by Customer and approved by ATCO Pipelines, the service may be Firm or Interruptible Service. Overrun is defined by monthly flows in excess of the Contract Demand at a Point of Receipt and is considered Interruptible Service.

Refer to ATCO Pipelines' Transportation Service Regulations and Business Policies & Practices for more information pertaining to the administration of this Rate.

**B) Receipt transportation service is available under an Agreement provided that:**

- (i) Customer is served by ATCO Pipelines' Gas Pipeline System.
- (ii) Customer has the contractual control of Gas flows at the Point(s) of Receipt.
- (iii) Customer has executed an Agreement (FSR, FSRS, ITR) with ATCO Pipelines which is subject to the provisions of this Rate Schedule and incorporates ATCO Pipelines' Transportation Service Regulations as amended from time to time and approved by the Alberta Energy and Utilities Board.
- (iv) Rider "D" (Unaccounted for Gas and Fuel) is applied to all Gas physically received under this Rate Schedule.
- (v) This Rate is not applicable to Gas receipted onto the Gas Pipeline System from Other Pipelines.
- (vi) Customer acknowledges that ATCO Pipelines is not obligated to design the Gas Pipeline System or to receive, at the Point of Receipt in any one hour, a quantity of Gas in excess of 1/24 the Contract Demand.
- (vii) A \$0.034/GJ credit (Carseland Rebate) is available to Producers who declare to ATCO Pipelines that their south zone, on-system receipts are designated for transfer to the Agrium Carseland Customer Account. This rebate applies to south zone on-system receipts only

Effective October 1, 2010  
By Decision 2010-475  
This Replaces Rates FSR, FSRS, ITR  
Previously Effective April 1, 2010

and is limited to a maximum of the actual consumption at the Agrium Carseland complex.

(viii) FSR Term:

The standard firm service Agreement (FSR) term is 1 year and may commence at any time provided additional facilities are not required for the service to commence. A Customer may elect to enter into an Agreement for a longer term to support an investment by ATCO Pipelines.

These Agreements will continue in effect after the Minimum Term Date as specified in the Agreement unless Customer has provided 12 months prior written notice to terminate the service or reduce the applicable Contract Demand. Where the Customer has provided such notice, the service will terminate, or the Contract Demand reduced, on the first day of the month 12 months following the date on which notice was received.

(ix) FSRS Term:

Short Term Firm Service (FSRS) is available for a 5 month term from November 1 through March 31 and does not include automatic renewal rights. Customer must provide 12 months written notice in advance of the requested Billing Commencement Date for continuance of the service for the subsequent period. Should this notice not be received by ATCO Pipelines, Customer must apply for new service.

(x) ITR Term:

Interruptible service Agreements (ITR) are available for 1 year terms and may commence at the beginning of any month. These services do not include automatic renewal rights. Customer should reapply for the service a minimum of 30 days prior to the requested Billing Commencement Date for the service.

Effective October 1, 2010  
By Decision 2010-475  
This Replaces Rates FSR, FSRS, ITR  
Previously Effective April 1, 2010

**C) Transportation service charges at each Point of Receipt**

(Refer to B (vii) of this Rate Schedule for a description of the application of the Carseland Rebate).

**(i) Rate FSR: FIRM RECEIPT TRANSPORTATION SERVICE**

(a) North zone

Demand charge: \$3.691 per Month per GJ of Contract  
Demand

Overrun charge (October 1 through May 31): \$0.106 per GJ

Overrun charge (June 1 through September 30): \$0.291 per GJ

Overrun charge (June 1 through September 30) for Overrun receipts  
that originate on any of the following isolated systems (Grande Cache,  
Grande Prairie, and Worsley McLennan): \$0.121 per GJ

Plus: Rider "D"

Plus: Rider "F"

Plus: Rider "H"

Plus: Rider "J"

(b) South zone

Demand charge: \$4.173 per Month per GJ of Contract  
Demand

Overrun charge (October 1 through May 31): \$0.122 per GJ

Overrun charge (June 1 through September 30): \$0.284 per GJ

Overrun charge (June 1 through September 30) for overrun receipts  
that originate on any of the following isolated systems (Vulcan and  
Brooks): \$0.137 per GJ

Plus: Rider "D"

Plus: Rider "F"

Plus: Rider "G"

Plus: Rider "H"

Plus: Rider "I"

Effective October 1, 2010  
By Decision 2010-475  
This Replaces Rates FSR, FSRs, ITR  
Previously Effective April 1, 2010

**(ii)Rate FSRs:     SHORT TERM FIRM RECEIPT TRANSPORTATION  
                          SERVICE**

Available from November 1 through March 31 only.

(a) North zone

Demand charge:           \$3.234 per Month per GJ of Contract  
                                  Demand

Overrun charge:           \$0.106 per GJ

Plus:                        Rider "D"

Plus:                        Rider "F"

Plus:                        Rider "H"

Plus:                        Rider "J"

(b) South zone

Demand charge:           \$3.717 per Month per GJ of Contract  
                                  Demand

Overrun charge:           \$0.122 per GJ

Plus:                        Rider "D"

Plus:                        Rider "F"

Plus:                        Rider "G"

Plus:                        Rider "H"

Plus:                        Rider "I"

**(iii)Rate ITR:     INTERRUPTIBLE RECEIPT TRANSPORTATION  
                          SERVICE**

(a) North zone

Interruptible charge (October 1 through May 31):           \$0.106 per GJ

Interruptible charge (June 1 through September 30):       \$0.291 per GJ

Interruptible charge (June 1 through September 30) for Interruptible  
receipts that originate on any of the following isolated systems (Grande  
Cache, Grande Prairie, and Worsley McLennan):           \$0.121 per GJ

Effective October 1, 2010  
By Decision 2010-475  
This Replaces Rates FSR, FSRS, ITR  
Previously Effective April 1, 2010

Plus: Rider "D"  
Plus: Rider "F"  
Plus: Rider "H"  
Plus: Rider "J"  
Minimum charge: \$3,600 per year, payable in advance of service commencement.

