



ATCO Pipelines

2011 Line Pack Refund

June 13, 2011



The Alberta Utilities Commission
Decision 2011-256: ATCO Pipelines
2011 Line Pack Refund
Application No. 1607259
Proceeding ID No. 1199

June 13, 2011

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1 Introduction and process steps

1. On April 29, 2011, the Alberta Utilities Commission (AUC or the Commission) received an application (application) from ATCO Pipelines (AP) that requested approval of the value of AP's line pack and the refund of that value to AP's customers prior to commercial integration with NOVA Gas Transmission Ltd. (NGTL). Line pack is a quantity of natural gas held in inventory on a pipeline and is used to maintain pressure and provide an uninterrupted flow of gas between receipt and delivery points. AP proposed to refund the line pack value over the period of June 1, 2011 to July 31, 2011.

2. The Commission issued notice of the application on May 2, 2011, and requested that statements of intent to participate (SIPs) be submitted by May 13, 2011. The Commission requested that each party submitting a SIP to indicate whether or not it objected to the application and provide reasons for any objection.

3. By letter dated May 4, 2011 the Commission indicated concerns with the requested June 1, 2011 timeframe for the start of the proposed customer refund. The Commission requested AP to file an amendment to the application that will provide by May 6, 2011 a rate schedule to refund the value of system line pack in a single month, July 2011. The Commission also requested rate schedules for August and September in the event that integration is delayed beyond expected timeframes.

4. By letter dated May 6, 2011, the Commission requested each participant to indicate in its SIP if it anticipated a requirement to file information requests, evidence, or argument. Information requests were required to be filed by May 13, 2011 with responses by May 20, 2011. The Commission received SIPs from the following parties:

- Canadian Association of Petroleum Producers
- Consumers' Coalition of Alberta
- Gas Alberta Inc.
- Industrial Gas Consumers Association of Alberta
- NGTL
- TransAlta Corp.
- Office of the Utilities Consumers Advocate (UCA)

5. The UCA was the only intervener that objected to the application, indicating that the application appeared to be incomplete. Rider "M", Rider "K" and Rider "L" were referenced in Attachments 1 and 2 to the application with no accompanying discussion. The UCA was also concerned about the very short time allowed for approval of the refund. The UCA included information requests with its SIP.

6. On May 17, 2011, AP responded to the UCA's information requests. Later that day a letter was received from the UCA advising the Commission that it had verbally communicated with AP and indicating that the issues raised in its information requests had been resolved. As such, the UCA no longer opposed the application. Given that no objections to the application remained the filing of argument was dispensed with by letter May 18, 2011.

7. On June 2, 2011 the Commission issued an information request to AP which was responded to on that same day. The Commission considers the record for this proceeding closed on June 2, 2011.

8. In reaching the determinations set out within this decision, the Commission has considered all relevant materials comprising the record of this proceeding. 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.

2 Background

9. In order to streamline the provision of natural gas transmission services and address competitive pipeline issues in Alberta, AP and NGTL entered into the Alberta System Integration Agreement dated April 7, 2009 (Integration Agreement). The Integration Agreement requires AP and NGTL to swap ownership of certain physical assets within distinct operating territories or "footprints" in Alberta (Asset Swap), and to work together in Alberta under a single rates and services structure, while maintaining separate ownership, management and operation of their assets (Integration). NGTL would be the party that interfaces contractually with customers for regulated gas transmission services using the combined regulated AP and NGTL gas transmission systems within Alberta (collectively, the Alberta System). NGTL would include AP's approved revenue requirement through a monthly charge by AP to NGTL in NGTL's revenue requirement which will be collected from customers using the Alberta System. The total Alberta System revenue requirement would therefore be composed of the AP revenue requirement approved by the Commission and charged to NGTL plus the NGTL revenue requirement approved by the National Energy Board (NEB). This would form the basis for the determination of Alberta System rates and tariffs for all customers. As part of the implementation of the Integration, all AP contracts would be transitioned to Alberta System contracts with NGTL (Contract Transition).

10. In Decision [2009-051](#),¹ AP received Commission approval to negotiate its 2010-2012 General Rate Application (GRA) Phase I revenue requirements.

11. In Decision [2010-228](#),² the Commission approved AP's 2010-2012 Negotiated Settlement with regard to its 2010-2012 GRA Phase I revenue requirements. The application also sought a number of approvals from the Commission with respect to Integration. The Commission concluded that Integration was in the public interest and furthered the convenience of the public.

¹ Decision 2009-051: ATCO Pipelines, Request to Negotiate 2010-2012 General Rate Application Phase I, Application No. 1604425, Proceeding ID. 160, April 29, 2009.

² Decision 2010-228: ATCO Pipelines, 2010-2012 Revenue Requirement Settlement and Alberta System Integration, Application No. 1605226, Proceeding ID. 223, May 27, 2010.

12. The Commission approved in principle the Contract Transition and the Asset Swap in Decision 2010-228 but considered that these matters, along with gas quality issues and AP's proposal to purchase the line pack on its system, had not been addressed in sufficient detail and required further review and approval.

13. In compliance with Commission directions in Decision 2010-228, AP filed an application on July 16, 2010 to specifically request Commission approval of the Contract Transition and AP's purchase of its line pack. Issues around line pack were raised by interveners, particularly AP's purchase of line pack from customers and the appropriate method to determine volume and price to be refunded to customers.

14. On April 20, 2011 the Commission issued Decision 2011-160³ approving Contract Transition subject to the terms and conditions of that decision.

