

# **ATCO**

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## **Producer Guide**

• **A Producer's Handbook for Producer Receipt Service** •

**Issued: June 14, 2021**

The content of this manual is furnished for informational use only and subject to change without notice. While every precaution has been taken in the preparation of this reference manual, ATCO Gas and Pipelines Ltd. assumes no liability for errors or omissions, or damages resulting from the use of or reliance upon the information contained herein.

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## Chapter 1 Introduction

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This Producer Guide (Guide) was developed by ATCO Gas (AG) to be used by Producer's considering, planning, evaluating or utilizing the Producer Receipt Service rate for the delivery of natural gas on the ATCO Gas Distribution System, including Renewable Natural Gas (RNG) and conventional fossil based natural gas. This Guide also applies to any party who will be acting as an Agent on behalf of the Producer for transactions including, but not limited to, consultation, planning, account management and load settlement.

This Guide is intended to provide an overview of AG's business processes in order to effectively deal with the Company in its service area. Understanding the procedures described in this Guide will allow for better interaction with AG and benefit all prospective and contracted Producer's utilizing the Producer Receipt Service rate.

This Guide serves as a companion to the Company's Producer Terms and Conditions for Gas Distribution Service which defines the relationship between the Company as a Gas Distributor, and Producer's and Agents. The Producer Terms and Conditions and this Guide can be accessed at AG's website at <https://www.atco.com/en-ca/for-business/natural-gas/products-services.html>

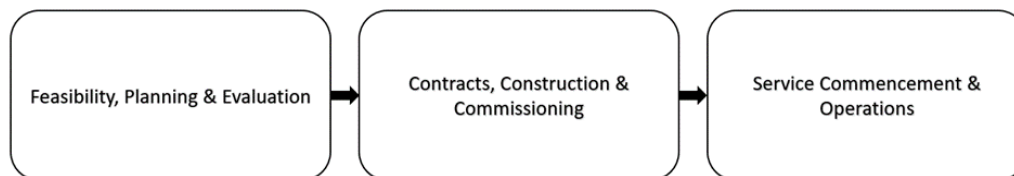
AG is committed to following the practices outlined in this Guide in order to provide a consistent framework for dealing with Producer's and Agents. However, as these practices will likely not cover every situation that arises, it may be necessary to deviate from the Guide in certain circumstances. The Company reserves the right to modify this Guide from time to time, and without notice, to reflect changes to the gas utility industry or the changing needs of industry participants.

While every effort is made to accurately reflect AG's' Producer Receipt Service in this Guide, in the event of conflict then the provisions of the AG Producer Terms and Conditions for Gas Distribution Service, and AG Rate Schedules shall prevail.

This Guide is structured around the three main phases involved with providing service under the Producer Receipt Service rate:

1. Feasibility, Planning and Evaluation,
2. Service Contracts, Construction & Commissioning, and
3. Service Commencement and Operations.

The general activities undertaken and interactions between the Producer and AG during each of these three phases will vary depending on a number of factors including the type of production facility.



## Chapter 2 Terminology and Definitions

To assist the reader in understanding this Guide, definitions of terminology used within are provided below. AG's' Producer Terms and Conditions for Gas Distribution Service and AUC Rule 028 provide further definitions related to Producer Service. In the event the definitions in this Guide conflict with the definitions in these other documents, the definitions in these other documents shall prevail.

<b>WORD</b>	<b>DEFINITION</b>
<b>Account</b>	A record maintained by AG which contains receipts, deliveries, Rider P, Imbalance Purchase and Imbalance Sale, and adjustments applicable to each Producer on the Gas Pipeline System.
<b>Account Balance</b>	The process of managing gas receipts and/or deliveries in an Account in order to keep the difference, net of adjustments, within the tolerance specified by the Imbalance Window.
<b>Account on the Transmission System</b>	The account held by the Company on NOVA Gas Transmission Ltd
<b>Act</b>	The Gas Utilities Act – R.S.A 2000 c. G-5, as amended from time to time.
<b>Agent</b>	A person who performs functions on behalf of a Producer.
<b>Agency Appointment Agreement</b>	An agreement between a Producer and another party wherein the other party is appointed as Agent for that Producer.
<b>Alberta Utilities Commission (AUC)</b>	The Alberta Utilities Commission established under the Alberta Utilities Commission Act, S.A. 2007, c.A-37.2, as amended from time to time.
<b>Automated Meter Reading Device (AMR)</b>	A device attached to the meter used to collect readings from the meter. No customer information is collected through this device.
<b>AG Account Transfer</b>	An (AG) account transfer that is a transfer of gas supply between one account in AG's IRIS and another account in AG's IRIS as depicted in <a href="#">Chapter 7</a> of this guide.
<b>AG-OP Account Transfer or OP Transfer</b>	An AG – Other Pipeline Transfer and it is a transfer of gas supply to/from an account in AG's IRIS from/to an account on TC Energy's Customer Express and is implemented via AG's Account on the Transmission System as depicted in Chapter 7 of this guide.
<b>ATCO Gas (AG)</b>	AG, an operating division of ATCO Gas and Pipelines Ltd. or its successor that operates the gas distribution system.
<b>ATCO Pipelines (AP)</b>	ATCO Pipelines, an operating division of ATCO Gas and Pipelines Ltd. or its successor that operates the gas Transmission System.

<b>WORD</b>	<b>DEFINITION</b>
<b>Backcast (B1)</b>	An estimate of Producer measurement prepared for the current Gas Day.
<b>Business Day</b>	Is any day other than Saturday, Sunday or a holiday as defined in the Interpretation Act, R.S.A. 2000, c.1-8; as amended from time to time.
<b>Company</b>	AG, an operating division of ATCO Gas and Pipelines Ltd. or its successor that operates the gas distribution system.
<b>Credit Rating</b>	Shall mean, with respect to a Producer on any date of determination, (1) the respective rating then assigned to its issuer rating or unsecured and senior, long-term indebtedness (not supported by third party credit enhancement) by S&P, DBRS or Moody's or (2) the issuer rating by S&P, DBRS or Moody's. In the event of a split rating, the lower shall prevail.
<b>Day</b>	A period of twenty-four (24) consecutive hours.
<b>Dominion Bond Rating Service (DBRS)</b>	Or its successor.
<b>Default Supply Provider (DSP)</b>	That is a gas distributor, or a person authorized by a gas distributor, that provides gas services to Customers under rates, tolls or charges, and terms or conditions approved by the AUC. AG has authorized Direct Energy Regulated Services (DERS) to be its DSP.
<b>Energy</b>	Natural gas energy (expressed on joules or sub-multiples or multiples thereof).
<b>Final Monthly Settlement (S3)</b>	The third and final calculation of settlement for the Settlement Month that is performed by the 15th business day of the fourth month following the Settlement Month as described in Rule 028.
<b>Gas</b>	All natural gas both before and after it has been subjected to any treatment or process by absorption, purification, scrubbing or otherwise, and includes all fluid hydrocarbons.
<b>Gas Day</b>	A Day beginning at eight hours (08:00) Mountain Standard Time.
<b>Gas Distributor</b>	The owner, operator, manager or lessee of a gas distribution system as defined in the Act.
<b>Gas Pipeline System</b>	All those facilities owned or used by the Company in the receipt, delivery, transportation, measurement and testing of gas, (including, without limitation, transmission and distribution lines, regulators, meters, equipment and machinery).
<b>Gigajoules (GJ)</b>	Gigajoules or one billion (1 000 000 000) joules.
<b>Gross Heating Valve</b>	Also referred to as "Heating Value", means the number of megajoules obtained from the combustion of a cubic meter

<b>WORD</b>	<b>DEFINITION</b>
	of gas at a temperature of fifteen degrees Celsius (15°C), with the gas free of water vapor and at a pressure of one hundred one and three hundred twenty five one-thousandths (101.325) kPa absolute and with the products of combustion cooled to the initial temperature of the gas and the water formed by the combustion condensed to the liquid state.
<b>Imbalance</b>	The difference between energy quantities of gas received and gas delivered, net of adjustments, in an Account each Gas Day. Imbalance is described in greater detail in <a href="#">Chapter 7</a> .
<b>Imbalance Window</b>	A range of Imbalances within which an account is considered to be in balance without action being taken to adjust receipts into or deliveries from that Account.
<b>Imbalance Report Information System (IRIS)</b>	Is the system AG developed for the creation of accounts for Retailers, DSP and Producer's to record gas receipts and deliveries as well as monitor their accounts.
<b>Imbalance Purchase/Sale</b>	The removal from, by Imbalance Purchase, or addition to, by Imbalance Sale the daily Account Imbalance energy quantity outside the nearest Account daily Imbalance Window boundary, as the case may be, in a Producer Account by AG which will be settled financially.
<b>Initial Monthly Settlement (S1)</b>	The first calculation of settlement for the Settlement Month that is performed by the 5 <sup>th</sup> business day of the month immediately following the Settlement Month as described in AUC Rule 028.
<b>Interim Monthly Settlement (S2)</b>	The second calculation of settlement for the Settlement Month that is performed by the 15 <sup>th</sup> business day of the second month following the Settlement Month as described in AUC Rule 028.
<b>Maximum Daily Contract Demand</b>	The second calculation of settlement for the Settlement Month that is performed by the 15 <sup>th</sup> business day of the second month following the Settlement Month as described in AUC Rule 028.
<b>Maximum Receipt Pressure</b>	The maximum pressure specified in the Producer Service Agreement for a given location or as otherwise specified from time to time by the Company.
<b>Minimum Energy Imbalance Window</b>	The ±500 GJ/d for accounts where the daily receipt is equal to or less than 5,000 GJ/d and ±1000 GJ/d for account where the daily receipt is greater than 5,000 GJ/d. The minimum imbalance window works in concert with the Imbalance Window percentage as the minimum is to be

<b>WORD</b>	<b>DEFINITION</b>
	used if the Imbalance Window percentage ( $\pm 5\%$ ) results in a lesser daily imbalance tolerance than the minimum.
<b>Minimum Receipt Pressure</b>	The minimum pressure specified in the Producer Service Agreement for a given location or as otherwise specified from time to time by the Company.
<b>Month</b>	A period beginning at eight hours (08:00), Mountain Standard Time, on the first day of a calendar month and ending at eight hours (08:00), Mountain Standard Time, on the first day of the next succeeding calendar month.
<b>Nominated Demand</b>	An expected average daily production of the Producer's facility.
<b>Nomination</b>	A request in electronic or other written or verbal form for gas to flow at a Point of Receipt, a Point of Delivery, or for receipt into or delivery out of an Account at a specified quantity on a specified date(s).
<b>NOVA Gas Transmission Ltd (NGTL)</b>	NOVA Gas Transmission Limited, a wholly owned pipeline of TC Energy or its successor that operates the Transmission System in Alberta.
<b>Point of Delivery</b>	Unless otherwise specified in a Producer Service Agreement, the point on the Company's system at which the gas first enters the Gas Pipeline System.
<b>Producer</b>	A person, firm, partnership, corporation or organization that is an owner of gas requiring Producer Service for transporting gas through the Company's Gas Pipeline System, pursuant to the Company's Rate Schedule.
<b>Producer Contribution</b>	The amount that the Producer must pay to the Company to install the Specific Facilities and/or Gas Pipeline Systems necessary to provide a Service Connection to the Producer.
<b>Producer Information</b>	Includes without limitation site customer name, site customer telephone number, site customer mailing address, site contact name, site contact phone number and other information, including safety related information, required to provide safe Produce Service to Producer's.
<b>Producer Service</b>	The service required to inject gas onto the Company's Gas Distribution System and, if requested by the Producer, deliver gas to an interconnection with the Transmission System.
<b>Producer Service Agreement (PSA)</b>	An agreement for the provision of a Service Connection pursuant to the Producer Terms and Conditions for Gas Distribution Service, made between the Company and a Producer, in the form attached to the Producer Terms and Conditions as Schedule A.