(b) South zone

Interruptible charge (October 1 through May 31): \$0.122 per GJ  
Interruptible charge (June 1 through September 30): \$0.284 per GJ  
Overrun charge (June 1 through September 30) for overrun receipts that originate on any of the following isolated systems (Vulcan and Brooks): \$0.137 per GJ

Plus: Rider "D"  
Plus: Rider "F"  
Plus: Rider "G"  
Plus: Rider "H"  
Plus: Rider "I"  
Minimum charge: \$3,600 per year, payable in advance of service commencement.

Effective October 1, 2010  
By Decision 2010-475  
This Replaces Rate OPR  
Previously Effective January 1, 2010

**ATCO PIPELINES  
RECEIPT TRANSPORTATION SERVICE FROM  
OTHER PIPELINES  
Rate OPR**

**A) General Description**

ATCO Pipelines' receipt transportation service from Other Pipelines is available to Customers who receipt Gas from Other Pipelines onto the Gas Pipeline System. Upon receipt by ATCO Pipelines of Customer's Nomination and subsequent approval by ATCO Pipelines, Customer's Gas shall be allocated through ATCO Pipelines' account on Other Pipelines (i.e. ATCO Pipelines' NIT account on NGTL) to Customer's Account on ATCO Pipelines' system. Gas is then available to transfer to other Customer Accounts.

Refer to ATCO Pipelines' Transportation Service Regulations and Business Policies & Practices for more information pertaining to the administration of this Rate.

**B) Receipt transportation service from Other Pipelines is available provided that:**

- (i) Customer is served off ATCO Pipelines' Gas Pipeline System.
- (ii) Customer has the contractual control of Customer's Gas flows on the Gas Pipeline System.
- (iii) Customer has executed an Agreement with ATCO Pipelines which incorporates ATCO Pipelines' Transportation Service Regulations as amended from time to time and approved by the Alberta Energy and Utilities Board. An Agreement specific to OPR service is not required.
- (iv) Rider "D" (Unaccounted for Gas and Fuel) is applied to all Gas Nominated for receipt under this Rate.
- (v) This Rate is applied to all Gas Nominated for receipt from Other Pipelines.
- (vi) This Rate is not applicable to Gas received onto the Gas Pipeline System from on-system Point(s) of Receipt.

Effective October 1, 2010  
By Decision 2010-475  
This Replaces Rate OPR  
Previously Effective January 1, 2010

**C) Transportation service charges at Other Pipelines point(s) of receipt**

**Rate OPR:                    RECEIPT TRANSPORTATION SERVICE FROM OTHER  
PIPELINES**

(a) North zone

Commodity Charge:        \$0.0110 per GJ

Plus:                            Rider "D"

(b) South zone

Commodity Charge:        \$0.0070 per GJ

Plus:                            Rider "D"

Plus:                            Rider "G"

Plus:                            Rider "I"

Effective October 1, 2010  
By Decision 2010-475  
This Replaces Rate FSD  
Previously Effective April 1, 2010

**ATCO PIPELINES**  
**DELIVERY TRANSPORTATION SERVICE TO INDUSTRIALS**  
**Rate FSD**

**A) General Description**

ATCO Pipelines' delivery transportation service is available to Customers who physically take Gas off of the Gas Pipeline System at an on-system Point of Delivery for an Industrial. The Gas is then allocated to Customer's delivery account on ATCO Pipelines' system and is available to transfer to other Customer Accounts. Term-differentiated Rates are available for Customers selecting a longer Minimum Term Date.

Refer to ATCO Pipelines' Transportation Service Regulations and Business Policies & Practices for more information pertaining to the administration of this Rate.

**B) Delivery transportation service is available under an Agreement provided that:**

- (i) Customer is served off ATCO Pipelines' Gas Pipeline System.
- (ii) Customer has the contractual control of Gas flows at the Point(s) of Delivery.
- (iii) Customer has executed an Agreement (FSD) with ATCO Pipelines which is subject to the provisions of this Rate Schedule and incorporates ATCO Pipelines' Transportation Service Regulations as amended from time to time and approved by the Alberta Energy and Utilities Board.
- (iv) This Rate is not applicable to Gas delivered to Other Pipelines from the Gas Pipeline System.
- (v) Customer acknowledges that ATCO Pipelines is not obligated to design the Gas Pipeline System or to deliver in any one hour at the Point of Delivery, a quantity of Gas in excess of 1/24 the Nominated Demand.
- (vi) For an average daily flow in a Month that falls between 90% and 110% of the Nominated Demand (Billing Demand), the charge will be the demand charge under this Rate applied to the average daily flow in that Month plus the fixed charge.

Should the average daily flow in a Month exceed 110% of the Nominated Demand, an Overrun Charge will be applied to the difference between the total flow in the Month and 110% of the Nominated Demand (Billing Demand) times the number of days in

Effective October 1, 2010  
By Decision 2010-475  
This Replaces Rate FSD  
Previously Effective April 1, 2010

the Month. The charge will be the Overrun Charge plus the demand charge applied to 110% of the Nominated Demand plus the fixed charge.

Should the average daily flow in a Month be less than 90% of the Nominated Demand, the charge will be the demand charge applied to 90% of the Nominated Demand (Billing Demand) plus the fixed charge.

(vii) Applicable Rate Riders:

Municipal Franchise Fee (Rider "A")  
Municipal Tax Rider (Rider "B")  
Deemed Value of Natural Gas (Rider "E")

(viii) FSD Term:

The standard firm service Agreement (FSD) term is 1 year and may commence at any time provided additional facilities are not required for the service to commence. A Customer may elect to enter into an Agreement for a longer term to support an investment by ATCO Pipelines.

These Agreements will continue in effect after the Minimum Term Date as specified in the Agreement unless Customer has provided 12 months prior written notice to terminate the service or reduce the applicable Nominated Demand. Where the Customer has provided such notice, the service will terminate, or the applicable Nominated Demand reduced, on the first day of the month 12 months following the date on which notice was received.