15. In Decision 2011-160 the Commission also accepted that customers are the owners of line pack on the AP system⁴ and found AP's estimate of the line pack volume of 770 terajoules (TJ) for the line pack purchase/refund to be reasonable.⁵ The Commission approved AP's proposal to purchase the line pack in its system in anticipation of Integration in order to minimize administrative complexity and to ensure equity amongst customers. Finally, the Commission approved the methodology for the calculation of the value of the line pack. Specifically the Commission determined:

132. ...

- (i) The volume/energy of system line pack should be calculated at 770 TJ.
- (ii) The line pack purchase price should be the most recent 12-month weighted average price from the Canadian Gas Price Reporter NGX AB-NIT Same Day Index Weighted Average (Index #1). AP will purchase the line pack within 30 days of the date of this decision.

16. AP proposed to refund the line pack value over the period of June 1, 2011 to July 31, 2011.

3 Issues

3.1 Calculation of the line pack refund

17. Following Commission direction from Decision 2011-160, AP calculated the line pack refund by multiplying the refunded line pack energy amount (770 TJ) by a 12-month weighted average gas price derived from the Canadian Gas Price Reporter (CGPR) Natural Gas Exchange Alberta-Nova Inventory Transfer (NGX AB-NIT) Same Day Index Weighted Average (Index #1) as provided in Table 1:

³ Decision 2011-160: ATCO Pipelines, Contract Transition, Application No. 1606374, Proceeding ID No. 732, April 20, 2011.

⁴ Decision 2011-160, page 31, paragraph 127.

⁵ Decision 2011-160, page 31, paragraph 130.

Table 1. Average of CGPR monthly prices

| Month | Monthly Weighted Average ¹ |
|---|---------------------------------------|
| Apr-10 | \$3.5267 |
| May-10 | \$3.6331 |
| Jun-10 | \$3.8954 |
| Jul-10 | \$3.4680 |
| Aug-10 | \$3.2235 |
| Sep-10 | \$3.3800 |
| Oct-10 | \$3.1359 |
| Nov-10 | \$3.4883 |
| Dec-10 | \$3.7293 |
| Jan-11 | \$3.7805 |
| Feb-11 | \$3.4915 |
| Mar-11 | \$3.5128 |
| Average Price (\$CDN/GJ) | \$3.5221 |
| ¹ CGPR NGX AB-NIT Same Day Index Weighted Average (Index #1) | |

18. Using the average price of \$3.5221/GJ calculated in Table 1 and AP's line pack energy amount of 770 TJ approved in Decision 2011-160, the total line pack refund is \$2,712,000. The line pack refund amounts for the AP North and AP South systems are calculated in Table 2:

Table 2. Line pack refund amounts

| | Energy amount (TJ) | Average price (\$/GJ) | Refund amount |
|-------|--------------------|-----------------------|----------------|
| North | 591,000 | 3.5221 | \$2,081,561.10 |
| South | 179,000 | 3.5221 | \$630,455.90 |
| Total | 770,000 | | \$2,712,017.00 |

3.2 Allocation of line pack

19. AP indicated that customers have been responsible for providing line pack through Rider "D" (Unaccounted For Gas/Fuel) for AP North and AP South systems since the implementation of the ATCO Gas Deferred Gas Accounts (DGA) in 1988. Prior to 1998 in AP North and 1999 in AP South, UFG was effectively charged to both receipt and delivery customers. The recovery of UFG/Fuel was subsequently altered and allocated to delivery customers. However, in Decision 2004-079,⁶ the Commission accepted AP's proposal to revise the allocation and to move UFG/Fuel recovery to its receipt services.

⁶ Decision 2004-079: ATCO Pipelines, 2004 General Rate Application – Phase II, Application No. 1315997, September 24, 2004.

20. In the application, AP stated that, based on the history of cost recovery of Rider “D” (UFG/Fuel), it believes it is reasonable to refund the line pack value to both receipt and delivery customers. No interveners objected to this proposal.

21. AP submitted that its actual billing determinants reflects the total throughput on its North and South pipeline systems and is an equitable method to allocate the line pack refund among its customers. No interveners objected to this method of allocation. The Commission previously approved the use of throughput to allocate a refund in Decision [2009-050](#).⁷

22. The customer allocation of the line pack refund is illustrated for AP’s North and South pipeline systems in Table 3 and Table 4 below:

Table 3. North allocation of line pack refund by customer group

| | Actual 2010 Billing units (TJ/day) | Line pack (\$000) |
|------------------------------|--|----------------------|
| Distributing companies (FSU) | 1,512 | 1,116 |
| Producer (FSR) & IT/OR | 799 | 610 |
| Industrial (FSD) 1/3/5 & OR | <u>414</u> | <u>317</u> |
| Total | <u>2,726</u> | <u>2,082</u> |

Table 4. South allocation of line pack refund by customer group

| | Actual 2010 Billing units (TJ/day) | Line pack (\$000) |
|------------------------------|--|----------------------|
| Distributing companies (FSU) | 1,241 | 474 |
| Producer (FSR) & IT/OR | 304 | 116 |
| Industrial (FSD) 1/3/5 & OR | <u>105</u> | <u>40</u> |
| Total | <u>1650</u> | <u>630</u> |

3.3 Calculation of the refund rate rider

23. In response to a request from the Commission AP provided the calculation of a Rider “M” to refund the value of the line pack for its North and South pipeline systems using the forecast billing determinants for July, 2011 as shown in Tables 5 and 6 below:

⁷ Decision 2009-050: ATCO Gas South, Retailer Service, South Load Balancing Deferral Account, South Load Balancing Rate Rider “L”, Application No. 1604893, Proceeding ID. 178, April 24, 2009.