<b>WORD</b>	<b>DEFINITION</b>
<b>Producer Tariff</b>	The rates, tolls, or charges fixed by the AUC and the terms and conditions of service fixed by the Commission, for Producer Service.
<b>Producer Terms and Conditions</b>	Refers to AG's Producer Terms and Condition for Gas Distribution Service, which is a document developed to enable Producers to acquire access to the Company's Gas Distribution System for the purpose of allowing them to inject and deliver gas onto the Gas Pipeline System.
<b>Producer Usage Information</b>	Information regarding the Producers historical gas flow at the Producers Point of Receipt.
<b>Rate Schedule</b>	The Gas Producer Rate Schedule prepared by the Company and approved by the AUC, as amended from time to time.
<b>Retailer</b>	A person who sells or provides retail gas services directly to end use Customers and who is entitled to enroll end use Customers for Distribution Access Service under the Company's Retailer Terms and Conditions for Gas Distribution Service, and includes Self-Retailers and Agents acting on behalf of Retailers.
<b>Rider P</b>	A rate rider, expressed as a percentage, approved by the AUC applicable to Producer Accounts for the recovery in kind of Unaccounted for Gas.
<b>RMO Station</b>	Regulation, Measurement and Odorization Station in reference to the functionality of the AG facilities.
<b>Remote Terminal Unit (RTU)</b>	Is a computer remotely located within the AG RMO station for the purpose of volumetric flow computation and station control parameters.
<b>Same Day Market</b>	The intra-Alberta natural gas market that is generally available for trading hours on a calendar Day for transactions applicable to the Gas Day commencing on the same calendar Day.
<b>Supervisory Control and Data Acquisition (SCADA)</b>	A system used by AP to monitor and control its pipeline system.
<b>Service Connection</b>	The Specific Facilities required to physically connect the Producers facilities to the Company's Gas Pipeline System to permit the Producer to obtain Producer Service.
<b>Settlement Month</b>	Is the calendar month to which the Initial Monthly Settlement, Interim Monthly Settlement and Final Monthly Settlement relate.
<b>Site</b>	A unique Point of Receipt, being the finest level at which settlement recognizes Producer assignments and receives measurement data.



<b>WORD</b>	<b>DEFINITION</b>
<b>Site ID</b>	A unique identification number assigned by the Company for each unique Point of Receipt.
<b>Specific Facilities</b>	Those facilities installed by the Company for the benefit of a Producer and required to transport gas.
<b>Transmission Balance Zone</b>	A range of Imbalances provided by NOVA Gas Transmission Ltd. within which the Company's Account on the Transmission System is considered to be in balance.
<b>Title Transfer or NIT</b>	A transfer between customer accounts on TC Energy's Customer Express
<b>TC Energy Customer Express</b>	Is NGTL's system for all customers to monitor and balance their Account on the Transmission System.
<b>Transmission System</b>	All those facilities owned or operated by ATCO Pipelines and NGTL in the receipt, delivery, transportation, measurement and testing of gas (including, without limitation, transmission lines, regulators, meters, equipment and machinery).
<b>Unaccounted for Gas</b>	The Producer share of Company's Unaccounted for Gas, as specified in rate Rider P of the Company's Rate Schedule.
<b>Yesterday or YD Nomination</b>	A Nomination occurring during a calendar Day for transactions applicable to the Gas Day commencing on the previous calendar Day.

## Chapter 3 Contact Information

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### 3.1 Overview

The contact information for various functions is provided below. Contact information is subject to change without notice. Please refer to AG's' website at <https://www.atco.com/en-ca/for-home/natural-gas/outages-emergencies.html> for most recent information.

### 3.2 Telephone numbers for all Customers/Retailers/Producers

Customer Assistance Centre	24-Hour Natural Gas Emergency Lines
Monday to Friday, 7 am to 6 pm, except holidays	Edmonton and local calling areas 780-420-5585
Edmonton and local calling areas 780-424-5222	Calgary and local calling areas 403-245-7222
Calgary and local calling areas in Alberta 403-245-7888	All other areas in Alberta (toll-free in Alberta) 1-800-511-3447
All other areas in Alberta (toll-free in Alberta) 310-5678	Outside of Alberta 1-888-511-7550
Email: <a href="mailto:naturalgas@atco.com">naturalgas@atco.com</a>	

### 3.3 Producer and Agent Services – Primary Point of Contact

#### ATCO Gas Key Accounts Group

Email: [ATCOKeyAccountsGas@atco.com](mailto:ATCOKeyAccountsGas@atco.com)

Phone: 780-733-2850

#### Transactions and Billing

Email: [retailercontact@atcogas.com](mailto:retailercontact@atcogas.com)

Phone: 310-5678

#### Producer Accounts, Nominations and Account Balancing

Gas Coordinators, Gas Management

Email: [gascoordination@atco.com](mailto:gascoordination@atco.com)

Phone: 780-420-7199

#### Producer Meter Station/Pipeline Operations and/or Gas Quality Issues

ATCO Gas Control Centre

Phone: 1-877-496-4380

## **Chapter 4 Alberta's Natural Gas Marketplace**

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### **4.1 Overview**

A brief overview of the roles and responsibilities of the various players in key segments of the industry follows.

### **4.2 Transmission**

The predominate high-pressure transmission pipeline operators in Alberta are NOVA Gas Transmission Ltd. (NGTL) and ATCO's subsidiary ATCO Pipelines (AP). Commercial integration in 2011 between NGTL and AP has the two integrated systems operating under one rate and service structure in Alberta. As such, NGTL holds all customer contracts within the Alberta System which adhere to NGTL's Tariff.

### **4.3 Distribution**

AG, as a Gas Distributor and Gas Pipeline System owner for customers in its service area, is responsible for the reliable and safe delivery of natural gas to end-use Customers. AG enables Producers to inject natural gas into its gas distribution system so Producers can sell natural gas to other market participants through ATCO Gas's Distribution System. AG develops delivery and receipt rates for the use of the system and manages the operations and maintenance of the distribution system.

For more information on the services that distributors provide, refer to Roles, Relationships and Responsibilities Regulation, A.R. 186/2003 and other applicable regulations developed by Alberta Energy, which can be accessed at [www.energy.gov.ab.ca](http://www.energy.gov.ab.ca).

### **4.4 Energy**

In the competitive natural gas marketplace, end-use Customers buy natural gas from Retailers or the DSP or can carry out Retailer functions to obtain gas services for their own use (called self-retailing). Energy is delivered to end-use Customers in AG's service area via ATCO Gas' Distribution System. Retailers compete for Customers and ensure they have the appropriate arrangements with Customers necessary to provide energy service. It is the Retailer's or DSP's responsibility to purchase natural gas and to arrange delivery of gas to its Customers. As mentioned above, Customers who choose to self-retail can also purchase gas from the Producers for their own use.

Producers and any other parties, such as Agents, carrying out energy transactions with the Company will first be required to fulfill a number of requirements to the satisfaction of AG before the Company will provide Producer Receipt Service to the Producer or Agent. These requirements are discussed in subsequent chapters and can also be found in the Company's Producer Terms and Conditions for Gas Distribution Service.

## 4.5 Agents

A Producer who chooses not to perform some or all of the account balancing transactions with the Company may make an arrangement to have a third party act as its Agent to perform functions such as load settlement. Agents must ensure they have made the appropriate contractual arrangements to recognize this unique business relationship and meet any applicable regulations and guidelines.

## 4.6 References and Readings

All Producers and Agents providing service in the Company's service area should develop an understanding of the Alberta natural gas marketplace. Suggested references and readings on the Company's current delivery rates and applicable regulations are provided below.

a. ATCO Gas Delivery and Receipt Rates

<https://www.atco.com/en-ca/for-home/natural-gas/rates-billing.html>

- Current Delivery and Receipt Rates
- Producer Terms and Conditions for Gas Distribution Service

b. Service Line Installation

In the event a Producer requires a separate service line to provide gas delivery service to their production facility, the process AG follows for new service line applications can be found at:

<https://www.atco.com/en-ca/for-business/natural-gas/products-services/service-requests.html>

c. Government Legislation and Regulations

- Gas Utilities Act
- Roles, Relationships and Responsibilities Regulation
- Code of Conduct Regulation
- Other applicable regulations (final or draft form)

<http://www.energy.gov.ab.ca>

d. Rules under the Alberta Utilities Commission

- AUC Rule 028 Natural Gas Settlement System Code

<http://www.auc.ab.ca>

e. Digital Certificates

[www.versign.com](http://www.versign.com)

## Chapter 5 Preparing for Producer Receipt Service

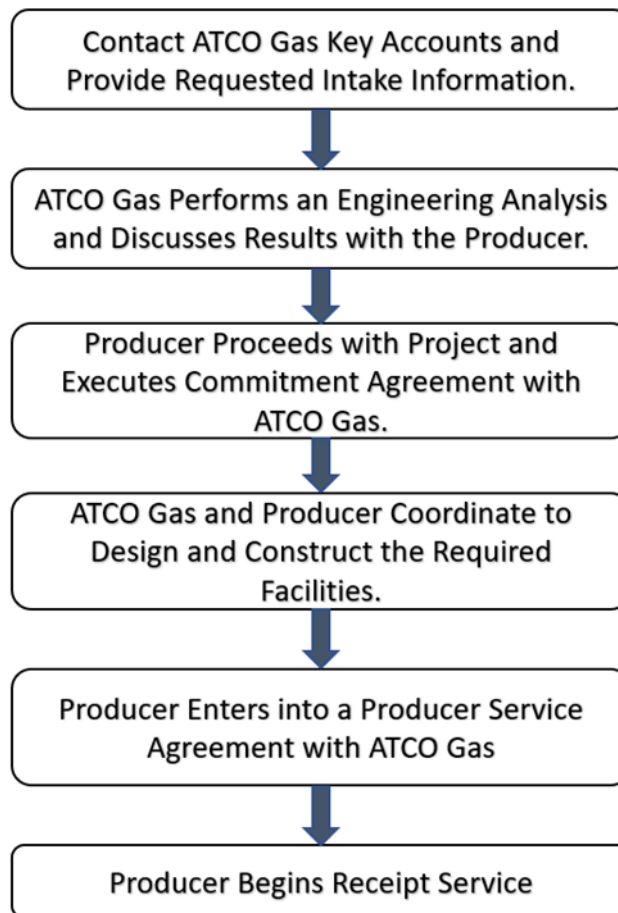
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### 5.1 Overview

This Chapter details the process that a Producer must follow to ensure that they qualify for Producer Receipt Service on the ATCO Gas Distribution System.

### 5.2 Customer Intake Process

Contact ATCO Gas Key Accounts at [AtcoKeyAccountsGas@atco.com](mailto:AtcoKeyAccountsGas@atco.com) for more information. A brief description of each step in the process is provided in this section.



### 5.3 Customer Intake Information

Producers interested in injecting natural gas onto ATCO Gas' Distribution System, should please contact [AtcoKeyAccountsGas@atco.com](mailto:AtcoKeyAccountsGas@atco.com) and provide the following information:

- Proposed site location(s) and type of production process:
  - State if site location is fixed or provide list of locations if site not yet determined.