**C) Transportation service charges at each Point of Delivery**

**Rate FSD: FIRM DELIVERY TRANSPORTATION SERVICE**

(a) North zone

Fixed charge: \$1,000.00 per Month at each Point of Delivery

Demand charge:

1 or 2 year Minimum Term:	\$3.440 per Month per GJ of Billing Demand
3 or 4 year Minimum Term:	\$3.275 per Month per GJ of Billing Demand
5+ years Minimum Term:	\$3.113 per Month per GJ of Billing Demand

Effective October 1, 2010  
By Decision 2010-475  
This Replaces Rate FSD  
Previously Effective April 1, 2010

Overrun charge:	\$0.119 per GJ
Plus:	Rider "F"
Plus:	Rider "H"
Plus:	Rider "J"

(b) South Zone

Fixed charge:	\$1,000.00 per Month at each Point of Delivery
---------------	--

Demand charge:

1 or 2 year Minimum Term:	\$2.084 per Month per GJ of Billing Demand
3 or 4 year Minimum Term:	\$1.984 per Month per GJ of Billing Demand
5+ years Minimum Term:	\$1.884 per Month per GJ of Billing Demand
Overrun charge:	\$0.072 per GJ
Plus:	Rider "F"
Plus:	Rider "H"

Effective October 1, 2010  
By Decision 2010-475  
This Replaces Rate FSU  
Previously Effective April 1, 2010

**ATCO PIPELINES  
DELIVERY TRANSPORTATION SERVICE TO  
DISTRIBUTING COMPANIES  
Rate FSU**

**A) General Description**

ATCO Pipelines' delivery transportation service for Distributing Companies is available to Customers who physically deliver Gas off of the Gas Pipeline System at an on-system Point(s) of Delivery to a Distributing Company. The Gas is allocated to Customer's delivery account on ATCO Pipelines' system and is then available to transfer to other Customer Accounts. As selected by Customer and approved by ATCO Pipelines, the delivery transportation service for Distributing Companies is Firm Service.

Refer to ATCO Pipelines' Transportation Service Regulations and Business Policies & Practices for more information pertaining to the administration of this Rate.

**B) Delivery transportation service for Distributing Companies is available under an Agreement provided that:**

- (i) Customer is served off ATCO Pipelines' Gas Pipeline System.
- (ii) Customer has the contractual control of Gas flows at the Point(s) of Delivery.
- (iii) Customer has executed an Agreement (FSU) with ATCO Pipelines which is subject to the provisions of this Rate Schedule and incorporates ATCO Pipelines' Transportation Service Regulations as amended from time to time and approved by the Alberta Energy and Utilities Board.
- (iv) Customer acknowledges that ATCO Pipelines is not obligated to design the Gas Pipeline System or to deliver in any one hour at the Point of Delivery, a quantity of Gas exceeding the Maximum Design Quantity.
- (v) This Rate is not applicable to Gas delivered to Other Pipelines from the Gas Pipeline System.
- (vi) The Billing Commencement Date shall be January 1 of each year. Twelve months in advance of the Billing Commencement Date, Customer shall advise ATCO Pipelines, for ATCO Pipelines' approval, both the Customer's Peak Billing Demand and Maximum Design Quantity at each Point of Delivery. Should such notice not be received by ATCO Pipelines, both the Peak Billing Demand and

Effective October 1, 2010  
By Decision 2010-475  
This Replaces Rate FSU  
Previously Effective April 1, 2010

Maximum Design Quantity for the current year will be carried forward.

**C) Transportation service charges at each Point of Delivery**

**Rate FSU:                FIRM DELIVERY SERVICE FOR DISTRIBUTING COMPANIES**

(a) North zone

Demand charge:                \$4.177 per Month per GJ of Peak Billing Demand

Plus:                                Rider "F"

Plus:                                Rider "H"

Plus:                                Rider "J"

(b) South zone

Demand charge:                \$2.458 per Month per GJ of Peak Billing Demand

Plus:                                Rider "F"

Plus:                                Rider "H"

Effective April 1, 2006  
By Order U2006-107  
This Replaces Rate OPDC  
Previously Effective November 1, 2004

**ATCO PIPELINES  
DELIVERY TRANSPORTATION SERVICE TO  
OTHER PIPELINES (COMMODITY)  
Rate OPDC**

**A) General Description**

Other Pipelines Delivery commodity service (OPDC) is available to Customers who deliver Gas to Other Pipelines from the Gas Pipeline System. This service is currently available to deliver gas to NGTL, Alliance and MIPL/TransGas. Customers must hold transportation service at the point of delivery on the Other Pipeline except where ATCO Pipelines holds a transportation account (i.e. ATCO Pipelines' NIT account on NGTL). In the latter case, Customer's gas shall be allocated through ATCO Pipelines' account on NGTL to the Customer's account on NGTL.

Refer to ATCO Pipelines' Transportation Service Regulations and Business Policies & Practices for more information pertaining to the administration of this Rate.

**B) Delivery transportation service to Other Pipelines is available provided that:**

- (i) Customer is served off ATCO Pipelines' Gas Pipeline System.
- (ii) Customer has the contractual control of Customer's Gas flows on the Gas Pipeline System.
- (iii) Customer must have executed an Agreement with ATCO Pipelines (i.e. an Agreement specific to OPDC service is not required).
- (iv) The Agreement is subject to the provisions of this Rate Schedule and incorporates ATCO Pipelines' Transportation Service Regulations as amended from time to time and approved by the Alberta Energy and Utilities Board.
- (v) This Rate is not applicable to Gas delivered from the Gas Pipeline System to on-system Point(s) of Delivery.
- (vi) As incremental delivery capacity in excess of the Nominated Demand becomes available on the Other Pipeline, Customers holding OPDM service will have first priority to the Customer's pro-rated share of this excess capacity. If the excess capacity is still not fully utilized, the remaining capacity will be available to those Customers holding OPDC service on a "first come, first served" basis.

Effective April 1, 2006  
By Order U2006-107  
This Replaces Rate OPDC  
Previously Effective November 1, 2004

**C) Transportation service charges at Other Pipelines point(s) of delivery**

**Rate OPDC:            DELIVERY TRANSPORTATION SERVICE TO OTHER  
PIPELINES (COMMODITY)**

(a) North zone

Commodity Charge:     \$0.058 per GJ

(b) South zone

Commodity Charge:     \$0.050 per GJ

Effective April 1, 2006  
By Order U2006-107  
This Replaces Rate OPDM  
Previously Effective November 1, 2004

**ATCO PIPELINES  
DELIVERY TRANSPORTATION SERVICE TO  
OTHER PIPELINES (MUST-FLOW)  
Rate OPDM**

**A) General Description**

Other Pipelines Delivery Must-Flow Service (OPDM), is available to Customers who deliver Gas to Other Pipelines from the Gas Pipeline System. This service is currently available for delivery to NGTL, Alliance and MIPL/TransGas. In all cases, Customer must hold transportation service at the point of delivery on the Other Pipeline. For clarity, deliveries to NGTL through OPDM service are accomplished through Customer's receipt service on NGTL.