Table 5. North line pack refund Rider “M” calculation – July 1 through July 31, 2011

| | July 2011 billing determinants | Allocation of aggregate balance | | |
|--|--------------------------------------|--|---------|-------------|
| | (TJ/Day) | (\$000) | Rider M | |
| Distributing Companies (FSU) | 1,521 | 1,155 | (0.760) | \$/GJ/Month |
| Producer (FSR) | 676 | 556 | (0.822) | \$/GJ/Month |
| Producer Summer IT/OR | <u>66</u> | <u>54</u> | (0.027) | \$/GJ |
| | <u>742</u> | <u>610</u> | | |
| Industrial Firm Demand (FSD) 1-2 yr term | 149 | 126 | (0.843) | \$/GJ/Month |
| Industrial Firm Demand (FSD) 3-4 yr term | 7 | 6 | (0.843) | \$/GJ/Month |
| Industrial Firm Demand (FSD) 5+ yr term | 215 | 181 | (0.843) | \$/GJ/Month |
| Industrial Overrun (FSD) | <u>5</u> | <u>4</u> | (0.027) | \$/GJ |
| | <u>376</u> | <u>317</u> | | |

Table 6. South line pack refund Rider “M” calculation – July 1 through July 31, 2011

| | July 2011 billing determinants | Allocation of aggregate balance | | |
|--|--------------------------------------|--|---------|-------------|
| | (TJ/Day) | (\$000) | Rider M | |
| Distributing Companies (FSU) | 1,259 | 474 | (0.377) | \$/GJ/Month |
| Producer (FSR) | 336 | 111 | (0.331) | \$/GJ/Month |
| Producer Summer IT/OR | <u>14</u> | <u>5</u> | (0.011) | \$/GJ |
| | <u>350</u> | <u>116</u> | | |
| Industrial Firm Demand (FSD) 1-2 yr term | 11 | 5 | (0.417) | \$/GJ/Month |
| Industrial Firm Demand (FSD) 3-4 yr term | 0 | 0 | (0.417) | \$/GJ/Month |
| Industrial Firm Demand (FSD) 5+ yr term | 85 | 35 | (0.417) | \$/GJ/Month |
| Industrial Overrun (FSD) | <u>0</u> | <u>0</u> | (0.014) | \$/GJ |
| | <u>96</u> | <u>40</u> | | |

4 Views of the Commission

24. AP’s application to refund the value of its line pack to customers is the culmination of a number of regulatory steps.

25. As discussed in previous sections of this decision, the Commission has approved the 2010-2012 GRA Phase I revenue requirements resulting from a Negotiated Settlement, Contract Transition and AP’s proposal to refund the value of line pack to customers.

26. In this application, AP requested approval of its calculation of the value of its line pack and the allocation and refund of that value to AP's customers. For the calculation of AP's line pack, in Decision 2011-160 the Commission determined that the energy value should be 770 TJ and the price should use a 12-month weighted average gas price derived from the CGPR NGX AB-NIT Same Day Index Weighted Average (Index #1) as found in Table 1 of this document. AP has determined the resulting line pack value to be \$2.712 million. This value was then split between North and South systems on a capacity basis.

27. With respect to how to allocate the refund among customers, AP submitted that the 2010 actual billing determinants reflected the total throughput on its North and South systems. The Commission had approved this methodology previously in Decision 2009-050. The Commission notes that no interveners expressed an objection to the calculation of the amount to be refunded or to AP's allocation methodology.

28. The Commission finds that its directions on the method of calculating the value of the line pack were followed correctly by AP. The Commission also finds that AP's methodology for refunding the value of its line pack to customers through the use of Rider "M" over the period of July 1, 2011 to July 31, 2011, achieves a fair allocation in a timely manner with administrative ease. Further, no parties to the proceeding objected to AP's allocation of the line pack refund to customers over a one month period.

29. The Commission therefore approves the proposed line pack refund of \$2,712,000 to customers on the AP North and AP South systems through the use of a Rider "M" in the forms shown in Tables 5 and 6 above, and included on page 33 of rate schedule attached as [Appendix 2](#) to this decision. The refund shall be provided during the period July 1, 2011 to July 31, 2011. The value of the purchase is to be recorded in Account No. 153 – Transmission Line Pack Gas.⁸

⁸ Per Alberta Regulation 546/63.

5 Order

30. It is hereby ordered that:

- (1) ATCO Pipelines shall refund a total of \$2,712,000, representing the value of the ATCO Pipelines line pack, to customers on the ATCO Pipelines North and the ATCO Pipelines South Systems during the period of July 1, 2011 to July 31, 2011 through the use of Rider "M" in the forms shown on page 33 of Appendix 2 attached hereto.

Dated on June 13, 2011.

