

THE PROVINCE OF ALBERTA
MUNICIPAL GOVERNMENT ACT
ALBERTA ENERGY AND UTILITIES BOARD

IN THE MATTER of a Franchise
Agreement between the
City of Lethbridge and
ATCO Gas and Pipelines Ltd.

ORDER U2001-502

Application No. 1247471
File No. 6675-L8

The City of Lethbridge (the City) filed an application with the Alberta Energy and Utilities Board (the EUB) for approval to renew its special franchise agreement with ATCO Gas and Pipelines Ltd. (ATCO Gas) for a period of 10 years in accordance with the terms of a natural gas Franchise Agreement (the Renewal Agreement) which is attached as Schedule "A" to this Order.

The EUB notes that the Renewal Agreement includes a change in the calculation of the franchise fee from 11.11 per cent of the gross revenue of ATCO Gas inclusive of the deemed value of natural gas delivered to its customers within the City, to 32.3 per cent of the revenue of ATCO Gas derived only from the non-gas portion of its customers' bills within the City.

Notice of the application was published and no objections were received.

The EUB considers that the privilege or franchise contained in the Renewal Agreement is necessary and proper for the public convenience and properly conserves the public interests. The EUB notes that the City and ATCO Gas have given the EUB consent to proceed with the application without a hearing.

Therefore, the Alberta Energy and Utilities Board, pursuant to section 45 of the *Municipal Government Act*, S.A. 1994, c. M-26.1, hereby orders as follows:

1. Application No. 1247471 by the City of Lethbridge dated October 25, 2001 is approved, subject to the terms and conditions herein contained.
2. The City of Lethbridge shall file with the Alberta Energy and Utilities Board a copy of the By-law No. 5127 after third reading; and a copy of the executed Renewal Agreement.

DATED at the City of Edmonton, in the Province of Alberta, on December 18, 2001.

ALBERTA ENERGY AND UTILITIES BOARD

SCHEDULE "A"

This schedule is not available for the web site.
Please contact EUB Information Services
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