Refer to ATCO Pipelines' Transportation Service Regulations and Business Policies & Practices for more information pertaining to the administration of this Rate.

**B) Delivery transportation service to Other Pipelines is available provided that:**

- (i) Customer is served off ATCO Pipelines' Gas Pipeline System.
- (ii) Customer has the contractual control of Customer's Gas flows on the Gas Pipeline System.
- (iii) The Customer must execute an Agreement (OPDM) which is subject to the provisions of this Rate Schedule and incorporates ATCO Pipelines' Transportation Service Regulations as amended from time to time and approved by the Alberta Energy and Utilities Board.
- (iv) This Rate is not applicable to Gas delivered from the Gas Pipeline System to on-system Point(s) of Delivery.
- (v) When the Gas Pipeline System is available to effect delivery of the Nominated Demand and such Nominated Demand is not fully utilized by Customer resulting in ATCO Pipelines' costs to deliver gas to any Other Pipeline, Customer shall reimburse ATCO Pipelines those costs. These charges will be based on the current Month's average Oversupply Delivery Cost multiplied by a quantity of Gas equal to the Nominated Demand less either the amount the Customer actually delivered to the Other Pipeline on that day, or the amount ATCO Pipelines delivered to any Other Pipeline as a result of Customer not delivering the Nominated Demand, whichever is lower.
- (vi) As incremental delivery capacity in excess of the Nominated Demand becomes available on the Other Pipeline, Customers

Effective April 1, 2006  
By Order U2006-107  
This Replaces Rate OPDM  
Previously Effective November 1, 2004

holding OPDM service will have first priority to the Customer's pro-rated share of this excess capacity through Overrun service.

- (vii) Monthly OPDM terms may be approved at ATCO Pipelines' sole discretion and are not automatically renewed. Customer must reapply for the service.
- (viii) OPDM Term:

The standard firm service Agreement (OPDM) term is 1 year and may commence at any time provided additional facilities are not required for the service to commence. A Customer may elect to enter into an Agreement for a longer term.

These Agreements will continue in effect after the Minimum Term Date as specified in the Agreement unless either ATCO Pipelines or Customer has provided 12 months prior written notice to terminate the service or reduce the Nominated Demand. The service will terminate, or the Nominated Demand reduce, on the first day of the month 12 months following the date on which notice was received by either party.

**C) Transportation service charges at Other Pipelines point(s) of delivery**

**Rate OPDM: DELIVERY TRANSPORTATION SERVICE TO OTHER PIPELINES (MUST-FLOW)**

(a) North zone

Demand charge:	\$0.00 per Month per GJ of Nominated Demand
Overrun charge:	\$0.058 per GJ

(b) South zone

Demand charge:	\$0.00 per Month per GJ of Nominated Demand
Overrun charge:	\$0.050 per GJ

Effective October 1, 2010  
By Decision 2010-475  
This Replaces Rate SPD  
Previously Effective February 1, 2010

**ATCO PIPELINES  
DELIVERY TRANSPORTATION SERVICE TO  
STRADDLE PLANTS  
Rate SPD**

**A) General Description**

ATCO Pipelines' delivery transportation service for straddle plants is available to Customers who physically take Gas off of the Gas Pipeline System at a Point(s) of Delivery to a straddle facility (liquid extraction plant). The Rate is applied to the total energy removed in the straddle plant. The determination of the total energy amount is further detailed in the Agreement.

Refer to ATCO Pipelines' Transportation Service Regulations and Business Policies & Practices for more information pertaining to the administration of this Rate.

**B) Delivery transportation service to straddle plants is available under an Agreement provided that:**

- (i) Customer is served off ATCO Pipelines' Gas Pipeline System.
- (ii) Customer has the contractual control of Gas flows at the Point(s) of Delivery.
- (iii) Customer has executed an Agreement (SPD) with ATCO Pipelines which is subject to the provisions of this Rate Schedule and incorporates ATCO Pipelines' Transportation Service Regulations as amended from time to time and approved by the Alberta Energy and Utilities Board.
- (iv) SPD Term:

The standard service Agreement (SPD) term is 1 year and may commence at any time provided additional facilities are not required for the service to commence. A Customer may elect to enter into an agreement for a longer term.

These Agreements will continue in effect after the Minimum Term Date as specified in the Agreement unless ATCO Pipelines or Customer has provided 12 months prior written notice to terminate or reduce the service. Where either party has provided such notice, service will terminate on the first day of the month 12 months following the date on which notice was received.

Effective October 1, 2010  
By Decision 2010-475  
This Replaces Rate SPD  
Previously Effective February 1, 2010

**C) Transportation service charges at the straddle plant Point(s) of Delivery**

**Rate SPD: DELIVERY TRANSPORTATION SERVICE TO STRADDLE PLANTS**

(a) North zone

Fixed charge: \$1,000.00 per Month per Point of Delivery

Commodity Charge: \$0.096 per GJ

Plus: Rider "F"

(b) South zone: (Not Required)

Effective April 1, 2006  
By Order U2006-107  
This Replaces Rate MAS  
Previously Effective June 1, 2005

**ATCO PIPELINES  
TRANSPORTATION SERVICE  
MARKET ACCOUNT  
Rate MAS**

**A) General Description**

ATCO Pipelines' market account service is available to Customers who wish to transact Account Transfers on the Gas Pipeline System.

Refer to ATCO Pipelines' Transportation Service Regulations and Business Policies & Practices for more information pertaining to the administration of this Rate.