The Alberta Utilities Commission

(original signed by)

Carolyn Dahl Rees
Vice-Chair

Appendix 1 – Proceeding participants

| Name of organization (abbreviation) counsel or representative |
|--|
| ATCO Pipelines (AP) S. Mah E. Jansen D. Dunlop C. May Ross N. MacLean |
| Canadian Association of Petroleum Producers L. Stevenson |
| Consumers' coalition of Alberta J. A. Wachowich J. A. Jodoin |
| Gas Alberta Inc. K. Dannacker D. Symon |
| Industrial Gas Consumers Association of Alberta G. Sproule |
| NOVA Gas Transmission C. Shaw |
| TransAlta Corporation L. Zaitsoff P. Serafini |
| Office of the Utilities Consumer Advocate (UCA) T. Marriott R. Daw G. Garbutt |

| |
|--|
| The Alberta Utilities Commission Commission Panel C. Dahl Rees, Vice-Chair Commission Staff B. McNulty, (Commission counsel) C. Taylor M. McJannet R. Armstrong, P.Eng. |
|--|

Appendix 2 – Rate schedules

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



Appendix 2 - Rate
schedules

(consists of 35 pages)

Appendix 2



RATE SCHEDULES

July 1, 2011

ATCO PIPELINES

RATE SCHEDULES

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| Rider “K” - North and South (ATCO Pipelines) | |
| Rider “L” - North and South (ATCO Pipelines) | |
| Rider “M” – North and South (ATCO Pipelines) | |

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 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.

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 July 1, 2011
By Decision 2011-256
This Replaces Rates FSR, FSRS, ITR
Previously Effective June 1, 2011

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 \$0.032/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 July 1, 2011
By Decision 2011-256
This Replaces Rates FSR, FSRS, ITR
Previously Effective June 1, 2011

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 July 1, 2011
By Decision 2011-256
This Replaces Rates FSR, FSRS, ITR
Previously Effective June 1, 2011

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: \$3.639 per Month per GJ of Contract
Demand

Overrun charge (October 1 through May 31): \$0.105 per GJ

Overrun charge (June 1 through September 30): \$0.290 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): \$0.120 per GJ

Plus: Rider "D"

Plus: Rider "K"

Plus: Rider "L"

Plus: Rider "M"

(b) South zone

Demand charge: \$3.976 per Month per GJ of Contract
Demand

Overrun charge (October 1 through May 31): \$0.116 per GJ

Overrun charge (June 1 through September 30): \$0.278 per GJ

Overrun charge (June 1 through September 30) for overrun receipts that originate on any of the following isolated systems (Vulcan and Brooks): \$0.131 per GJ

Plus: Rider "D"

Plus: Rider "K"

Plus: Rider "L"

Plus: Rider "M"

Effective July 1, 2011
By Decision 2011-256
This Replaces Rates FSR, FSRS, ITR
Previously Effective June 1, 2011

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

Available from November 1 through March 31 only.

(a) North zone

| | |
|-----------------|---|
| Demand charge: | \$3.182 per Month per GJ of Contract Demand |
| Overrun charge: | \$0.105 per GJ |
| Plus: | Rider "D" |
| Plus: | Rider "K" |
| Plus: | Rider "L" |
| Plus: | Rider "M" |

(b) South zone

| | |
|-----------------|---|
| Demand charge: | \$3.520 per Month per GJ of Contract Demand |
| Overrun charge: | \$0.116 per GJ |
| Plus: | Rider "D" |
| Plus: | Rider "K" |
| Plus: | Rider "L" |
| Plus: | Rider "M" |

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

(a) North zone

| | |
|---|----------------|
| Interruptible charge (October 1 through May 31): | \$0.105 per GJ |
| Interruptible charge (June 1 through September 30): | \$0.290 per GJ |

Effective July 1, 2011
By Decision 2011-256
This Replaces Rates FSR, FSRS, ITR
Previously Effective June 1, 2011

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): \$0.120 per GJ

- Plus: Rider "D"
- Plus: Rider "K"
- Plus: Rider "L"
- Plus: Rider "M"

Minimum charge: \$3,600 per year, payable in advance of service commencement.

(b) South zone

Interruptible charge (October 1 through May 31): \$0.116 per GJ

Interruptible charge (June 1 through September 30): \$0.278 per GJ

Overrun charge (June 1 through September 30) for overrun receipts that originate on any of the following isolated systems (Vulcan and Brooks): \$0.131 per GJ

- Plus: Rider "D"
- Plus: Rider "K"
- Plus: Rider "L"
- Plus: Rider "M"

Minimum charge: \$3,600 per year, payable in advance of service commencement.

Effective June 1, 2011
By Decision 2011-225
This Replaces Rate OPR
Previously Effective January 1, 2011

**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 June 1, 2011
By Decision 2011-225
This Replaces Rate OPR
Previously Effective January 1, 2011

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

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

(a) North zone

Commodity Charge: \$0.056 per GJ

Plus: Rider "D"

Plus: Rider "L"

(b) South zone

Commodity Charge: \$0.041 per GJ

Plus: Rider "D"

Plus: Rider "L"

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 July 1, 2011
By Decision 2011-256
This Replaces Rate FSD
Previously Effective June 1, 2011

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: | \$3.391 per Month per GJ of Billing Demand |
| 3 or 4 year Minimum Term: | \$3.228 per Month per GJ of Billing Demand |
| 5+ years Minimum Term: | \$3.069 per Month per GJ of Billing Demand |

Effective July 1, 2011
By Decision 2011-256
This Replaces Rate FSD
Previously Effective June 1, 2011

| | | |
|-----------------|-----------|----------------|
| Overrun charge: | | \$0.117 per GJ |
| Plus: | Rider "K" | |
| Plus: | Rider "M" | |

