

Appendix 3

ATCO Gas and Pipelines Ltd.

ATCO Gas South

Rate Schedules

May 1, 2011

Effective May 1, 2011

**ATCO GAS AND PIPELINES LTD. - SOUTH
RATE SCHEDULES****INDEX**

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Effective January 1, 2011 by Decision 2010-573
This Replaces General Conditions
Previously Effective September 1, 2007

ATCO GAS AND PIPELINES LTD. - SOUTH GENERAL CONDITIONS

1. **Approval of Alberta Utilities Commission (AUC):**

Changes in Rates from time to time are subject to approval by the AUC for the Province of Alberta.

2. **Special Contracts:**

Unless varied by the AUC, service to Customers under Special Contracts shall be subject to the terms and conditions thereof.

3. **Specific Facilities Conditions:**

The Rates do not include extra costs incurred by the Company and payable by the Customer for Special Facilities or conditions requested by the Customer at the Point of Delivery.

4. **Winter Period - Summer Period:**

The winter period is the five calendar months from November 1 to March 31, and the summer period is the seven calendar months from April 1 to October 31.

5. **Late Payment Charge:**

When accounts are not paid in full on or before the due date, the Company will apply a 1% penalty on the amount due. If the payment is not received by the next billing cycle, a 1% penalty will be applied to the balance carried forward (including prior penalties).

6. **Terms and Conditions:**

The Company's Terms and Conditions for Distribution Service Connections and Distribution Access Service apply to all Customers and form part of these Rate Schedules.

7. **DSP Rider F:**

The words "DSP Rider "F" " as they appear on the Rate Schedules, shall mean the Default Supply Provider's Regulated Services Gas Cost Flow-Through Rate for ATCO Gas.

Effective January 8, 2011 Acknowledged by AUC Letter Dated December 8, 2010
This Replaces Rider "A"
Previously Effective June 14, 2010

ATCO GAS AND PIPELINES LTD. - SOUTH
ATCO GAS – SOUTH AND ATCO PIPELINES - SOUTH
RIDER "A" TO ALL RATES
AND ANY OTHER RIDERS 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	A	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	25.00	A

* Applied to High Use and FSD customers.

** Exemption available on Rider "E" portion of natural gas feedstock quantities used by an electrical generation plant 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 May 21, 2010 by Decision 2010-180
This Replaces Rider “B”
Previously Effective March 25, 2010

**ATCO GAS AND PIPELINES LTD. – SOUTH
ATCO GAS – SOUTH AND ATCO PIPELINES - 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:

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

Effective November 1, 2010 to October 31, 2011 by Decision 2010-506
This Replaces Rider “D”
Previously Effective November 1, 2009

**ATCO GAS AND PIPELINES LTD. - SOUTH
ATCO GAS – SOUTH
RIDER “D” TO DISTRIBUTION ACCESS SERVICE CUSTOMERS FOR THE
RECOVER OF
UNACCOUNTED FOR GAS (UFG)**

All Retailer and Default Supply Provider Customers utilizing Distribution Access Service for delivering gas off the ATCO Gas South distribution system will be assessed a distribution UFG charge of 0.840% at the Point of Delivery. The UFG assessment will be made up “In-Kind” from each Customer Account.

Effective September 1, 2007 by Decision 2007-059
This Replaces Rider “E”
Previously Effective May 4, 2004

**ATCO GAS AND PIPELINES LTD. - SOUTH
RIDER “E” TO DELIVERY SERVICE RATES
FOR THE DETERMINATION OF THE “DEEMED VALUE OF NATURAL GAS”
FOR CALCULATION OF MUNICIPAL FRANCHISE FEE PAYABLE**

A Deemed Value of Natural Gas Rate will be applied to the energy delivered to Delivery Service Customers for the determination of municipal franchise fee payable by Customers in municipalities designated as Method “C” municipalities on Rider “A” of these Rate Schedules.

FOR ALL RATES:

The “Deemed Value” is an amount equal to the Gas Cost flow Through Rate specified on the DSP Rider “F”.

Effective January 1, 2011 by Decision 2010-573
This Replaces Rider “H”
Previously Effective November 1, 2010

**ATCO GAS AND PIPELINES LTD. - SOUTH
RIDER “H” TO LOW USE, MID USE AND HIGH USE DELIVERY SERVICE RATES
FOR RECOVERY OF CARBON RELATED COSTS**

To be applied to the energy delivered to Low Use, Mid Use and High Use Delivery Service customers unless otherwise specified by specific contracts or the AUC effective November 1, 2010 to December 31, 2011.

Carbon Recovery Rider (CRR): \$0.283 per GJ

Effective November 1, 2010 by Decision 2010-496
This Replaces Rider “I”
Previously Effective May 1, 2010

**ATCO GAS AND PIPELINES LTD. - SOUTH
RIDER “I” TO IRRIGATION DELIVERY SERVICE RATES
FOR RECOVERY OF CARBON RELATED COSTS**

To be applied to the energy delivered to Irrigation Delivery Service customers unless otherwise specified by specific contracts or the AUC, effective November 1, 2010 to December 31, 2011.

Carbon Irrigation Recovery Rider (CIRR): \$0.566 per GJ

Effective May 1, 2011 by Decision 2011-170

**ATCO GAS AND PIPELINES LTD. - SOUTH
RIDER "S" INTERIM RIDER**

To be applied to the Fixed Charge, Variable Charge and Demand Charge to all customers unless otherwise specified by specific contracts or the AUC, effective May 1, 2011.