**B) Transportation service under a market account is available under an Agreement provided that:**

- (i) Customer is served off ATCO Pipelines' Gas Pipeline System.
- (ii) Customer has executed an Agreement (MAS) with ATCO Pipelines which is subject to the provisions of this Rate Schedule and incorporates ATCO Pipelines' Transportation Service Regulations as amended from time to time and approved by the Alberta Energy and Utilities Board.
- (iii) Customer's market account transactions exclude physical receipts and deliveries on the Gas Pipeline System.
- (iv) The Customer Account must be balanced to "zero" at all times.
- (v) MAS Term:  
  
Market Account Agreements (MAS) are available for 1 year terms and may commence at the beginning of any month. These services do not include automatic renewal rights and Customer should reapply for the service a minimum of 30 days prior to the requested Billing Commencement Date for the service.
- (vi) Account set-up charges do not apply to the renewal of existing MAS.

**C) Transportation service charges**

**Rate MAS:           TRANSPORTATION SERVICE FOR MARKET ACCOUNTS**

- (a) North zone  
Account Set-up Charge:   \$1,000.00
- (b) South zone  
Account Set-up Charge:   \$1,000.00

Effective February 20, 2008  
By Order U2008-050  
This Replaces Non-Standard Rates  
Previously Effective April 1, 2006

## **2. NON-STANDARD RATES**

### **(a) General Description**

Non-standard Rates are agreed to by Customer and ATCO Pipelines and must be approved by the Board.

### **(b) Current Approved Agreements**

- (i) North
  - Agrium Fort Saskatchewan and Redwater
  - ATCO Power Valleyview
  - Dow Chemical Fort Saskatchewan
  - Nova Gas Transmission Ltd. East Edmonton
  - Nova Gas Transmission Ltd. Grande Cache
  - Shell Fort Saskatchewan
  - Sherritt Fort Saskatchewan
  
- (ii) South
  - Calpine Calgary Energy Centre
  - EnCana Carseland

Effective October 1, 2010  
By Decision 2010-475  
This Replaces Rate Riders  
Previously Effective April 1, 2010

### **3. RATE RIDERS**

#### **General Description**

Rider "A" Municipal Franchise Fee (ATCO Gas and Pipelines Ltd.)

Customers located within a Municipality are assessed a Franchise Fee which is collected in lieu of Property Taxes. The Franchise Method is based on one of two collection methods - Method A which is applied to gross revenues or Method C, which is applied to gross revenues plus Rider "E".

Rider "B" Municipal Property Tax and Specific Costs (ATCO Gas and Pipelines Ltd.)

Customers located within a Municipality are assessed a Property Tax which is applied to Gross Revenues excluding Deemed Value (Rider "E").

Rider "D" Unaccounted For Gas (ATCO Pipelines)

Receipt Transportation Customers (FSR, FSRS, ITR, OPR) will be assessed a combined UFG and fuel gas charge at each Point of Receipt. The UFG and fuel will be collected "in-kind" and applied on the Customer Account.

Rider "E" Deemed Value of Gas (ATCO Pipelines)

Customers are subject to Deemed Value (Rider "E") if they are located within a Municipality using the Rider "A" Municipal Fee calculation, Method "C".

Rider "F" Negotiated Settlement Shortfalls (ATCO Pipelines)

Rider to Collect amounts related to the 2010-2012 Negotiated Settlement approved by Decision 2010-228. This rider will be applied to rates for the period October 1, 2010 to December 31, 2010.

Rider "G" Load Balancing Deferral Account (ATCO Pipelines South)

Receipt Transportation Customers (FSR, FSRS, ITR, OPR) will be assessed this rider to Refund amounts approved in Decision 2009-261. This rider will be applied to rates for the period January 1, 2010 to December 31, 2010.

Rider "H" Other Pipeline Delivery Deferral Account (ATCO Pipelines)

Receipt Transportation Customers (FSR, FSRS, ITR), Industrial Delivery Customers (FSD) and Distribution Customers (FSU) will be assessed this rider to Refund amounts approved in Decision 2010-475. This rider will be applied to rates for the period October 1, 2010 to December 31, 2010. Rider "H" for ATCO Pipelines North approved in Decision 2010-126 remains unchanged.

Rider "I" Load Balancing Deferral Account (ATCO Pipelines South)

Effective October 1, 2010  
By Decision 2010-475  
This Replaces Rate Riders  
Previously Effective April 1, 2010

Receipt Transportation Customers (FSR, FSRS, ITR, OPR) will be assessed this rider to Refund amounts approved in Decision 2010-475. This rider will be applied to rates for the period of October 1, 2010 to March 31, 2011.

Rider "J" Facility Connections Services (ATCO Pipelines North)

Rider to Refund amounts approved in Decision 2010-475. This Rider will be applied to rates for the period October 1, 2010 to December 31, 2010.

Effective by Decision 2010-262  
On Consumption August 1, 2010  
This Replaces Rider "A"  
Previously Effective July 9, 2010

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

All charges under the Rates, including any charges under other Riders, to Customers situated within the communities listed on this Rider "A" are subject to the addition of the percentage shown. 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.

Method A. - Applied to gross revenues.

Method C. - Applied to gross revenues and Rider "E".