- State type of production facility (landfill biogas, anaerobic digester, conventional gas processing plant).
- Anticipated production volumes:
  - Include typical min-max range and note any variability if by season.
  - Include maximum production volume possible.
  - Note if there are various phases of production ramp-up, or possibility of increased future production.
  - Anticipated timing:
    - Include timing for each phase if there are multiple phases possible.

#### **5.4 Engineering Analysis**

Once the Producer has provided the AG Key Accounts team with all the requested information, the information will be passed on to the engineering team. The engineering team will perform an analysis to determine:

- The amount of gas volumes that AG can accept onto its system.
- An estimate of costs and alternatives associated with connecting to the AG system.
- The results of the engineering analysis will be discussed with the Producer upon completion.

#### **5.5 Producer Rate and Producer Service Agreements**

AG will build receipt stations and piping connections to the distribution system required to serve Producers. The receipt stations provide custody transfer measurement as well as ensure that Producers meet required delivery pressure and minimum gas quality requirements that protect the distribution system. In some cases, system upgrades may be required to accommodate the volume of gas injected by the Producer.

The Producer Rate is based on recovery of system costs through a fixed charge component and a demand charge that reflects the contracted quantity of distribution system capacity required to receive gas from the production facility.

A Producer will be required by the Company to sign a PSA in respect of a service connection. In a PSA, the project costs will be recovered over a determined period of time (contract length) via the Producers Maximum Daily Contract Demand and applicable Rate Schedule(s). The Maximum Daily Contract Demand can be revised if the Producers production volumes have varied significantly (no more than once a year) or when ATCO Gas' Distribution System has undergone substantial operational changes.

The PSA ensures AG will recover the incremental costs of providing Producer Receipt Service on a discounted cashflow basis over a contractual term of up to 15 years. AG's determination of the contract term and potential requirement for a Producer Contribution will depend on several factors including the

type of production facility, review of Producer Credit Ratings, and the cost of the AG facilities required to provide service. Should contractual Producer Rate revenues not exceed expected costs on a discounted cashflow basis, Producers would be required to pay the difference as a Producer Contribution. PSAs will be finalized once the facilities are approaching their in-service date. At that point, the contractual term of the PSAs will be finalized based on the actual costs of the project.

The Producer Receipt Service rates for service on AG's North and South systems can be found at the following link <https://www.atco.com/en-ca/for-home/natural-gas/rates-billing/current-rates.html>.

## **5.6 Commitment Agreement**

Should the Producer choose to proceed with the project, they will be required to enter into a commitment agreement with AG. The commitment agreement is a legally binding document that signifies the Producer wants AG to proceed with the project. Upon execution of the commitment agreement AG will start incurring project costs. If the commitment agreement is cancelled, for any reason, AG has the right to recover all realized and committed costs up to the date of cancellation.

## **5.7 Design and Construction**

The delivery of gas on to ATCO Gas' Distribution System requires AG measurement & control facilities along with a pipeline inter-connection to the distribution system. The source of the gas will impact the configuration of the control equipment as well as the required gas quality monitoring program.

During the planning and preparation stage for Producer Receipt Service, preliminary design and cost estimates for the required AG facilities will be prepared based on the configuration and planned output of the production facility. Refer to [Chapter 6](#) for a detailed description of the facility and equipment requirements for both AG and Producer facilities.

## ***Chapter 6 Pipeline Inter-connection and Meter Station Facility Requirements***

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### **6.1 Overview**

The following sections outline the functionality, land requirements, AC power requirements, location and ownership boundaries of facilities required to serve the Producers facility.

### **6.2 ATCO Meter Station and Pipeline Facilities**

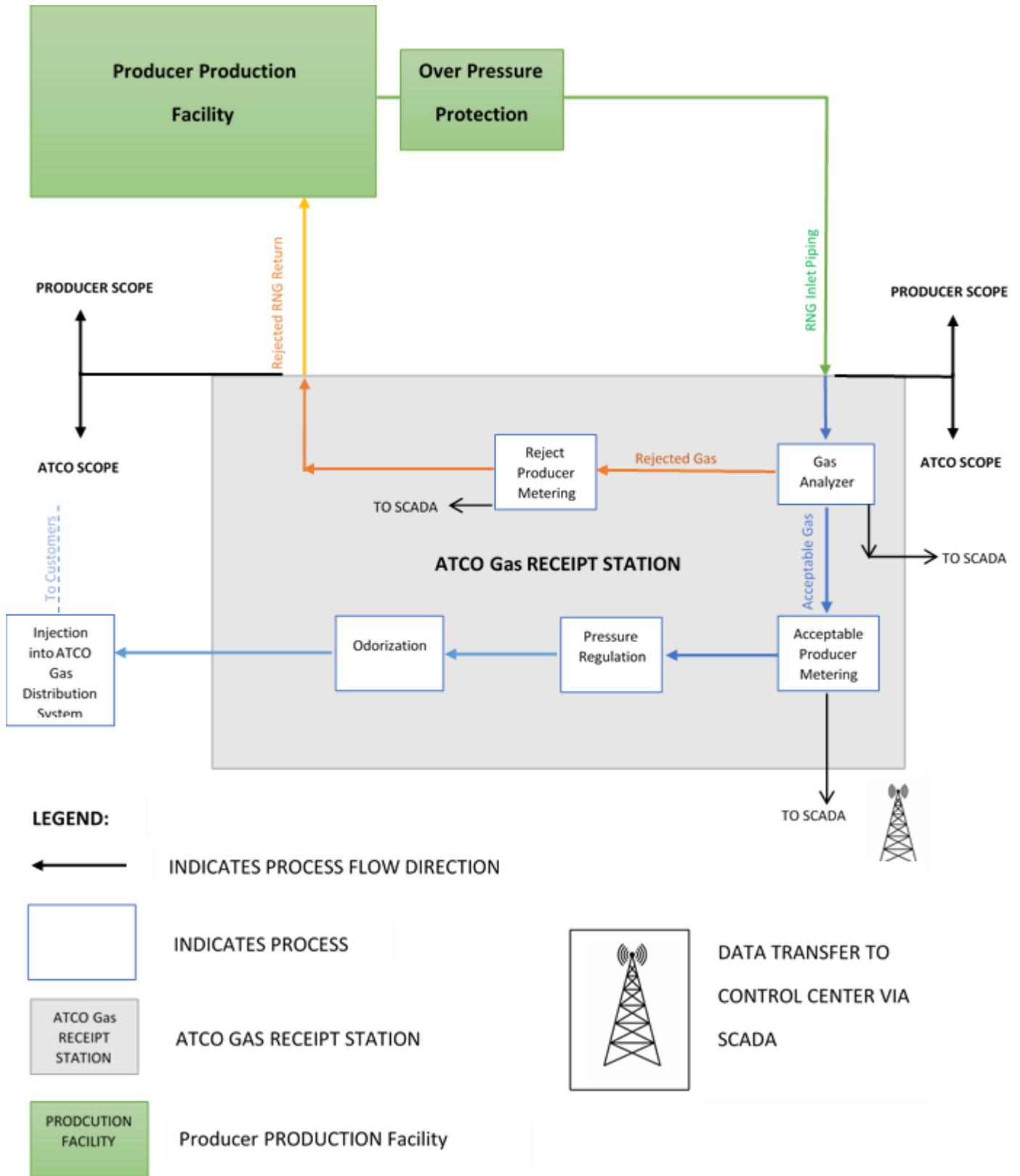
The RMO Station will contain gas filtration, metering, pressure control, gas specification monitoring and emergency shut-down (ESD) equipment. The station will also include control valves and a recirculation loop to be utilized in the event of a station shut-out due to gas quality. An on-site RTU provides flow computation and station control parameters which are communicated in real time to AG via a SCADA system.

The exact design specifications and cost of the meter station and inter-connection will be determined based on location, delivery volumes, the source of gas, and other considerations determined during customer intake discussions with the Producer. The RMO Station and all facilities downstream of AG's site will be owned and operated by AG. Facilities upstream of AG's RMO Station will be owned and operated by the Producer.

As shown in Figure 6.2 on the following page, the Producers facility must also include overpressure protection devices to ensure the Maximum Allowable Operating Pressure (MAOP) of the pipeline connecting the Producers facility and the AG meter station and piping within the AG meter station is not exceeded. To avoid such an over pressure condition, the Producer must provide suitable pressure relief devices, or pressure limiting devices, to protect the AG meter station and piping within the AG meter station as may be necessary to ensure that the pressure of gas delivered at the Point of Receipt will not exceed the Maximum Receipt Pressure determined by AG. Further, the Producer may be required to periodically confirm that these devices remain in place and have been inspected and maintained to ensure proper working order.



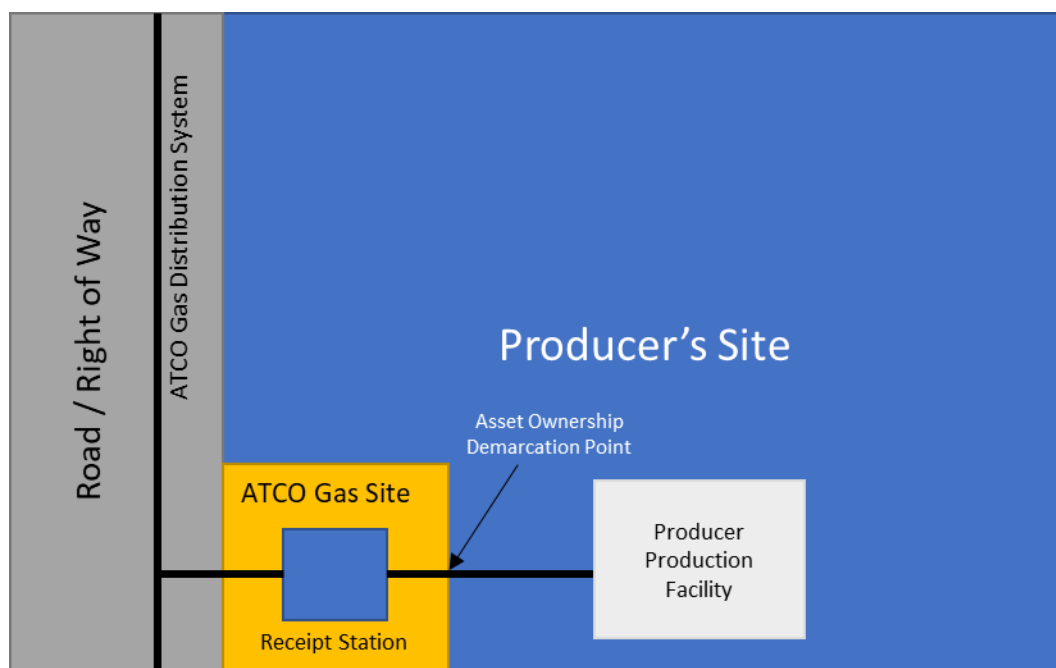
**Figure 6.2 Producer - AG Facilities and Process Flow Diagram**



### 6.3 Provision of Land, Access and AC Power for ATCO Facilities

The AG RMO Station and SCADA facilities require a parcel of land approximately 30m x 30m with road access, as well as a 30 amp 120/240v or 120/208v AC power service (connected loads are minimal and will be provided as part of the engineering analysis process). To minimize facility costs and any resulting required Producer Contribution, AG will request that the Producer provide land within or adjacent to the production facility along with AC power, at no charge to AG. The site must be accessible 24-7 with adequate security to prevent inadvertent intrusion. In the event the Producer is unable or unwilling to provide land for AG's facilities, AG will acquire land at market rates and include this cost in the overall AG facilities cost. AG will provide, at no cost to the Producer, on-site gas quality monitoring data via a Producer installed ethernet connection from the Producer facility to the AG facilities.