For All Delivery Service Rates the amount is equal to:

14.16%

Effective May 1, 2011 by Decision 2011-170
This Replaces Rider “T”
Previously Effective January 1, 2011

**ATCO GAS AND PIPELINES LTD. - SOUTH
RIDER “T” TRANSMISSION SERVICE CHARGE**

To be applied to the Low Use, Mid Use and High Use customers unless otherwise specified by specific contracts or AUC, effective May 1, 2011.

Low Use Delivery Rate	\$0.285 per GJ
Mid Use Delivery Rate	\$0.268 per GJ
High Use Delivery Rate	\$0.097 per Day per GJ of 24 Hr. Billing Demand

Effective May 1, 2011 by Decision 2011-170
This Replaces Low Use Delivery Service
Previously Effective January 1, 2011

ATCO GAS AND PIPELINES LTD. – SOUTH LOW USE DELIVERY SERVICE

Available to all customers using 1,200 GJ per year or less, except those customers who utilize the Company's facilities for emergency service only.

CHARGES:

Fixed Charge:	\$0.668 per Day
Variable Charge:	\$0.645 per GJ
CRR:	Rider "H"
Interim Rider:	Rider "S"
Transmission Service Charge:	Rider "T"

RATE SWITCHING:

A Low Use customer that consumes more than 1,200 GJ of natural gas annually but no more than 8,000 GJ annually for two consecutive years will automatically be switched to the Mid Use rate group without notice. ATCO Gas will notify the customers' retailers of any such rate switches.

Effective May 1, 2011 by Decision 2011-170
This Replaces Mid Use Delivery Service
Previously Effective January 1, 2011

ATCO GAS AND PIPELINES LTD. – SOUTH MID USE DELIVERY SERVICE

Available to all customers using more than 1,200 GJ per year but no more than 8,000 GJ annually, except those customers who utilize the Company's facilities for emergency service only.

CHARGES:

Fixed Charge:	\$0.668 per Day
Variable Charge:	\$0.650 per GJ
CRR:	Rider "H"
Interim Rider:	Rider "S"
Transmission Service Charge:	Rider "T"

RATE SWITCHING:

A Mid Use customer that consumes less than 1,201 GJ of natural gas annually for two consecutive years will automatically be switched to the Low Use rate group without notice. ATCO Gas will notify the customers' retailers of any such rate switches.

Effective May 1, 2011 by Decision 2011-170
This Replaces High Use Delivery Service
Previously Effective January 1, 2011

ATCO GAS AND PIPELINES LTD. - SOUTH HIGH USE DELIVERY SERVICE

Available to all customers using more than 8,000 GJ per year except those customers who utilize the Company's facilities for emergency service only.

CHARGES:

Fixed Charge:	\$3.292 per Day
Variable Charge:	\$0.00 per GJ
Demand Charge:	\$0.144 per Day per GJ of 24 Hr. Billing Demand
CRR:	Rider "H"
Interim Rider:	Rider "S"
Transmission Service Charge:	Rider "T"
Customer Service Charge (if Applicable):	As per Schedule D Customer Service Letter Agreement

DETERMINATION OF BILLING DEMAND:

The Billing Demand for each billing period shall be the greatest amount of gas in GJ delivered in any Gas Day (i.e. 8:00 am to 8:00 am) during the current and preceding eleven billing periods provided that the greatest amount of gas delivered in any Gas Day in the summer period shall be divided by 2.

Provided that for a Customer who elects to take service only during the summer period, the Billing Demand for each billing period shall be the greatest amount of gas in GJ in any Gas Day in that billing period.

In the first contract year, the Company shall estimate the Billing Demand from information provided by the Customer.

CUSTOM SERVICE CONTRACT DEMAND:

For Customers that have executed a Custom Service Letter Agreement of the form of Schedule D of the Terms and Conditions for Distribution Service Connections, the Billing Demand as noted above will be equal to the Contract Demand as specified in the Custom Service Letter Agreement.

RATE SWITCHING

Once a customer is billed under the High Use rate schedule, they will only be switched back to the Low or Mid Use rate schedule at the request of the customer. Only one switch per year will be allowed, and the effective date for the switch will be determined by ATCO Gas.

Effective May 1, 2011 by Decision 2011-170
This Replaces Irrigation Delivery Service
Previously Effective January 1, 2011

**ATCO GAS AND PIPELINES LTD. - SOUTH
IRRIGATION DELIVERY SERVICE**

Available to all customers who use natural gas as a fuel for engines pumping irrigation water between April 1 and October 31.

CHARGES:

Fixed Charge:	\$1.192 per Day
Variable Charge:	\$0.983 per GJ
CIRR:	Rider "I"
Interim Rider:	Rider "S"

Effective September 1, 2007 by Decision 2007-059
This Replaces Rate 7
Previously Effective January 1, 2006

**ATCO GAS AND PIPELINES LTD. - SOUTH
EMERGENCY DELIVERY SERVICE**

CHARGES:

AUTHORIZED:

Fixed Charge: \$15.00 per Day

Variable Charge: Variable Charge of Low Use Delivery Service

Gas Cost Recovery: Highest cost of Gas purchased by the DSP on the Day of Sale,
with a minimum price of the DSP Rider "F".

UNAUTHORIZED:

Fixed Charge: \$125.00 per Day

Gas Cost Recovery: Five (5) times the DSP Rider "F", with a minimum price of the
highest cost of Gas purchased by the DSP on the Day of Sale.

Effective September 1, 2007 by Decision 2007-059
This Replaces Rate 8
Previously Effective January 1, 2006

**ATCO GAS AND PIPELINES LTD. - SOUTH
UNMETERED GAS LIGHT SERVICE**

Applicable to all Customers with Company installed and approved gas lights.

Fixed Charge: \$0.090 per Mantle per Day