

ATCO Gas South Imbalances

The Alberta Utilities Commission (AUC) approved ATCO Gas' (AG's) Retailer Service in Order U2008-290 and it was implemented on October 1, 2008. Retailer Service implementation included the transition of load balancing from Direct Energy Regulated Services (DERS) to AG. The load balancing transition included the discontinuance of daily load balancing AG's Firm Service Utility accounts by DERS, the performance of that balancing function by AG and the transition of High Use (HU) and Low Use (LU) account imbalances.

For this application, AG has assumed the two-year limitation period is April 2008 to March 2010 because the next affected GCFR month is April 2010.

The two components of the load balancing transition, HU/LU Account Imbalances and FSU Account Adjustments, are described in greater detail in the following sections.

HU/LU Account Imbalances

HU/LU account imbalance transition concluded with final settlement for September 2008 which was completed in February 2009 and included in DERS' May 2009 GCFR Application. As the last step in transition, ATCO Gas conducted a review of the total HU/LU Imbalance amounts included in its LBDA for the months October 2008 to February 2009 inclusive and the corresponding amounts contained in DERS' GCFR applications for the months December 2008 to May 2009 inclusive. The continuity schedule for the HU/LU Account imbalances was included in the DERS' May 2009 GCFR. The HU/LU Account imbalance transition was complete in the May 2009 GCFR.

FSU Account Adjustments

In Decision 2008-105 issued October 28, 2008 ("Rider D Decision"), the AUC approved that FSU adjustments applicable to periods prior to October 1, 2008 dealt with in AG's load balancing should be charged or refunded to DERS on a going forward basis:

- (6) *ATCO Gas has approval to charge or pay to Direct Energy Regulated Services the effect of any future measurement adjustments which result in changes to ATCO*

Gas's FSU accounts applicable to the period prior to October 1, 2008 and are dealt with by AG in its LBDA subject to the limitations outlined in this Decision.¹

The table below is for adjustments applicable to periods prior to October 1, 2008 that were processed in AG's FSU account in January 2010. These entries are required to keep both DERS and AG whole for the load balancing transition.

Recovery Month ¹	Price ²	South FSU Account 1405	
	\$/GJ	GJ ³	Dollars ⁴
February '10	\$4.9744	<u>62,248</u>	<u>\$309,646.45</u>
FSU Gas Recovery pack/(draft) ^{3, 4,}		62,248	\$309,646.45
FSU Imbalances charge/(refund)^{3, 4}		(62,248)	(\$309,646.45)

Notes:

1. The Gas Recovery energy shown is the sum of the daily energy occurring within each calendar month shown. ATCO Pipelines' Gas Recovery period commences in approximately the third week of each month and continues each day for approximately 25 days, carrying into the following calendar month.
2. CGPR Daily Index is the total weighted average of the February '10 Same Day Index published by the Canadian Gas Price Reporter and has been used to value imbalances energy.
3. Positive Gas Recovery energy in the FSU account is the quantity that DERS would have sold had it continued to load balance AG's gas distribution system. Negative Gas Recovery energy is the quantity that DERS would have had to purchase if it had continued to load balance.
4. Positive FSU Gas Recovery energy is valued at the Weighted Average Daily Index price and the dollars are refunded to DERS. Negative FSU Gas Recovery energy is valued at the Weighted Average Daily Index price and the dollars are charged to DERS.

The energy adjustments reported in the FSU account's Gas Recovery are categorized in the table below. The adjustment related to new measurement correction is discussed in greater detail in the Measurement Adjustments section.

South FSU Account 1405 ¹	
<u>Category of adjustment</u>	(in Gigajoules) <u>Jan '10</u>
Update SCADA with meter-read consumption ²	0
Balance of previous measurement correction ³	62,248
New measurement correction ³	0
FSU Gas Recovery pack/(draft) GJ	62,248

Notes:

1. Positive Gas Recovery energy in the FSU account is the quantity that DERS would have sold had it continued to load balance AG's gas distribution system. Negative Gas Recovery energy is the quantity that DERS would have purchased if it had continued to load balance.
2. SCADA consumption is reported in the FSU account each day and is replaced by meter-read consumption after the end of each month. The difference between the SCADA and meter-read consumption is addressed

¹ Decision 2008-105 at page 13

in the FSU account's Gas Recovery. The SCADA updates applicable to DERS have been previously reported. SCADA updates for the months subsequent to September 2008 are not applicable to DERS.

3. The measurement corrections were processed equally each day in the FSU account's Gas Recovery. The Gas Recovery energy shown is for the period of February 01-15 inclusive. Further detail on the measurement correction was provided in the previous application.

Imbalances Reported in Schedules M-1 and M-2

The total energy and dollars applicable to the load balancing transition are shown in the tables below. The dollars are reported in Schedule M-1 line 5 and the energy in Schedule M-2 line 3.

Description	Units	Feb '10
FSU Imbalances	\$,000	(\$310)
Imbalances (line 5, Schedule M-1) ¹	\$,000	(\$310)

Description	Units	Feb '10
FSU Imbalances	TJ	(62)
Imbalances (line 3, Schedule M-2)	TJ	(62)

Note:

1. Difference is due to rounding.

Measurement Adjustments

These adjustments from February 1st to February 15th have been processed and addressed in AG's FSU account's Gas Recovery for the period January 22nd to February 15th, 2010 inclusive. There were no new measurement corrections applicable to periods prior to October 1, 2008 in the FSU account in the February 24 to March 20th Gas Recovery.