<u>Municipalities –</u> <u>Method A</u>	<u>%</u>	<u>Effective</u> <u>Date</u> <u>yymmdd</u>	<u>Municipalities –</u> <u>Method A</u>	<u>%</u>	<u>Effective</u> <u>Date</u> <u>yymmdd</u>	<u>Municipalities –</u> <u>Method A</u>	<u>%</u>	<u>Effective</u> <u>Date</u> <u>yymmdd</u>
Alberta Beach	10.61	00/08/10	Hardisty	20.00	04/10/07	Sexsmith	25.00	07/04/24
Alix	20.00	06/04/01	Hines Creek	30.00	05/08/02	Sherwood Park**	22.00	10/07/01
Amisk	9.10	00/04/18	Hinton ***	9.60	06/01/01	Silver Beach	20.00	05/03/24
Argentia Beach	0.00	10/07/09	Holden	0.00	05/01/21	Slave Lake	24.50	10/01/01
Bashaw	15.00	04/03/18	Hughenden	10.98	00/07/18	Spirit River	24.00	01/06/18
Bentley	0.00	04/04/06	Innisfree	25.00	08/09/08	Stony Plain	17.00	04/08/16
Berwyn	20.00	04/11/18	Irma	20.00	04/10/15	Swan Hills	0.00	07/09/12
Bittern Lake	17.68	01/11/15	Itaska	12.00	04/09/21	Sylvan Lake	24.50	04/02/04
Blackfalds	35.00	10/01/01	Jasper Muni	17.10	06/09/01	Thorsby	11.69	00/10/22
Bon Accord	25.00	04/11/01	Jasper Ntl Pk	17.10	06/09/01	Tofield	10.00	04/05/04
Breton	12.47	01/06/19	Kitscoty	10.00	05/09/15	Vegreville	33.00	04/10/12
Bruderheim	10.00	04/04/20	Lacombe	22.00	04/06/02	Vermilion	15.00	04/04/07
Camrose	15.00	04/06/05	Lamont	35.00	04/05/10	Veteran	3.00	07/09/12
Caroline	20.00	05/10/11	Lavoy	16.61	09/10/23	Viking	21.51	04/09/26
Chipman	0.00	06/05/12	Legal	16.60	06/09/12	Warburg	10.00	09/01/01
Clive	16.17	04/05/17	Lloydminster	25.00	08/02/01	Wembley	25.00	08/07/01
Clyde	9.46	10/05/04	Lougheed	16.67	02/04/18	Wetaskiwin	35.00	07/12/17
Cold Lake	13.00	05/11/01	Mannville	20.00	04/11/02	Whitecourt ***	19.00	07/10/01
Consort	22.00	04/05/07	Mayerthorpe	5.00	05/02/18			
Coronation	10.05	09/07/14	McLennan	24.00	05/05/19			
Czar	11.84	00/04/27	Millet	22.00	08/01/01			
Donnelly	30.00	05/09/06	Minburn	15.00	04/05/04			
Drayton Valley***	22.00	04/10/22	Mirror	12.60	06/07/13	<u>Municipalities –</u> <u>Method C</u>		<u>Effective</u> <u>Date</u> <u>yymmdd</u>
Eckville	24.00	04/07/08	Mundare	20.00	04/06/10	Andrew	9.00	99/11/25
Edgerton	15.00	04/04/16	Nampa	16.84	04/04/22	Beaverlodge	8.70	06/02/27
Edmonton	28.50	10/08/01	Onoway	5.00	04/06/02	Eaglesham	5.26	05/06/08
Edson***	20.00	06/04/18	Oyen	30.00	08/01/17	Fort McMurray	8.70	06/07/04
Entwistle	17.32	10/02/22	Point Alison	15.00	07/10/12	Hythe	8.70	07/02/26
Fairview	21.63	04/07/01	Ponoka	17.00	04/08/13	Peace River	7.25	01/09/24
Falher	15.00	04/06/10	Provost	16.00	10/01/01	Spruce Grove	8.26	10/06/14
Fox Creek	12.93	01/06/11	Red Deer	32.00	10/01/01	St. Albert	5.26	06/03/20
Ft. Saskatchewan	0.00	04/09/28	Rimbey	24.00	04/03/01			
Gibbons	30.00	05/10/01	Rocky Mtn. House	22.00	04/12/14			
Girouxville	20.00	04/06/10	Rycroft	15.00	04/10/14			
Golden Days	25.00	04/06/15	Ryley	5.00	04/08/06			
Grande Prairie	25.00	06/03/07	Seba Beach	20.00	10/06/03			
Grimshaw	28.00	01/12/01						

\*\* FSD Customers at 0.00%.

\*\*\* Includes a \$10,000 maximum annual allowable assessment (Max) on any individual metered account.

Effective by Decision 2010-185  
On Consumption June 14, 2010  
This Replaces Rider "A"  
Previously Effective May 21, 2010

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

All charges under the Rates, including any charges under other Riders, to Customers situated within the communities listed on this Rider "A" are subject to the addition of the percentage shown. 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.

Method A. - Applied to gross revenues excluding Rider "G" and the Market Value portion of Rider "H".

Method C. - Applied to gross revenues and Rider "E".

<u>Municipality</u>	<u>%</u>	<u>Method</u>	<u>Municipality</u>	<u>%</u>	<u>Method</u>	<u>Municipality</u>	<u>%</u>	<u>Method</u>
Calgary**	11.11	C	Claresholm	10.00	A	Lomond	20.00	A
Lethbridge	32.30	A	Coaldale	11.30	A	Longview	16.00	A
Acme	20.00	A	Coalhurst	12.44	A	Magrath	15.00	A
Airdrie	29.60	A	Cochrane	23.00	A	Milk River	30.00	A
Banff	31.20	A	Coutts	20.00	A	Nanton	13.00	A
Banff Park	5.25	C	Cowley	13.79	A	Nobleford	0.00	A
Barnwell	13.00	A	Cremona	27.00	A	Okotoks	5.25	C
Barons	14.97	A	Crossfield	17.00	A	Olds	27.50	A
Bassano	20.00	A	Crowsnest Pass	15.00	C	Penhold	18.00	A
Beiseker	15.00	A	Delburne	21.60	A	Picture Butte	6.00	C
Big Valley	5.26	C	Didsbury	25.00	A	Raymond	5.00	A
Black Diamond	14.00	A	Duchess	12.67	A	Rockyford	29.00	A
Bow Island	10.50	A	Elnora	16.00	A	Rosemary	14.78	A
Bowden	22.00	A	Foremost	21.00	A	Standard	11.34	A
Brooks	18.00	A	Fort Macleod	12.50	A	Stavely	10.00	A
Burdett	12.00	A	Glenwood	5.26	C	Stirling	5.00	A
Canmore	22.10	A	Granum	8.50	A	Strathmore	11.18	A
Carbon	15.07	A	High River	13.00	A	Taber	20.00	A
Cardston	15.00	A	Hill Spring	5.00	A	Taber*	35.00	A
Carmangay	15.00	A	Hussar	13.74	A	Trochu	14.20	A
Carstairs	25.00	A	Innisfail	5.26	C	Turner Valley	10.00	A
Champion	15.00	A	Irricana	11.18	A	Vauxhall	5.50	C
			Linden	15.23	A	Vulcan	15.00	C

\* Applied to High Use and FSD customers.