**Figure 6.3 Producer and AG Facilities Sites**



### 6.4 Gas Quality Monitoring and Verification Equipment

Gas quality monitoring and verification equipment is required to provide a means of ensuring the safe and reliable delivery of gas to end use customers.

1. Gas quality monitoring and verification equipment is required to provide a means of ensuring the safe and reliable delivery of gas to end use customers. AG will install and maintain analytical equipment within the RMO Station and process control facility to verify gas quality. This typically includes but not may not be limited to:
  - i. Gas chromatograph
  - ii. Oxygen analyzer,

- iii. Sulfur chromatograph,
  - iv. Water vapor analyzer,
  - v. Temperature analyzer
  - vi. CO2 analyzer
  - vii. Mercury analyzer.
  - viii. Chlorine gas analyzer
2. AG recommends that Producers install and maintain their own set of analytical equipment and not rely on AG's instrumentation for control of its process. The Producer will generally require the same equipment and coordination is recommended with respect to process control set points, and analytical strategy should align wherever possible to avoid discrepancies.

More information on gas quality monitoring and verification can be found in [Chapter 9](#) Operations.

## **Chapter 7 Producer Accounts**

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### **7.1 Overview**

This chapter provides an overview of Producer Accounts. Producer Accounts show the receipt/delivery balance between gas volumes injected into the Gas Pipelines System and the deliveries to other market participant accounts.

### **7.2 AG's Systems for Producer Service**

The systems that support AG's Producer Receipt Service are shown in the diagram below. A summary of the purpose of these systems is as follows:

**CIS:** The Customer Information System is a data records system for Producer information, gas production records and history also used for AG billing. CIS also provides site energy production through a system interface with the DFSS.

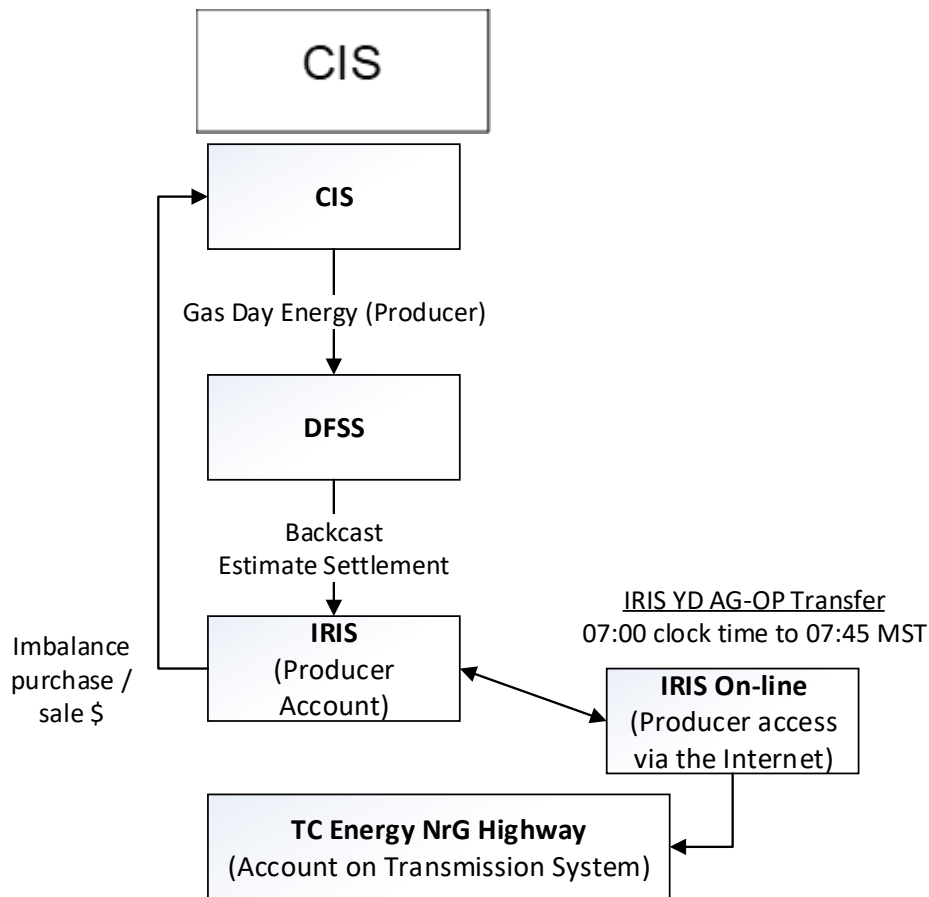
**DFSS:** The Daily Forecasting and Settlement System provides site level production for Backcast and settlement to Producers using AMR data, received daily through a system interface with IRIS, to the Producer Accounts.

**IRIS:** The Imbalance Reporting Information System contains Producer Accounts and is used by Producers to monitor the daily balance between gas production and delivery Nominations, and to administer imbalance purchase/sales.

**IRIS Online:** The web-based interface used by Producers to access their accounts in IRIS to monitor the daily gas production and to issue Nominations.

**TC Energy Customer Express:** The NGTL system that contains AG's account on the Transmission System that delivers gas supply for off taker accounts based on nominations in IRIS. Further information on NGTL's transmission service can be found at <http://www.tcenergy.com>.

**Figure 7.2 AG Producer Receipt Service Systems**

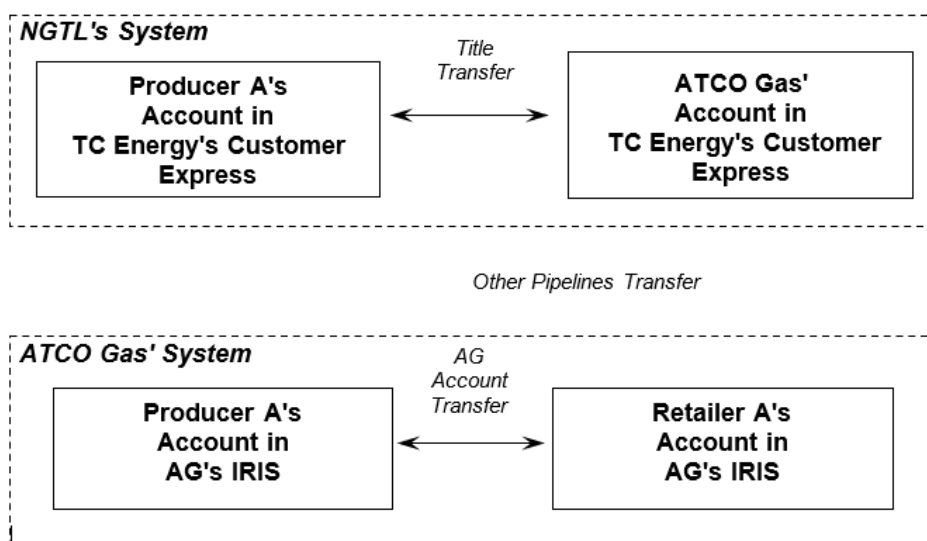


### 7.3 Producer Accounts

Producer Accounts on ATCO Gas' Distribution Systems are administered in the context of the hierarchy of accounts within the Intra-Alberta pipeline system as depicted in the figure below. All gas supply delivered onto AG's' systems must be transferred to either another Account on ATCO Gas' Distribution System or to an account on NGTL's transmission system.

The transfer of gas can occur on AG's system from Producer Account(s) to another market participant account(s), such as a Retailer Account. The Producer will originate an Account Transfer Nomination(s) in its Producer Account to deliver gas supply to a market participants Account in AG's IRIS. The gas supply, through the Account Transfer Nomination, will remain on ATCO Gas' Distribution System, as shown in the Figure 7.3.

**Figure 7.3 Hierarchy of Intra-Alberta Accounts**



The exchange of gas supply from a Producer Account(s) to an account(s) on NGTL' system occurs by exchange through AG's Account on the Transmission System. The Producer will originate an Other Pipelines Transfer Nomination(s) in its Producer Account in AG's IRIS and AG will upload the Nomination into TC Energy's Customer Express. As shown in the figure above, the Producers Other Pipelines Transfer Nomination will appear in TC Energy's Customer Express as a Title Transfer between the Producers Account in TC Energy's Customer Express and AG's Account on the Transmission System in TC Energy's Customer Express.

#### **7.4 Account Balancing and Monitoring**

Producers are responsible for maintaining their accounts in daily balance within the daily imbalance window specified in AG's Producer Terms and Conditions. The Imbalance Window is a range of positive and negative account Imbalances within which a Producer Account is considered to be balanced. The purpose of the Imbalance Window is:

- To recognize that while the Backcast is the best available estimate for the previous gas day for Point of Receipt, it may be different than the gas settlement receipt (i.e., there will be a settlement variance).

AG's Producer Terms and Conditions deal with account imbalances outside the window through imbalance purchase or sale. The daily imbalance energy window for ATCO Gas' Distribution Systems is:

- $\pm 5\%$  of the daily Backcast with a minimum energy Imbalance Window of.
- $\pm 500$  GJ when the daily Backcast is less than or equal to 5,000 GJ.
- $\pm 1,000$  GJ when the daily Backcast is greater than 5,000 GJ up to 20,000 GJ.