(b) South Zone

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

Demand charge:

| | |
|---------------------------|--|
| 1 or 2 year Minimum Term: | \$1.986 per Month per GJ of Billing Demand |
| 3 or 4 year Minimum Term: | \$1.890 per Month per GJ of Billing Demand |
| 5+ years Minimum Term: | \$1.795 per Month per GJ of Billing Demand |
| Overrun charge: | \$0.069 per GJ |
| Plus: | Rider "K" |
| Plus: | Rider "M" |

Effective July 1, 2011
By Decision 2011-256
This Replaces Rate FSU
Previously Effective June 1, 2011

**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 July 1, 2011
By Decision 2011-256
This Replaces Rate FSU
Previously Effective June 1, 2011

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: | \$4.118 per Month per GJ of Peak Billing Demand |
| Plus: | Rider "K" |
| Plus: | Rider "M" |

(b) South zone

| | |
|----------------|---|
| Demand charge: | \$2.342 per Month per GJ of Peak Billing Demand |
| Plus: | Rider "K" |
| Plus: | Rider "M" |

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 January 1, 2011
By Decision 2010-613
This Replaces Rate SPD
Previously Effective October 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 January 1, 2011
By Decision 2010-613
This Replaces Rate SPD
Previously Effective October 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: \$0.095 per GJ

(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 January 1, 2011
This Replaces Non-Standard Rates
Previously Effective February 20, 2008

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

Effective July 1, 2011
By Decision 2011-256
This Replaces Rate Riders
Previously Effective June 1, 2011

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 "K" Aggregated Deferral Account Balances (ATCO Pipelines)

This rider relates to the refund of the North & South deferral account balances for Other Pipeline Receipt, Other Pipeline Delivery, Facilities Connection Service, Salt Cavern Working Gas, Benchmarking/I-Tek True-up, Deferred Pension Funding, Revenue, Property Taxes, Hearing Costs and Load Balancing Deferral Account - Price Variance, refunded over the period June 1, 2011 to July 31, 2011.

Rider "L" Load Balancing Deferral Account (ATCO Pipelines)

This rider relates to the collection of the North & South Load Balancing Deferral Account - volume variance balances, collected over the period June 1, 2011 to July 31, 2011.

Rider "M" Line Pack (ATCO Pipelines)

This rider relates to the refund of line pack value in the North and South pipeline systems to AP's customers, refunded over the period of July 1, 2011 to July 31, 2011.

Effective June 3, 2011, By Decision 2011-141
This Replaces Rider "A"
Previously Effective May 10, 2011

**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 | 6.91 | 10/09/07 | 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 | St. Albert | 18.80 | 11/05/10 |
| Berwyn | 20.00 | 04/11/18 | Irma | 20.00 | 04/10/15 | Stony Plain | 17.00 | 04/08/16 |
| Bittern Lake | 5.00 | 11/06/03 | Itaska | 12.00 | 04/09/21 | Swan Hills | 0.00 | 07/09/12 |
| Blackfalds | 35.00 | 10/01/01 | Jasper Muni | 17.10 | 06/09/01 | Sylvan Lake | 24.50 | 04/02/04 |
| Bon Accord | 25.00 | 04/11/01 | Jasper Ntl Pk | 17.10 | 06/09/01 | Thorsby | 10.00 | 10/12/17 |
| Breton | 12.47 | 01/06/19 | Kitscoty | 10.00 | 05/09/15 | Tofield | 10.00 | 04/05/04 |
| Bruderheim | 10.00 | 04/04/20 | Lacombe | 22.00 | 04/06/02 | Vegreville | 33.00 | 04/10/12 |
| Camrose | 16.00 | 11/01/01 | Lamont | 35.00 | 04/05/10 | Vermilion | 15.00 | 04/04/07 |
| Caroline | 20.00 | 05/10/11 | Lavoy | 16.61 | 09/10/23 | Veteran | 3.00 | 07/09/12 |
| Chipman | 0.00 | 06/05/12 | Legal | 16.60 | 06/09/12 | Viking | 21.51 | 04/09/26 |
| Clive | 16.17 | 04/05/17 | Lloydminster | 25.00 | 08/02/01 | Warburg | 10.00 | 09/01/01 |
| Clyde | 9.46 | 10/05/04 | Lougheed | 16.67 | 02/04/18 | Wembley | 25.00 | 08/07/01 |
| Cold Lake | 13.00 | 05/11/01 | Mannville | 20.00 | 04/11/02 | Wetaskiwin | 35.00 | 07/12/17 |
| Consort | 22.00 | 04/05/07 | Mayerthorpe | 5.00 | 05/02/18 | Whitcourt *** | 19.00 | 07/10/01 |
| 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>%</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 | 32.90 | 11/01/01 | 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 | Peace River | 24.70 | 10/10/18 | Hythe | 8.70 | 07/02/26 |
| Fairview | 21.63 | 04/07/01 | Point Alison | 15.00 | 07/10/12 | Spruce Grove | 8.26 | 10/06/14 |
| Falher | 15.00 | 04/06/10 | Ponoka | 17.00 | 04/08/13 | | | |
| Fox Creek | 12.93 | 01/06/11 | Provost | 16.00 | 10/01/01 | | | |
| Ft. Saskatchewan | 0.00 | 04/09/28 | Red Deer | 33.00 | 11/01/01 | | | |
| Gibbons | 30.00 | 05/10/01 | Rimbey | 24.00 | 04/03/01 | | | |
| Girouxville | 20.00 | 04/06/10 | Rocky Mtn. House | 23.00 | 11/01/01 | | | |
| Golden Days | 25.00 | 04/06/15 | Rycroft | 15.00 | 04/10/14 | | | |
| Grande Prairie | 25.00 | 06/03/07 | Ryley | 5.00 | 04/08/06 | | | |
| Grimshaw | 28.00 | 01/12/01 | Seba Beach | 20.00 | 10/06/03 | | | |