\*\* Exemption available on Rider "E" portion of natural gas feedstock quantities used by electrical generation plants whose primary fuel source is natural gas, for the commercial sale of electricity or used by a district energy plant for combined heat and power production, if deemed by the City of Calgary to be a qualifying facility.

Effective By Decision 2010-160  
On Consumption June 3, 2010  
This Replaces Rider "B"  
Previously Effective May 4, 2010

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

This Rider is applicable to Customers resident in municipalities that receive a property tax under the Municipal Government Act or receive payment for specific costs which are not generally incurred by the Company. This Rider is the estimated percentage of gross revenue required to provide for the tax payable or specific cost incurred each year. To the extent that this percentage may be more or less than that required to pay the tax or specific cost, the percentage of gross revenue provided in the Rider will be adjusted on the 1<sup>st</sup> 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	Hardisty
Wabamun	Vegreville
Wembley	Rycroft
Stony Plain Indian Reserve	Irma
Paul Band Indian Reserve	Bon Accord
Fort McMurray No. 468 First Nation Band	Mannville
Jarvis Bay	Berwyn
Norglenwold	Holden
Argentia Beach	Mayerthorpe
Lakeview	Silver Beach
Hinton	Kitscoty
Sylvan Lake	Caroline
Breton	Cold Lake
Bashaw	Grande Prairie
Bentley	Red Deer
Vermillion	Edson
Blackfalds	Fort McMurray
Edgerton	Municipality of Jasper
Bruderheim	Legal
Nampa	Swan Hills
Tofield	Veteran
Camrose	Whitecourt
Lamont	Point Alison
Minburn	Wetaskawin
Clive	Oyen
Lacombe	Lloydminster
Onoway	Slave Lake
Mundare	Innisfree
Falher	Coronation
Griouxville	Lavoy
Golden Days	Entwistle
Warburg	Clyde
Ryley	Seba Beach
Ponoka	
Millett	
Stoney Plain	
Provost	
Itaska Beach	
Viking	

Effective by Decision 2010-180  
On Consumption May 21, 2010  
This Replaces Rider "B"  
Previously Effective March 25, 2010

**ATCO GAS AND PIPELINES LTD. - SOUTH  
RIDER "B" TO ALL RATES  
AND ANY OTHER RIDERS THERETO**

This Rider is applicable to Customers resident in municipalities that receive a property tax under the Municipal Government Act or receive payment for specific costs which are not generally incurred by the Company. This Rider is the estimated percentage of gross revenue required to provide for the tax payable or specific cost incurred each year. To the extent that this percentage may be more or less than that required to pay the tax or specific cost, the percentage of gross revenue provided in the Rider will be adjusted on the 1<sup>st</sup> 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:

Banff	Didsbury
Redwood Meadows (Siksika Nation)	Olds
Bow Island	Carstairs
Foremost	Airdrie
Rosemary	Cardston
Turner Valley	Penhold
Canmore	Raymond
Elnora	Coutts
Linden	Crowsnest Pass
Brooks	Vulcan
Granum	Stirling
Milk River	Stavely
Trochu	Strathmore
Claresholm	Champion
Lomond	Carmangay
Nanton	Hill Spring
Bassano	Taber
Nobleford	

Effective November 1, 2009 to October 31, 2010  
By Decision 2009-171  
This Replaces Rate Rider "D"  
Previously Effective February 1, 2009

**ATCO PIPELINES NORTH AND SOUTH  
RIDER "D"  
UNACCOUNTED FOR GAS AND FUEL GAS**

All Customers receipting Gas onto the Gas Pipeline System (FSR, FSRS, ITR, OPR) will be assessed a combined UFG and Fuel Gas charge as per the Rate Schedules. The UFG and Fuel Gas assessment will be made up "in-kind" from each Customer Account.

UFG and Fuel Rate effective November 1, 2009:

North:	.397%
South:	.684%

Effective November 1, 2004  
By Decision 2004-096

**ATCO PIPELINES NORTH AND SOUTH  
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 both North and South Transportation Service Rates, the "Deemed Value", is an amount equal to the Default Service Providers (DSPs) Gas Cost Flow-through Rate which currently is Direct Energy Regulated Services Rider "F". Please refer to [www.DirectEnergyRegulatedServices.com](http://www.DirectEnergyRegulatedServices.com) or call 1-866-420-3174 for the current value.

Effective October 1, 2010  
By Decision 2010-475

**ATCO PIPELINES NORTH AND SOUTH**

**RIDER "F"**

**TO COLLECT 2010 REVENUE SHORTFALLS WHICH RELATE TO THE 2010-2012  
NEGOTIATED SETTLEMENT APPROVED IN DECISION 2010-228.**

The following riders will be applied to rates for the period October 1, 2010 to December 31, 2010.

<b>North</b>	<b>Rider "F"</b> <b>October 1, 2010 - December 31, 2010</b>
<b>Demand Charges (\$/GJ/Month)</b>	
<b><i>Distributing Companies (FSU)</i></b>	\$0.148
<b><i>Producers (FSR)</i></b>	
Firm	\$0.131
Short Term Firm	\$0.131
<b><i>Industrial (FSD)</i></b>	
One Year	\$0.122
Three Year	\$0.116
Five Year	\$0.110
<b>Commodity Charges (\$/GJ)</b>	
<b><i>Producers (FSR)</i></b>	
Producer OR/IT (Jan–May, Oct-Dec)	\$0.005
Producer OR/IT (June-Sept)	\$0.005
<b><i>Industrial (FSD)</i></b>	
Industrial Overrun	\$0.004
<b><i>Straddle Plant (SPD)</i></b>	\$0.003

<b>South</b>	<b>Rider "F"</b> <b>October 1, 2010 - December 31, 2010</b>
<b>Demand Charges (\$/GJ/Month)</b>	
<b><i>Distributing Companies (FSU)</i></b>	\$0.076
<b><i>Producers (FSR)</i></b>	
Firm	\$0.129
Short Term Firm	\$0.128
<b><i>Industrial (FSD)</i></b>	
One Year	\$0.064
Three Year	\$0.062
Five Year	\$0.058
<b>Commodity Charges (\$/GJ)</b>	
<b><i>Producers (FSR)</i></b>	
Producer OR/IT (Jan–May, Oct-Dec)	\$0.004
Producer OR/IT (June-Sept)	\$0.004
<b><i>Industrial (FSD)</i></b>	
Industrial Overrun	\$0.001
<b><i>Carseland Rebate</i></b>	(\$0.001)

Effective January 1, 2010  
 By Decision 2009-261  
 Previously Effective September 1, 2009

**ATCO PIPELINES SOUTH**

**RIDER "G"**

**TO REFUND VOLUME VARIANCE PORTION OF THE JUNE 30, 2009**

**APS LOAD BALANCING DEFERRAL ACCOUNT BALANCE**

The following riders will be applied to rates for the period January 1, 2010 to December 31, 2010.