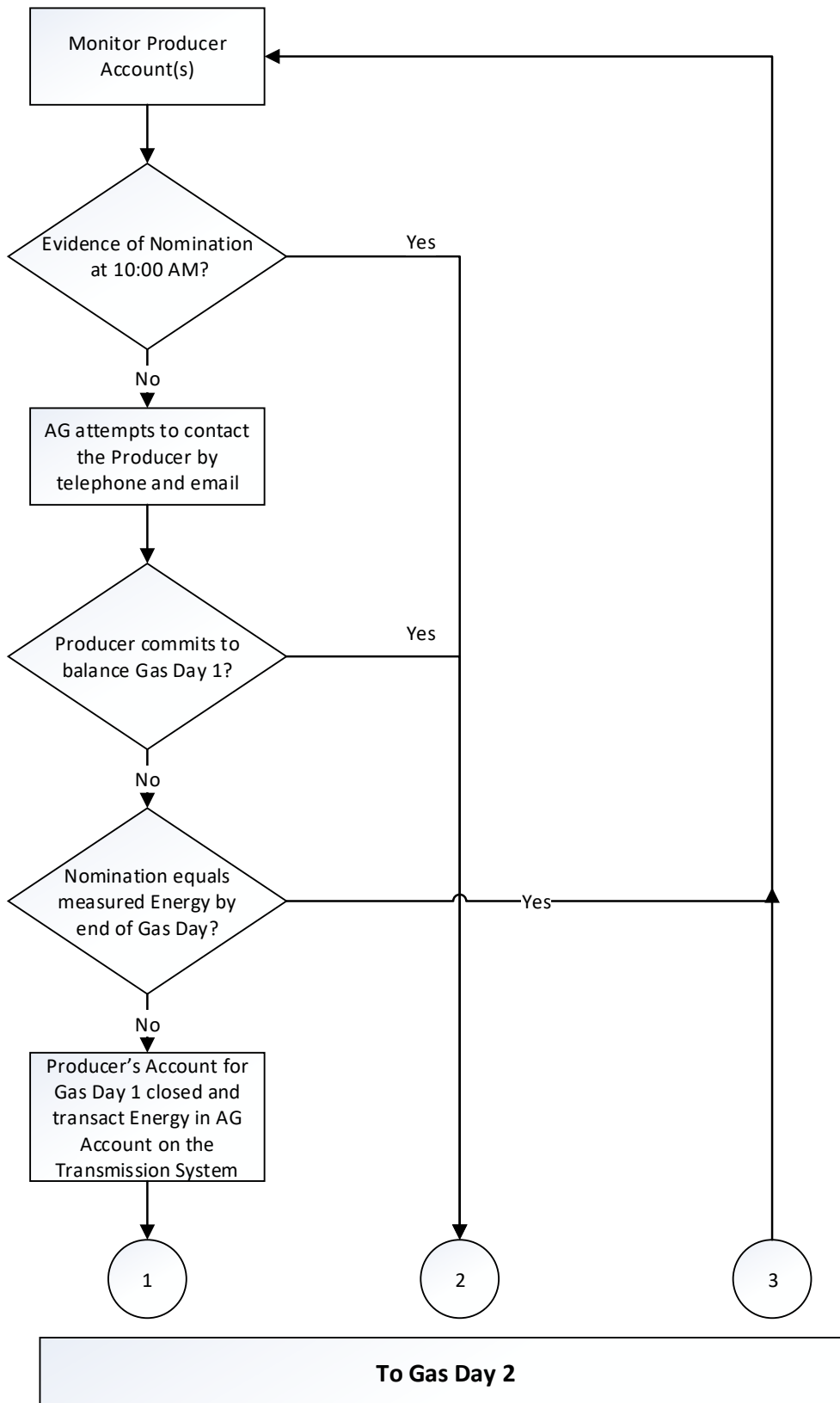
In the event the Imbalance Window needs to be decreased the Company will change the daily Imbalance Window percentage applicable to Producer Accounts as described in the Producer Guide. Notification will

be provided to the Producer by 12 hours (12:00) for changes effective the following Gas Day. Imbalance Purchase/Sale for daily Energy amounts outside the daily Imbalance Window is described in further detail in Section 7.6.

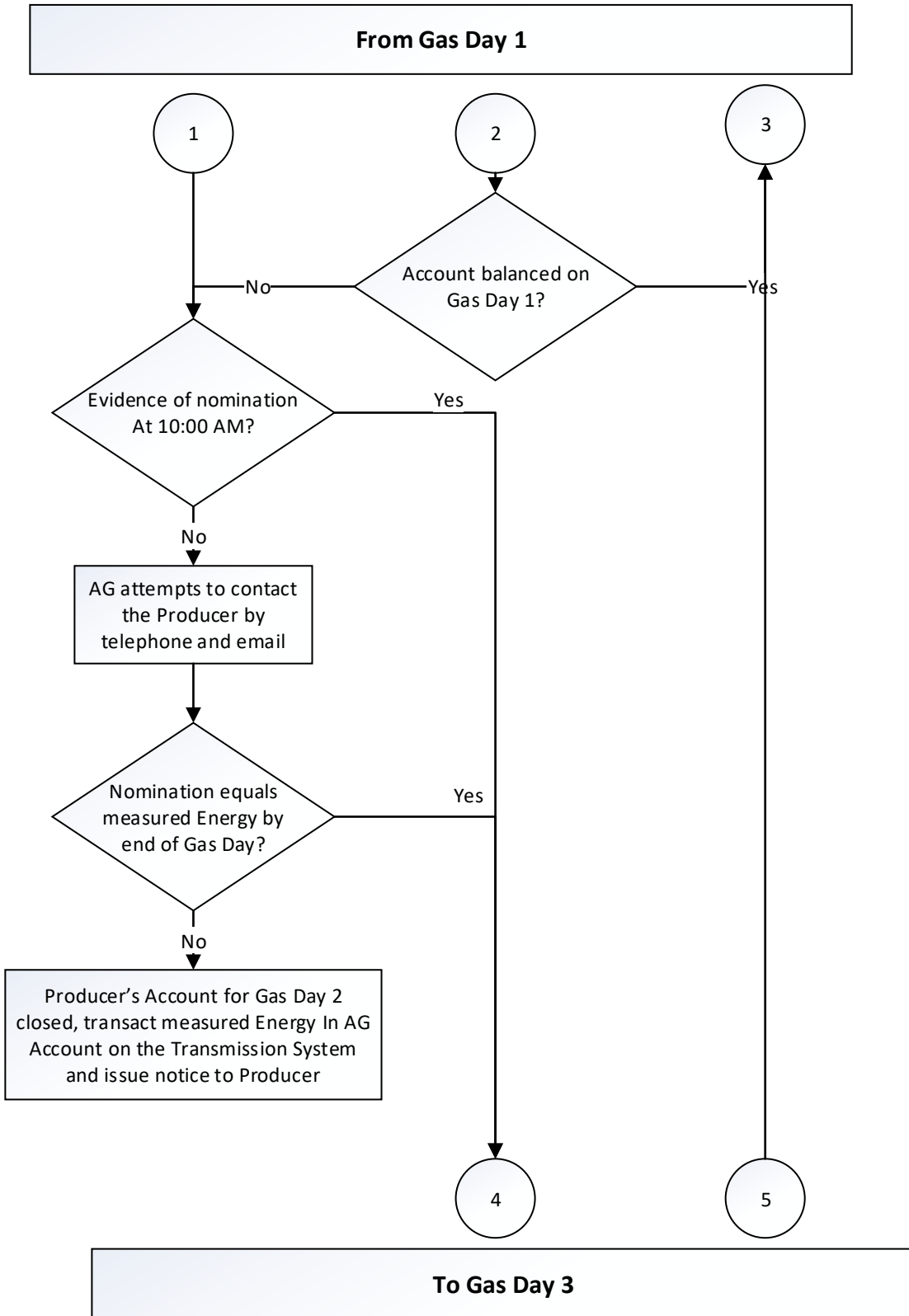
AG's Producer Terms and Conditions also describe the monitoring performed by AG of the account balancing being performed by account holders. If a Producer does not provide a Nomination within a Gas Day and that action has not been authorized by AG, then AG will take action to balance that Account by Imbalance Purchase. These Terms and Conditions can be found on AG's website at [www.atco.com](http://www.atco.com).

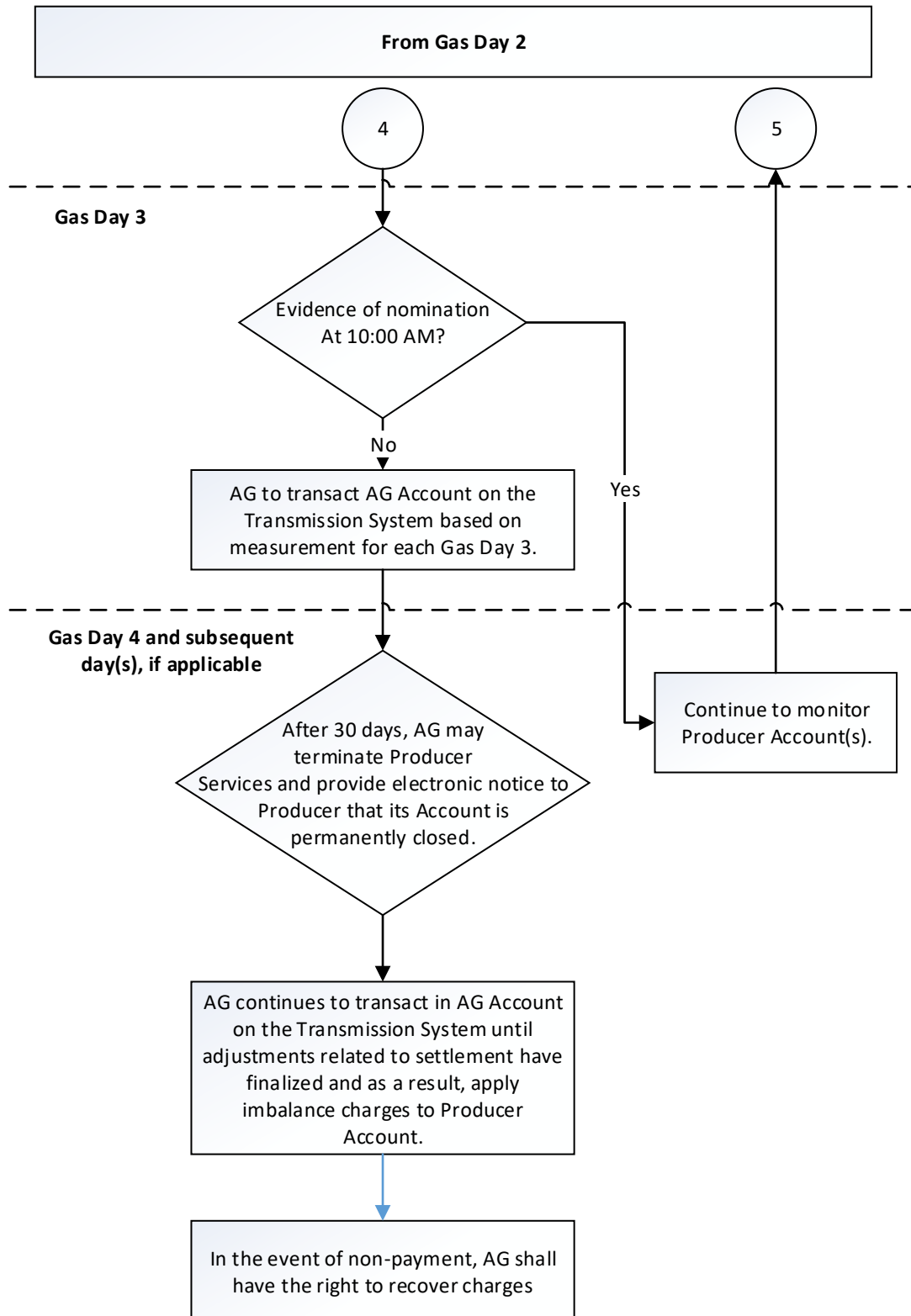
A flow chart demonstrating AG's account monitoring process logistics is provided on the following pages.

**Figure 7.4 - Gas Day Flow Chart**









### 7.4.1 Producer Account Components

Each Producer Account contains the components noted below with the Imbalance determined each Gas Day using the following formula:

Imbalance (GJ) = daily receipt (GJ) - daily delivery (GJ) - if applicable, daily Rider P recovery (GJ) - daily imbalance purchase (GJ) + daily imbalance sale (GJ) + daily adjustment (GJ)

Where:

- Receipt means gas injected into the distribution system at the Point of Receipt for that day.
- Delivery means the Nomination out of the Producers Account to another Account on ATCO Gas' Distribution System or their account on the Transmission System.
- When applicable under AG's' Rate Schedules, Rider P recovery means the recovery of Unaccounted for Gas which is calculated as Rider P percent times the physical receipt. Rider P is applicable when Producers nominate gas to their account on the Transmission System.
- Imbalance Purchases and Imbalance Sales means the Energy amount outside the ± Imbalance Window calculated and removed from or added to the account respectively, rounded to the nearest GJ.
- Adjustments mean any variance attributable to a previous period which is brought forward into the current Gas Day and includes:
  - The previous Gas Day's closing account balance.
  - The daily allocation of the prior Month(s) settlement variance.
  - The daily allocation of any other appropriate Energy adjustment(s) when applicable to the account.