** FSD Customers at 0.00%.

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

Effective May 13, 2011 by Decision 2011-071 (Errata)
This Replaces Rider "A"
Previously Effective January 8, 2011

**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>Municipalities – Method A</u> | <u>%</u> | <u>Effective Date yymmdd</u> | <u>Municipalities – Method A</u> | <u>%</u> | <u>Effective Date yymmdd</u> | <u>Municipalities – Method C</u> | <u>%</u> | <u>Effective Date yymmdd</u> |
|--------------------------------------|----------|--------------------------------------|--------------------------------------|----------|--------------------------------------|--------------------------------------|----------|--------------------------------------|
| Acme | 20.00 | 04/03/10 | Elnora | 16.00 | 04/05/27 | Calgary** | 11.11 | 91/01/01 |
| Airdrie | 29.60 | 07/10/01 | Foremost | 21.00 | 04/01/21 | Banff Ntl Park | 5.25 | 90/01/01 |
| Banff | 31.20 | 06/03/24 | Fort Macleod | 12.50 | 01/10/02 | Big Valley | 5.26 | 06/04/25 |
| Barnwell | 13.00 | 01/01/18 | Granum | 8.50 | 04/10/26 | Glenwood | 5.26 | 94/10/01 |
| Barons | 14.97 | 00/08/21 | High River | 13.00 | 04/10/15 | Innisfail | 5.26 | 06/12/11 |
| Bassano | 20.00 | 06/06/21 | Hill Spring | 5.00 | 10/03/25 | Okotoks | 5.25 | 75/09/08 |
| Beiseker | 15.00 | 10/06/14 | Hussar | 13.74 | 01/02/21 | Picture Butte | 6.00 | 06/09/11 |
| Black Diamond | 14.00 | 00/09/19 | Irricana | 11.18 | 99/12/06 | Vauxhall | 5.50 | 10/01/19 |
| Bow Island | 10.50 | 03/09/23 | Lethbridge | 32.30 | 02/01/14 | | | |
| Bowden | 22.00 | 07/02/16 | Linden | 15.23 | 04/07/09 | | | |
| Brooks | 18.00 | 04/09/13 | Lomond | 20.00 | 05/05/26 | | | |
| Burdett | 12.00 | 04/09/08 | Longview | 16.00 | 01/12/10 | | | |
| Canmore | 22.10 | 04/05/13 | Magrath | 15.00 | 10/01/18 | | | |
| Carbon | 15.07 | 00/09/18 | Milk River | 30.00 | 04/12/14 | | | |
| Cardston | 15.00 | 07/10/04 | Nanton | 13.00 | 05/11/04 | | | |
| Carmangay | 15.00 | 10/03/02 | Nobleford | 0.00 | 06/10/04 | | | |
| Carstairs | 25.00 | 07/08/01 | Olds | 27.50 | 07/04/24 | | | |
| Champion | 15.00 | 10/03/02 | Penhold | 18.00 | 08/07/13 | | | |
| Claresholm | 10.00 | 05/05/05 | Raymond | 5.00 | 08/08/13 | | | |
| Coaldale | 11.30 | 00/06/12 | Rockyford | 29.00 | 10/01/01 | | | |
| Coalhurst | 12.44 | 00/09/19 | Rosemary | 14.78 | 04/01/21 | | | |
| Cochrane | 23.00 | 05/08/19 | Standard | 11.34 | 00/12/13 | | | |
| Coutts | 20.00 | 08/09/09 | Stavely | 10.00 | 10/02/03 | | | |
| Cowley | 13.79 | 02/08/23 | Stirling | 5.00 | 09/07/28 | | | |
| Cremona | 27.00 | 09/01/01 | Strathmore | 11.18 | 10/02/17 | | | |
| Crossfield | 17.00 | 10/05/07 | Taber | 20.00 | 10/05/21 | | | |
| Crowsnest Pass | 15.00 | 09/03/01 | Taber* | 35.00 | 10/05/21 | | | |
| Delburne | 21.60 | 07/04/10 | Trochu | 14.20 | 05/04/08 | | | |
| Didsbury | 25.00 | 10/01/01 | Turner Valley | 10.00 | 04/02/23 | | | |
| Duchess | 12.67 | 01/05/17 | Vulcan | 25.00 | 11/01/08 | | | |

* 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 June 3, 2011 by Decision 2011-141

This Replaces Rider "B"