<b>South</b>	<b>Rider "G"</b>
<b>Demand Charges (\$/GJ/Month)</b>	<b>January 1, 2010 – December 31, 2010</b>
<b><i>Producers (FSR)</i></b>	
Firm	(\$0.848)
Short Term Firm	(\$0.848)
<b>Commodity Charges (\$/GJ)</b>	
<b><i>Producers (FSR)</i></b>	
Producer OR/IT (Jan–May, Oct-Dec)	(\$0.028)
Producer OR/IT (June-Sept)	(\$0.028)
<b><i>Other Pipeline Receipt (OPR)</i></b>	(\$0.028)

Effective April 1, 2010  
By Decision 2010-126

**ATCO PIPELINES NORTH**

**RIDER "H"**

**TO REFUND DEFERRAL BALANCES WHICH RELATE TO THE NORTH OPD DEFERRAL  
ACCOUNTS AS AT OCTOBER 31, 2009.**

The following riders will be applied to rates for the period April 1, 2010 to December 31, 2010.

<b>North</b>	<b>Rider "H"</b>
<b>Demand Charges (\$/GJ/Month)</b>	<b>April 1, 2010 - December 31, 2010</b>
<b><i>Distributing Companies (FSU)</i></b>	(\$0.008)
<b><i>Producers (FSR)</i></b>	
Firm	(\$0.302)
Short Term Firm	(\$0.302)
<b><i>Industrial (FSD)</i></b>	
One Year	(\$0.049)
Three Year	(\$0.049)
Five Year	(\$0.049)
<b>Commodity Charges (\$/GJ)</b>	
<b><i>Producers (FSR)</i></b>	
Producer OR/IT (Jan–May, Oct-Dec)	(\$0.010)
Producer OR/IT (June-Sept)	(\$0.010)
<b><i>Industrial (FSD)</i></b>	
Industrial Overrun	(\$0.002)

Effective October 1, 2010  
By Decision 2010-475  
Previously Effective April 1, 2010

**ATCO PIPELINES SOUTH**

**RIDER "H"**

**TO REFUND DEFERRAL BALANCES WHICH RELATE TO THE SOUTH OPD DEFERRAL ACCOUNTS AS AT APRIL 30, 2010.**

The following riders will be applied to rates for the period October 1, 2010 to December 31, 2010.

<b>South</b>	<b>Rider "H"</b>
<b>Demand Charges (\$/GJ/Month)</b>	<b>October 1, 2010 - December 31, 2010</b>
<b><i>Distributing Companies (FSU)</i></b>	(\$0.041)
<b><i>Producers (FSR)</i></b>	
Firm	(\$2.080)
Short Term Firm	(\$2.080)
<b><i>Industrial (FSD)</i></b>	
One Year	(\$0.104)
Three Year	(\$0.104)
Five Year	(\$0.104)
<b>Commodity Charges (\$/GJ)</b>	
<b><i>Producers (FSR)</i></b>	
Producer OR/IT (Jan–May, Oct-Dec)	(\$0.068)
Producer OR/IT (June-Sept)	(\$0.068)
<b><i>Industrial (FSD)</i></b>	
Industrial Overrun	(\$0.003)

Effective October 1, 2010  
 By Decision 2010-475

**ATCO PIPELINES SOUTH**  
**RIDER "I"**  
**TO REFUND VOLUME VARIANCE PORTION OF THE APRIL 30, 2010**  
**APS LOAD BALANCING DEFERRAL ACCOUNT BALANCE**

The following riders will be applied to rates for the period October 1, 2010 to March 31, 2011.

<b>South</b>	<b>Rider "I"</b>
<b>Demand Charges (\$/GJ/Month)</b>	<b>October 1, 2010 – March 31, 2011</b>
<b><i>Producers (FSR)</i></b>	
Firm	(\$1.527)
Short Term Firm	(\$1.527)
<b><i>Commodity Charges (\$/GJ)</i></b>	
<b><i>Producers (FSR)</i></b>	
Producer OR/IT (Jan–May, Oct-Dec)	(\$0.050)
Producer OR/IT (June-Sept)	(\$0.050)
<b><i>Other Pipeline Receipt (OPR)</i></b>	(\$0.050)

Effective October 1, 2010  
 By Decision 2010-475

**ATCO PIPELINES NORTH**  
**RIDER "J"**  
**TO REFUND APRIL 30, 2010 FACILITY CONNECTION SERVICES**  
**DEFERRAL ACCOUNT BALANCE**

The following riders will be applied to rates for the period October 1, 2010 to December 31, 2010.

<b>North</b>	<b>Rider "J"</b>
<b>Demand Charges (\$/GJ/Month)</b>	<b>October 1, 2010 - December 31, 2010</b>
<b><i>Distributing Companies (FSU)</i></b>	(\$0.013)
<b><i>Producers (FSR)</i></b>	
Firm	(\$0.163)
Short Term Firm	(\$0.163)
<b><i>Industrial (FSD)</i></b>	
One Year	(\$0.099)
Three Year	(\$0.099)
Five Year	(\$0.099)
<b>Commodity Charges (\$/GJ)</b>	
<b><i>Producers (FSR)</i></b>	
Producer OR/IT (Jan–May, Oct-Dec)	(\$0.005)
Producer OR/IT (June-Sept)	(\$0.005)
<b><i>Industrial (FSD)</i></b>	
Industrial Overrun	(\$0.003)