### Gas Settlement Variance

Prior month(s) adjustments are included in the Account in the month immediately following the month in which they were determined and are worked off equally each day with any required correction for rounding included in the last Gas Day of the month.

There are three variances applicable to Gas Settlement:

- B1-S1: The variance between the Initial Monthly Settlement and Backcast is determined in the first (1st) month following the Settlement Month and is included in the Producer Account in the second (2nd) month following the Settlement Month;
- S1-S2: The variance between the Interim Monthly Settlement and Initial Settlement is determined in the second (2nd) month following the Settlement Month and is included in the Producer Account in the third (3rd) month following the Settlement Month; and,

- S2-S3: The variance between the Final Settlement and Interim Monthly Settlement is determined in the fourth (4th) month following the Settlement Month and is included in the Producer Account in the fifth (5th) month following the Settlement Month.

## 7.5 Timelines for Producer Accounts

### 7.5.1 Timelines for SD Nominations

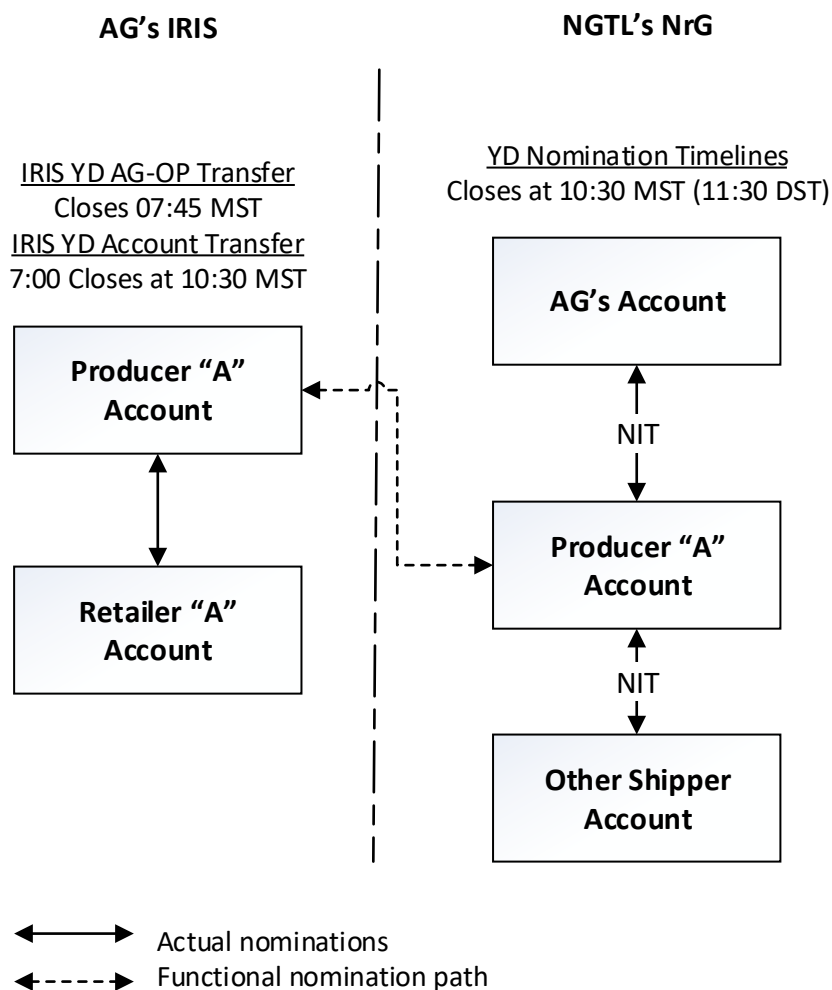
The Nomination timelines for SD Nominations are:

- 08:00 to 20:00 MST each calendar day

### 7.5.2 Timelines for YD Nominations

The Nomination timelines applicable to YD Nominations used by Producers for balancing their accounts are depicted in the diagram below.

### 7.5.3 Nomination Timelines



In summary, the YD balancing Nomination timelines for Producer Accounts are as follows:

- YD Nominations for Gas Day 1 using IRIS AG-OP transfers will be accepted until 7:45 AM MST on calendar day 2;
- YD Nominations for Gas Day 1 using IRIS AG account transfers will be accepted until 10:30 AM MST on calendar day 2; As applicable, the YD balancing Nomination timelines for accounts on NGTL's systems are specified in their respective terms and conditions and/or business practices. Contact TC Energy for further information.

### **Timelines for Production Data**

Total production will be reported in Producer Accounts in IRIS at the times shown below:

**Forecast 1** for Gas Day 2 will be issued by **12:00 PM** on calendar Day 1

**Forecast 2** for Gas Day 2 will be issued by **07:00 AM** on calendar Day 2

**Forecast 3** for Gas Day 2 will be issued by **12:00 PM** on calendar Day 2

**Backcast** for Gas Day 2 will be issued by **07:00 AM** on calendar Day 3

The account Forecasts 1 to 3 inclusive are provided by AG for the information of Producer account-holders. AG's Producer Terms and Conditions do not require a Producer account-holder to nominate gas supply using these consumptions if the account-holder believes it has better data.

However, AG's Producer Terms and Conditions DO require the account-holder to balance within the Imbalance Window when Backcast consumption is reported near the end of the Gas Day. If a Producer Account is not balanced within the Imbalance Window by 10:30 AM MST, an Imbalance Purchase or Sale will be applied to the account to bring the Imbalance to the nearest boundary of the Imbalance Window as described in Section 7.6. below.

### **7.6 Imbalance Purchase/Sale**

The Imbalance Window is a range of positive and negative account Imbalances within which a Producer account is considered to be balanced. If a Producer Account Imbalance is outside the Imbalance Window range at the end of the daily Account balancing timeline given in Section 7.4 then the Energy amount outside the Imbalance Window will automatically be deducted from or added to the Account.

When there is an excess of gas supply relative to delivery from the Account for a Gas Day, the Energy amount outside the positive Imbalance Window will be deducted from the account by Imbalance Purchase at the price specified in Schedule B of the Producer Terms and Conditions.

When there is a deficiency of gas supply relative to delivery from the Account for a Gas Day, the Energy amount outside the negative Imbalance Window will be added to the Account by Imbalance Sale at the price specified in Schedule B of the Producer Terms and Conditions.



## **Chapter 8 Load Settlement**

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### **8.5 Overview**

The system used for performing Load Settlement is called the Daily Forecasting and Settlement System (DFSS). The DFSS provides aggregate and site level production for Backcast and Settlement to Producers. DFSS also provides aggregate production through a system interface with IRIS to the Producer Accounts.

### **8.2 Process**

AG requires the capability of running the following 3 types of processes:

1. Forecast Gas Usage
2. Backcast Gas Usage
3. Settlement

#### **8.2.1 Forecast**

The daily forecast is the expected total Producer production for a Gas Day.

For Producer sites, with AMR data, DFSS uses the Proxy Day method for forecasting. The Proxy Day method involves a search of recent days for a day having similar characteristics as the forecast Gas Day. If a match is found, then the proxy day's AMR data is used as forecast estimate. The Nominated Demand will be used in the event proxy day is unavailable.

#### **Timing of Daily Forecasts**

Three forecasts are produced for each day as follows:

F1 – Each day, a forecast is completed and reviewed for the next Gas Day for each Producer.

F2 – Each day, a forecast is completed and reviewed for the current Gas Day for each Producer.

F3 - Each day, an updated forecast is completed and reviewed for the current Gas Day for each Producer.

#### **8.2.2 Backcast**

Each morning, a Backcast is completed and reviewed for the previous Gas Day for each Producer. The previous Gas Day is defined as the 24 hour period between 8:00 am previous day to 7:59 am current day. The daily Backcast provides an estimate of the actual Producer production for the previous Gas Day. DFSS will use the previous day's actual AMR data to estimate Backcast usage.

#### Producer Sites

There are alternative Backcasting methods available for Producer sites, which have daily AMR data. The first choice when Backcasting Producer sites is to use AMR data from the previous day. If AMR data is unavailable for the Backcast day, DFSS will apply the Proxy Day selection method.

**8.2.3 Consumption Settlement**

DFSS will produce monthly production settlements for each Producer. The goal of a settlement is to determine the actual amount of gas produced each day in the Settlement Month for each site. The Settlement Month is a calendar month. The settlement allocates each site’s DCM usage record to each Gas Day within the Settlement Month. The total daily settlement amount for a Producer will be calculated by summing all of their sites’ settlements for the Settlement Month.

Three settlements will be run for each Month. These are Initial Monthly Settlement (S1), Interim Monthly Settlement (S2) and Final Monthly Settlement (S3). The timing of the settlement runs is described in more detail in AUC Rule 028.

As a summary, Table 1 displays the hierarchy of calculation methodologies employed by DFSS for forecast, Backcast and settlement runs.

**Table 1 – Forecast, Backcast and Consumption Settlement Methodologies**

<b>Customer Class</b>	<b>Order of Operation</b>	<b>Forecast</b>	<b>Backcast</b>	<b>Settlement</b>
Producer Sites	1 <sup>st</sup> Choice	Proxy Day	AMR Data	AMR Data
	2 <sup>nd</sup> Choice	Nominated Demand	Proxy Day	Proxy Day
	3 <sup>rd</sup> Choice		Nominated Demand	Nominated Demand

**8.3 DFSS Outputs**

DFSS outputs daily forecast, Backcast, and settlement information summed by Producer to IRIS. Producers are then able to view the results in their Accounts on IRIS. DFSS also sends forecast, Backcast, and settlement files to Producers via VLTraderTM. Table 2 summarizes shows the files that are sent to Producer for the various types of settlement runs.



**Table 2 – Files Released to Producers**

<b>File Type</b>	<b>Definition</b>	<b>Settlement Type</b>
WSI – Wholesale Settlement Information	Total settlement production for each day summarized by Producer and distribution zone.	Forecast, Backcast, Settlement
WSS – Wholesale Settlement Summary	Total settlement production for a month summarized by Producer and distribution zone.	Settlement
WSD – Wholesale Settlement Details	Settlement production by day for each site.	Backcast, Settlement
SPV – Settlement Profile Value Transaction	Total settlement production for each day summarized by profile class, distribution zone, and weather zone	Forecast, Backcast, Settlement

*For more information on the above settlement files, including file layouts, refer to AUC Rule 028.*

## Chapter 9 Operations

### 9.1 Overview

Once construction and commissioning of the Producer and AG facilities is complete, the Producer Account has been set up and the facilities are on-stream, the production of gas and receipt on to the ATCO Gas Distribution System will enter the on-going operations phase. As outlined in [Chapter 6](#), the design of the Producer and AG facilities along with regularly scheduled inspections and gas sampling and analysis are required to ensure safe, reliable operation of the system. On-going gas sampling and analysis requirements are contained in the *ATCO Gas Producer Monitoring and Verification Program* which is briefly described in the following sections.

### 9.2 Gas Quality Monitoring and Shut Out Procedures

- a. Producers are required to meet the following gas specifications. These are subject to AG discretion as required to maintain an adequate level of safety in its pipelines.