Previously Effective February 1, 2011

**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 1st of February each year.

The percentage is to be applied as an addition to the billings calculated under the Rates including charges as allowed under other Riders in effect with respect to the following municipalities:

| <u>Municipalities</u> | <u>%</u> | <u>Effective Date</u> <u>yymmdd</u> | <u>Municipalities</u> | <u>%</u> | <u>Effective Date</u> <u>yymmdd</u> |
|--------------------------------|----------|--|----------------------------|----------|--|
| Alberta Beach | 3.40 | 11/02/01 | Lavoy | 2.60 | 11/02/01 |
| Argentia Beach | 1.00 | 11/02/01 | Legal | 3.80 | 11/02/01 |
| Bashaw | 2.60 | 11/02/01 | Lloydminster | 1.60 | 11/02/01 |
| Bentley | 3.20 | 11/02/01 | Mannville | 3.90 | 11/02/01 |
| Berwyn | 7.00 | 11/02/01 | Mayerthorpe | 4.70 | 11/02/01 |
| Bittern Lake | 10.60 | 11/06/03 | Millett | 2.90 | 11/02/01 |
| Blackfalds | 3.60 | 11/02/01 | Minburn | 4.50 | 11/02/01 |
| Bon Accord | 3.10 | 11/02/01 | Mundare | 4.30 | 11/02/01 |
| Breton | 3.70 | 11/02/01 | Nampa | 3.00 | 11/02/01 |
| Bruderheim | 3.00 | 11/02/01 | Norglenwold | 1.30 | 11/02/01 |
| Camrose | 2.70 | 11/02/01 | Onoway | 9.80 | 11/02/01 |
| Caroline | 2.10 | 11/02/01 | Oyen | 1.00 | 11/02/01 |
| Clive | 1.60 | 11/02/01 | Paul Band First Nation | 15.10 | 11/02/01 |
| Clyde | 5.40 | 11/02/01 | Point Alison | 2.70 | 11/02/01 |
| Cold Lake | 1.80 | 11/02/01 | Ponoka | 2.40 | 11/02/01 |
| Coronation | 7.90 | 11/02/01 | Provost | 3.80 | 11/02/01 |
| Edgerton | 2.30 | 11/02/01 | Red Deer | 2.60 | 11/02/01 |
| Edmonton | 4.10 | 11/02/01 | Rycroft | 4.70 | 11/02/01 |
| Edson | 4.60 | 11/02/01 | Ryley | 13.50 | 11/02/01 |
| Entwistle | 0.00 | 11/02/01 | Seba Beach | 1.60 | 11/02/01 |
| Falher | 3.90 | 11/02/01 | Silver Beach | 1.40 | 11/02/01 |
| Fort McMurray 468 First Nation | 6.10 | 11/02/01 | Slave Lake | 2.40 | 11/02/01 |
| Fort Saskatchewan | 1.50 | 11/02/01 | Stony Plain | 1.70 | 11/02/01 |
| Girouxville | 5.10 | 11/02/01 | Stony Plain Indian Reserve | 5.00 | 11/02/01 |
| Golden Days | 1.00 | 11/02/01 | Swan Hills | 5.30 | 11/02/01 |
| Grande Prairie | 3.90 | 11/02/01 | Sylvan Lake | 2.00 | 11/02/01 |
| Hardisty | 3.50 | 11/02/01 | Thorsby | 8.20 | 11/02/01 |
| Hinton | 2.00 | 11/02/01 | Tofield | 9.40 | 11/02/01 |
| Holden | 12.60 | 11/02/01 | Vegreville | 2.60 | 11/02/01 |
| Innisfree | 3.00 | 11/02/01 | Vermilion | 2.40 | 11/02/01 |
| Irma | 3.50 | 11/02/01 | Veteran | 5.90 | 11/02/01 |
| Itaska Beach | 1.10 | 11/02/01 | Viking | 4.90 | 11/02/01 |
| Jarvis Bay | 1.10 | 11/02/01 | Wabamun | 5.70 | 11/02/01 |
| Jasper Municipality | 2.60 | 11/02/01 | Warburg | 3.90 | 11/02/01 |
| Kitscoty | 5.30 | 11/02/01 | Wembley | 1.50 | 11/02/01 |
| Lacombe | 2.10 | 11/02/01 | Wetaskiwin | 3.80 | 11/02/01 |
| Lakeview | 0.80 | 11/02/01 | Whitecourt | 1.90 | 11/02/01 |
| Lamont | 5.30 | 11/02/01 | Wood Buffalo (Ft McMurray) | 0.80 | 11/02/01 |

**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 1st of February each year.

The percentage is to be applied as an addition to the billings calculated under the Rates including charges as allowed under other Riders in effect with respect to the following municipalities:

| <u>Municipalities</u> | <u>%</u> | <u>Effective Date yymmdd</u> | <u>Municipalities</u> | <u>%</u> | <u>Effective Date yymmdd</u> |
|-----------------------|----------|--------------------------------------|---------------------------|----------|--------------------------------------|
| Ardrie | 2.30 | 11/02/01 | Redwood Meadows (Siksika) | 9.60 | 11/02/01 |
| Banff Town | 0.10 | 11/02/01 | Rosemary | 4.60 | 11/02/01 |
| Bassano | 3.00 | 11/02/01 | Stavely | 1.70 | 11/02/01 |
| Bow Island | 4.70 | 11/02/01 | Stirling | 1.90 | 11/02/01 |
| Brooks | 3.70 | 11/02/01 | Strathmore | 1.30 | 11/02/01 |
| Canmore | 2.90 | 11/02/01 | Taber | 3.60 | 11/02/01 |
| Cardston | 3.80 | 11/02/01 | Trochu | 5.10 | 11/02/01 |
| Carmangay | 4.40 | 11/02/01 | Turner Valley | 5.30 | 11/02/01 |
| Carstairs | 2.30 | 11/02/01 | Vulcan | 3.00 | 11/02/01 |
| Champion | 2.50 | 11/02/01 | | | |
| Claresholm | 2.80 | 11/02/01 | | | |
| Coaldale | 3.50 | 11/05/13 | | | |
| Coutts | 4.50 | 11/02/01 | | | |
| Crowsnest Pass | 4.40 | 11/02/01 | | | |
| Didsbury | 3.30 | 11/02/01 | | | |
| Elnora | 2.80 | 11/02/01 | | | |
| Foremost | 3.20 | 11/02/01 | | | |
| Granum | 6.50 | 11/02/01 | | | |
| Hill Spring | 5.10 | 11/02/01 | | | |
| Linden | 5.40 | 11/02/01 | | | |
| Lomond | 3.60 | 11/02/01 | | | |
| Milk River | 5.70 | 11/02/01 | | | |
| Nanton | 4.30 | 11/02/01 | | | |
| Nobleford | 0.40 | 11/02/01 | | | |
| Olds | 2.30 | 11/02/01 | | | |
| Penhold | 3.40 | 11/02/01 | | | |
| Raymond | 4.30 | 11/02/01 | | | |