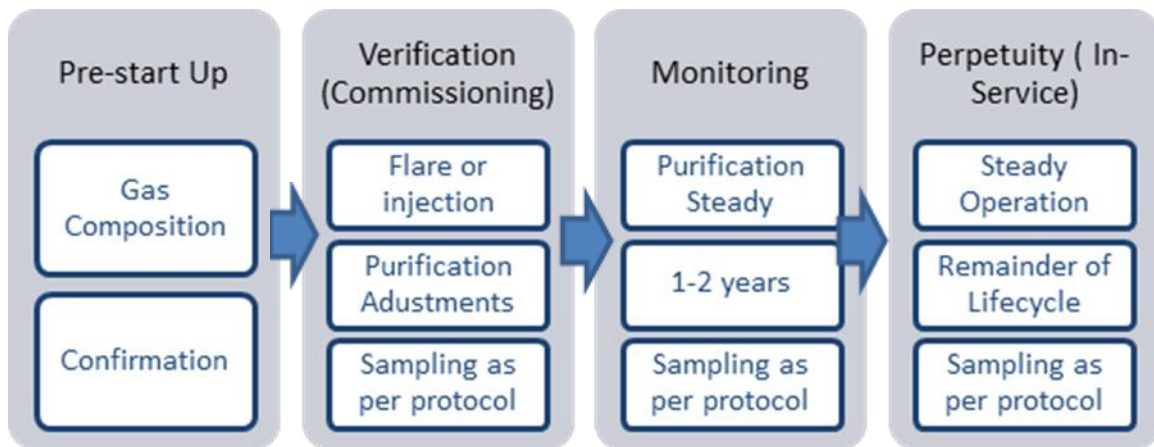
#### 9.2.1 Gas Quality Specifications

PARAMETER	ABBREVIATION	MIN/MAX	VALUE	UNIT	FREQUENCY
Heating Value	HV	MIN	36.5	MJ/m3	Ongoing
Wobbe Number	WN	MIN	47.65	MJ/m3	Ongoing
Carbon Dioxide	CO2	MAX	2	% vol.	Ongoing
Oxygen	O2	MAX	0.4	% vol.	Ongoing
Nitrogen	N2	MAX	1.6	% vol.	Ongoing
Total Inert (N2, CO2, O2)		MAX	4%	% vol.	Ongoing
Hydrogen	H2	MAX	1 0.1	% vol.	Ongoing
Water Vapor	H2O	MAX	65	mg/m3	Ongoing
Hydrocarbon Dew Point		MAX	-10	Celsius	Ongoing
Delivery Temperature		MAX	30	Celsius	Ongoing
Hydrogen Sulfide	H2S	MAX	7	mg/m3	Ongoing
Total Mercaptans		MAX	6	mg/m3	Ongoing
Total Sulfur	S	MAX	115	mg/m3	Ongoing
Ammonia	NH3	MAX	3	mg/m3	Ongoing
Siloxanes	Si	MAX	1	mg Si/m3	Ongoing
Fluorine Total	Fl	MAX	10	mg/m3	At StartUp
Chlorine Total	Cl	MAX	1	mg/m3	At StartUp
Particulate/Bacteria			Commercially Free Of.		
Mercury	Hg	MAX	0.08	mg/m3	At StartUp
Arsenic	As	MAX	0.19	mg/m3	At StartUp
Copper	Cu	MAX	0.6	mg/m3	At StartUp

- a. All major gas components will be subject to real-time analytical testing whereas trace constituent tests will be conducted at an off-site laboratory unless real-time instrumentation equipment can be substituted. A Shut-out of the Producer production facility can occur as a result of either; the detection of an on-line monitored component being found out of specification as outlined below in which case the Shut-out is automatic via the on-site RTU and ESD valve, or, as a result of off-site laboratory monitored trace component being found out of specification, in which case the Shut-out would occur manually or remotely by AG. For details of the conditions which will result in a facility Shut-out, please refer to the *ATCO Gas Producer Monitoring and Verification Program*.
- b. If either, an on-site automatic Shut-out, or an off-site lab detected manual Shut-out is initiated, the production facility will remain Shut-out until on-site verification of acceptable gas quality is confirmed and a manual re-set of the valve is completed by AG Operations personnel.
- c. Supply disruptions are a serious issue and could affect AG's downstream customers. Producers are required to have protocols in place in the event of a conditioning system failure. The Producer is advised to review and clearly understand the interconnect agreement with AG including requirements for reintroduction of gas into the gas distribution system.
- d. Gas which has been Shut-out will require additional scrutiny especially for trace constituents. If a laboratory test indicates that values are outside of allowable parameters, the gas will be tested at a more stringent level from previous monitoring periods. The gas will be Shut-out until all gas quality standards are met. AG will require a report outlining the cause of failure, steps required to rectify the situation and an updated process/operation plan to avoid reoccurrence.

### **9.3 RNG Monitoring and Verification**

Ensuring appropriate gas quality for RNG Producers requires a period of careful examination before RNG is introduced into the pipeline to ensure reliability of the conditioning system and confidence in a dataset of quality product delivery. The *ATCO Gas Producer Monitoring and Verification Program* includes specific requirements for to landfill/wastewater treatment biogas as towel as anaerobic digester biogas. The specific requirements for each type of biogas production are outlined in the *ATCO Gas Producer Monitoring and Verification Program* but general aspects are as follows:



### 9.3.1 Three Phases of Verification Testing

#### 1. Prestart Up

Occurs prior to RNG entering the pipeline to ensure the conditioning system is functioning appropriately. This length of time is variable and is dependent on the conditioning system performance.

#### 2. RNG Verification Period

A period ranging from 1 to 4 weeks where RNG is produced but not entering the ATCO Gas Distribution System. The duration of the RNG verification period will depend on multiple factors, including but not limited to: the type of RNG production process, RNG Gas quality, RNG sample turn around period, and time required to coordinate between RNG Producer, AG and any external stakeholders.

#### 3. Monitoring Periods

Monitoring periods and specific monitoring requirements and frequencies depend on the type of RNG production process and the performance of the facility during each monitoring period.

In the event of 'Shut-out' or other 'out of spec' incident, AG may require the Producer to revert back to the previous monitoring period and, in addition, provide AG a report detailing an investigation into the cause of the incident and a remedial plan to prevent reoccurrence.

## **Chapter 10 Prudential Requirement Policies**

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### **10.1 Initial Credit Information**

All Producers must complete a Producer of Record and Credit Application Form as shown in [Appendix B](#). AG will use the information provided in the credit information section of the application form to establish the Producers initial prudential security requirement, which must be received before the Company will provide Producer Receipt Service to the Producer. This evaluation will be conducted in accordance with Article 11 of the Producer Terms and Conditions for Gas Distribution Service.

As part of this process, Producers are required to provide; (i) their Credit Rating from a major reputable bond rating service Company, and (ii) their expected production volume.

### **10.2 Setting of Prudential Requirements**

Based on the initial credit information provided in the Producer Record and Credit Application Form, AG will conduct a credit evaluation and will deem the Producer to have met the prudential requirements if it meets one of the following criteria.

- a. To qualify based on bond rating, the Producer or person guaranteeing the financial obligation of the Producer, must have at least a "BBB" rating. The credit rating will mean the bond rating from the S&P or an equivalent rating from DBRS or Moody's. The Company will confirm the credit rating of the Producer, or person guaranteeing the financial obligation of the Producer. If a party has more than one credit rating, the lowest rating will be used.
- b. If the Producer does not meet the minimum bond rating criteria, the Producer must provide a cash deposit, or an irrevocable letter of credit drawn on a Canadian lending institution acceptable to the Company as set out in [Appendix H](#). An irrevocable letter of credit from another financial institution may be accepted by the Company, provided it is executable from an intermediary bank branch or office with a drawing location in Calgary, Alberta.

To determine the amount of the security guarantee, the Producer must project its payments under the Company's Rate Schedule over a period of 60 days. Security requirements will be evaluated on a daily basis by monitoring new applications for enrollment as well as any proposed increased production or contract demand by the Producer.

- c. The Company, subject to review and reassessment, shall establish the Producers security reduction in relation to its credit rating for each Producer, or person who guarantees the financial obligations of the Producer, and shall notify the Producer of their security requirement within 20 business days of the Producers complete application for service.
- d. If a Producers financial situation changes (i.e., downgrading of its corporate bond rating) or a Producer becomes under-secured, the Company reserves the right to reevaluate the Producers credit limit and/or request the Producer to provide additional security. The Producer will be notified by the

Company of the need for additional security. The notification will include the reasons for the notice, the amount of the additional security and the timeframe within which the security must be provided.

- e. Subject to Articles 11, 13 and 14 of the Company's Producer Terms and Conditions for Producer Receipt Service, if the Producer fails to pay any amount billed or fails to present additional security as outlined herein, the Company reserves the right to suspend the provision of additional Producer Receipt Service to the Producer or discontinue Producer Receipt Service entirely to the Producer.
- f. A Producer that is required to provide security in accordance with the Company's Producer Terms and Conditions for Producer Receipt Service must maintain that amount of security until all obligations of the Producer under the Company's Distribution Tariff are satisfied.

### **10.3 Financial Obligations**

Initial financial obligations for the Producer will have to be determined when a Producer first requests service from the Company. AG will undertake this evaluation with the Producers assistance based on the Maximum Daily Contract Demand and resulting monthly bill of the Producer according to the Company's price schedule. AG representatives will assist the Producer to determine the expected monthly bill for this purpose.

### **10.4 Drawing-on Security**

As noted in Section 10.2, AG will monitor the Producers financial obligation on a daily basis to ensure it does not exceed its credit limits as defined above. In addition, if a Producer fails to pay any amount billed, the Company will apply all or a portion of the Producers security to the unpaid amount. This process will be monitored as follows (in business days):

Day 1: The Company will send an electronic bill file to the Producer for the billing cycle.

Day 12: Preauthorized payment withdrawal from the Producers account.

Day 13: Normally, the Company will first make a call to the Producer advising of the situation. The Company will follow-up in writing via email, fax, or letter that it is in default of its payment and that it has 3 business days to pay arrears. In addition, arrears are subject to the Late Payment Charge as defined in the Company's Rate Schedules.

Day 16: Overdue notice expires.

- i. If the Producer has qualified based on its bond rating [(see section 10.2(a)], the Company will request the Producer to provide additional security in a form outlined in section 10.2(b) within a specified time.
- ii. If the Producer has qualified based on a guarantee provided by a person with a qualifying bond rating, the Company will make a demand on that guarantee.
- iii. If the Producer has provided a security in a form outlined in 10.2(b), the Company will draw on the security and the Producer will be required to replenish the security within 5 business days.

To be advised by AG: If the Producer has failed to provide additional security or the guarantor has not honored the guarantee provided, the Company will suspend the provision of further Producer Receipt Service to the Producer and reserves the right to discontinue Producer Receipt Service entirely to the Producer.

### **10.5 Interest Paid on Security**

Interest on each Producers cash security deposit held by the Company will be calculated at the rate specified from time to time in The Residential Tenancies Act. Interest will be paid to the Producer annually. If the amount of annual interest equals or exceeds \$50 a T5 Statement of Investment Income will be issued by the Company and sent to the Producer in accordance with Canada Customs and Revenue Agency policy.

### **10.6 Confidentiality**

All information provided by the Producer in relation to its financial standing and designated by the Producer as confidential will be treated as such under the Confidentiality Agreement between the Producer and the Company. The terms and conditions of the Confidentiality Agreement are set out in [Appendix G](#).

## Appendix A Qualification Checklist

The checklist below provides information regarding the general process for establishing access service.

Send any inquiries regarding becoming a Producer on the AG system to [naturalgas@atco.com](mailto:naturalgas@atco.com).