By Decision 2010-504
Effective November 1, 2010 to October 31, 2011
This Replaces Rate Rider "D"
Previously Effective November 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, 2010:

| | |
|--------|--------|
| North: | 0.397% |
| South: | 0.684% |

**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 or call 1-866-420-3174 for the current value.

**ATCO PIPELINES NORTH AND SOUTH
RIDER "K"**

This rider relates to the refund of the North & South deferral account balances for Other Pipeline Receipt, Other Pipeline Delivery, Facilities Connection Service, Salt Cavern Working Gas, Benchmarking/I-Tek True-up, Deferred Pension Funding, Revenue, Property Taxes, Hearing Costs and Load Balancing Deferral Account - Price Variance, refunded over the period June 1, 2011 to July 31, 2011.

| North | Rider 'K' June 1, 2011 - July 31, 2011 |
|---|--|
| Demand Charges (\$/GJ/Month) <i>Distributing Companies (FSU)</i> | \$ (1.328) |
| Producers (FSR) Firm | \$ (2.389) |
| Industrial (FSD) One Year | \$ (1.729) |
| Three Year | \$ (1.729) |
| Five Year | \$ (1.729) |
| Commodity Charges (\$/GJ) Producers (FSR) Producer Summer IT/OR | \$ (0.078) |
| Industrial (FSD) Industrial Overrun | \$ (0.057) |

| South | Rider 'K' June 1, 2011 - July 31, 2011 |
|---|--|
| Demand Charges (\$/GJ/Month) <i>Distributing Companies (FSU)</i> | \$ (0.575) |
| Producers (FSR) Firm | \$ (2.412) |
| Industrial (FSD) One Year | \$ (0.557) |
| Three Year | \$ (0.557) |
| Five Year | \$ (0.557) |
| Commodity Charges (\$/GJ) Producers (FSR) Producer Summer IT/OR | \$ (0.079) |
| Industrial (FSD) Industrial Overrun | \$ (0.018) |

**ATCO PIPELINES NORTH AND SOUTH
RIDER "L"**

This rider relates to the collection of the North & South Load Balancing Deferral Account - volume variance balances, collected over the period June 1, 2011 to July 31, 2011.

| North | Rider 'L' June 1, 2011 - July 31, 2011 |
|---|--|
| Demand Charges (\$/GJ/Month) | |
| Producers (FSR) | |
| Firm | \$ 2.454 |
| Short Term Firm | \$ 2.454 |
| Commodity Charges (\$/GJ) | |
| Producers (FSR) | |
| Producer Summer IT/OR | \$ 0.081 |
| Other Pipeline Receipt Nominations (OPR) | \$ 0.081 |
| South | Rider 'L' June 1, 2011 - July 31, 2011 |
| Demand Charges (\$/GJ/Month) | |
| Producers (FSR) | |
| Firm | \$ 1.527 |
| Short Term Firm | \$ 1.527 |
| Commodity Charges (\$/GJ) | |
| Producers (FSR) | |
| Producer Summer IT/OR | \$ 0.050 |
| Other Pipeline Receipt Nominations (OPR) | \$ 0.050 |

**ATCO PIPELINES NORTH AND SOUTH
RIDER "M"**

This rider relates to the refund of the line pack value in the North and South pipeline systems to AP's customers, refunded over the period of July 1, 2011 to July 31, 2011.

| North | Rider 'M' July 1, 2011 to July 31, 2011 |
|-------------------------------------|---|
| Demand Charges (\$/GJ/Month) | |
| <i>Distributing Companies (FSU)</i> | \$(0.760) |
| Producers (FSR) | |
| Firm | \$(0.822) |
| Industrial (FSD) | |
| One Year | \$(0.843) |
| Three Year | \$(0.843) |
| Five Year | \$(0.843) |
| Commodity Charges (\$/GJ) | |
| Producers (FSR) | |
| Producer Summer IT/OR | \$(0.027) |
| Industrial (FSD) | |
| Industrial Overrun | \$(0.027) |

| South | Rider 'M' July 1, 2011 to July 31, 2011 |
|-------------------------------------|---|
| Demand Charges (\$/GJ/Month) | |
| <i>Distributing Companies (FSU)</i> | \$(0.377) |
| Producers (FSR) | |
| Firm | \$(0.331) |
| Industrial (FSD) | |
| One Year | \$(0.417) |
| Three Year | \$(0.417) |
| Five Year | \$(0.417) |
| Commodity Charges (\$/GJ) | |
| Producers (FSR) | |
| Producer Summer IT/OR | \$(0.011) |
| Industrial (FSD) | |
| Industrial Overrun | \$(0.014) |