1.	Applicant notifies AG with a letter of intent to utilize Producer Receipt Service on the ATCO Gas Distribution System and proposed date for this service to begin.
2.	Applicant and AG enter into planning and evaluation discussions for Producer Receipt Service and AG issues qualification instructions including prudential requirements. See <a href="#">Appendix B</a> for explanation.
3.	Producer provides AG with signed original copies (by email or mail) of the following required documentation: Producer Service Agreement (a sample is contained in AG's' Producer Terms and Conditions available at <a href="http://www.atco.com">www.atco.com</a> ). <a href="#">Appendix B</a> – Producer of Record and Credit Application Form <a href="#">Appendix C</a> – Preauthorized Payment Agreement OR <a href="#">Appendix D</a> – Electronic Funds Transfer Agreement <a href="#">Appendix E</a> – Letter of Credit <a href="#">Appendix F</a> – Guarantee <a href="#">Appendix G</a> – Confidentiality Agreement <a href="#">Appendix H</a> – Agency Appointment Agreement (if Producer will have another company act on their behalf). A letter, stating that the producer will comply with AUC Rule 028.
4.	AG notifies the Producer that it has received all applicable forms and agreements or states the deficiencies.
5.	AG provides notification that all prudential requirements are confirmed.
6.	AG provides contact information for Producer to begin compliance testing.
7.	Producer provides the name of the Producer Service Account administrator.
8.	AG sets up the Producer Account in the Imbalance Reporting Information System (IRIS).
9.	Producer completes compliance testing successfully.
10.	AG notifies Producer date it may begin nominations and bring production facility online.
11.	Producer begins Producer Receipt Service.



## ***Appendix B Producer of Record and Credit Application Form***

MEMORANDUM OF AGREEMENT made the (day) of (month), (year)

APPENDIX to the Producer Receipt Service Agreement between <**PRODUCER NAME**> ,

<**PRODUCER BUSINESS NUMBER**> , and **ATCO Gas and Pipelines Ltd.**

<b>A. GENERAL INFORMATION</b>	
1. Legal Business and Corporate Name:	
2. Business Number:	
3. Doing Business As (DBA) Name (if different than legal business name):	
4. Business Street Address:	
5. Mailing Address (if different than Business Address):	
<b>6. Primary Contact Person Information for Commercial/Business Matters</b>	<b>6. Alternate Contact Person Information for Commercial/Business Matters</b>
Name(s):	Name(s):
Address:	Address:
Phone #:	Phone #:
Email:	Email:
<b>7. Primary Contact Person Information for Data Exchange/Billing Matters</b>	<b>7. Alternate Contact Person Information for Data Exchange/Billing Matters</b>
Name(s):	Name(s):
Address:	Address:
Phone #:	Phone #:
Email:	Email:
<b>8. Primary Contact Person Information for Compliance Testing Matters</b>	<b>8. Alternate Contact Person Information for Compliance Testing Matters</b>
Name(s):	Name(s):
Address:	Address:
Phone #:	Phone #:
Email:	Email:
9. Producer Identification Number(s):	
(1) _____	(4) _____
(2) _____	(5) _____
(3) _____	(6) _____
Estimated Daily Production of sites to be enrolled: _____ MCF/GJ (please circle)	

**(B) BILLING INFORMATION** (required for electronic payment)

<b>1. Name of Financial Institution:</b>	
<b>2. Address:</b>	
<b>3. Account #:</b>	
<b>4. Account Name:</b>	
Email: _____	ATCO Gas's Website at <a href="http://www.atco.com">www.atco.com</a> :

<b>(C) CREDIT INFORMATION</b>
<b>1. Chief Executive Officer:</b>
<b>2. Name:</b>
<b>3. Phone #:</b>
<b>5. Chief Financial Officer:</b>
<b>6. Name:</b>
<b>7. Phone #:</b>
<b>9. Is your Company publicly traded?</b> If yes, provide Fiscal Year End (Month/Day): _____ If no, complete next question.
<b>10. Primary/Alternate Contact Person Information for Prudential Requirements:</b>
<b>11. Name(s):</b>
<b>12. Address:</b>
<b>13. Phone #:</b>
<b>14. Email:</b>
<b>16. Credit Rating Agency</b>
<b>17. Credit Rating</b>
<b>18. SENIOR PERSON WHO WOULD AUTHORIZE ALL PRODUCER AGREEMENTS</b>
<b>19. Name:</b>
<b>20. Address:</b>
<b>21. Phone #:</b>
<b>22. Email:</b>
<b>24. ACCOUNTS PAYABLE ARREARS ISSUES CONTACT</b>
<b>25. Name:</b>
<b>26. Address:</b>
<b>27. Phone #:</b>
<b>28. Email:</b>

## **Appendix C Preauthorized Payment Agreement**

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**PREAUTHORIZED PAYMENT AGREEMENT ("AUTHORIZATION")** made the (day) of (month), (year)

BETWEEN:       **(Producer NAME)**

(address)

(hereinafter called the "Producer")

- and -

**ATCO GAS AND PIPELINES LTD.**, a body corporate with its Head Office in the  
City of Edmonton in the Province of Alberta ("ATCO Gas" or "Company")

WHEREAS ATCO Gas has entered into a Producer Service Agreement with the Producer, and the Producer has requested to make payments arising from the provision of Producer Receipt Service via preauthorized electronic payment.

The Producer and the Company agree as follows:

1. Subject to Paragraph 11 hereof, the Producer shall make payments to the Company pursuant to the Producer Service Agreement through preauthorized payment as set forth in this Authorization.
2. The Producer acknowledges and agrees that this Authorization is provided for the benefit of ATCO Gas and the Producer's financial institution and is provided in consideration of the Producer's financial institution agreeing to process debits against the Producer's account in accordance with the Rules of the Canadian Payments Association.
3. The Producer represents, warrants and guarantees that all persons whose signatures are required to sign on the Account (as hereinafter defined) have signed the Preauthorized Payment Agreement.
4. The Producer authorizes ATCO Gas to draw on the account ("Account") listed below:

**(Producer Name)** Financial Institution Information:

Financial Institution Name:

Address:

Account Name:

Account Number:

5. The Producer will undertake to inform ATCO Gas, in writing, of any changes in the account information provided in this Agreement prior to the next due date of the preauthorized debit ("PAD") following such change.
6. Either party may terminate this Authorization at any time upon 10 business days written notice to the other party; provided however, that the Producer shall remain liable to make Payments due during this notice period as provided herein. Termination of this Authorization shall not relieve the Producer from its obligations under the Producer Service Agreement or the Producer Terms and Conditions for Gas Distribution Service. The Producer acknowledges that, in order to revoke this Authorization, written notice of revocation must be provided to and received by ATCO Gas.
7. The Producer acknowledges and agrees that provision and delivery of this Authorization to ATCO Gas constitutes delivery by the Producer to the Producer's financial institution.
8. The Producer acknowledges and agrees that its financial institution is not required to verify that a PAD has been issued in accordance with the particulars of the Producer's Authorization, including but not limited to the amount thereof.
9. The Producer acknowledges and agrees that its financial institution is not required to verify that the reason for payment for which the PAD was issued has been fulfilled by ATCO Gas as a condition to honoring a PAD issued or caused to be issued by ATCO Gas on the Producer's account.
10. If a payment due date falls on a date on which the electronic transfer cannot be completed because the electronic system for receipt of this Payment is, during such business day, incapable to make or receive an electronic transfer, such payment due date shall be deemed to be the next business day on which such transfer can be completed. If the transfer has failed for reasons out of the Producer's control, the Producer shall not incur any late payment penalty. Any such delay shall not extinguish any obligation of the Producer to pay the Company as soon as practical after it is notified of such failure.
11. Upon at least five (5) business days prior written notice to the Company, the Producer may make any payment arising from Producer Access Service by reasonable means other than as set forth in this Authorization, including, without limitation, by certified cheque, so long as such payment is made with immediately available funds.
12. The Company shall not be liable to the Producer or to the Producer's financial institution for any losses, claims, damages, expenses (including without limitation, lawyer's fees on a solicitor and own client basis), actions or causes howsoever arising directly or indirectly from the Company's use of this Authorization.
13. This Authorization shall ensure to the benefit of and be binding and enforceable by the parties hereto and their respective executors, administrators, successors and, where permitted, assigns.

14. The Producer and the Company shall comply with the nondisclosure obligations set forth in the Confidentiality Agreement. The Parties hereby acknowledge and agree that all information provided by the Company to the Producer pursuant to this Authorization shall constitute Confidential Information regardless, whether such information has been marked as "proprietary" and/or "confidential". The Producer shall indemnify and save harmless the Company, and its directors, officers, employees, Agents and representatives ("Indemnified Parties") from any and all damages, costs, expenses (including, but not limited to, attorney fees on a solicitor and own client basis), losses or claims incurred by such Indemnified Parties directly or indirectly resulting or arising from a disclosure of the Company's Confidential Information provided hereunder.
15. Contacts or Notices required with respect to this Agreement shall be directed as follows:

**ATCO Gas and Pipelines Ltd.** 10035 -  
 105 Street Edmonton, Alberta T5J 1C8

**Contact Name:** Gas Payments & Controls

**Email:** [paymentprocessing@atcogas.com](mailto:paymentprocessing@atcogas.com)

**Producer Name**  
 (address)

**Contact Name:**

**Alternate Contact name:**

**Telephone No.:**                      **Alternate:**

IN WITNESS WHEREOF the Parties have executed this Agreement as of the day and year first above mentioned.

**[PRODUCER NAME]**

**ATCO GAS AND PIPELINES LTD.**

Per:

Per:

Name:

Name:

Title:

Title:

## ***Appendix D Electronic Funds Transfer Agreement***

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**ELECTRONIC FUNDS TRANSFER AGREEMENT ("EFT Agreement")** made the (day) of (month), (year)

BETWEEN:           **(PRODUCER NAME)**

(address)

(the "Producer")

- and -

**ATCO GAS AND PIPELINES LTD.**, a body corporate with its Head Office in the City of Edmonton in the Province of Alberta ("ATCO Gas" or "Company")

WHEREAS the Company has entered into a Producer Service Agreement with the Producer pursuant to the Producer Terms and Conditions for Gas Distribution Service, and in that agreement the Producer has agreed to make payments arising from the provision of Producer Receipt Service via an electronic funds transfer to the Company's account.

The Producer and the Company agree as follows:

1. Subject to Paragraph 7 hereof, the Producer shall make all payments ("Payments") to the Company pursuant to the Producer Service Agreement through an electronic funds transfer to the Company's account as set forth in this EFT Agreement.
2. The Producer shall make Payments by electronically transferring funds to the Company's account described below:

<b>Bank of Montreal</b>	<b>Bank:</b>	<b>001</b>
<b>340 – 7<sup>th</sup> Avenue SW</b>	<b>Transit:</b>	<b>00109</b>
<b>Calgary, Alberta</b>	<b>Account:</b>	<b>0001-916</b>
<b>T2P 0X4</b>		

3. The Company shall inform the Producer of any changes in the account information provided in this EFT Agreement prior to the next due date of any invoice issued by the Company to the Producer pursuant to the Producer Service Agreement.
4. The Producer must provide notification ("EFT Notification") to the Company, by e-mail, of each electronic funds transfer ("EFT") ON OR BEFORE the date such funds are deposited by the Producer. The EFT Notification shall include each the Company statement account number to be paid, the amount to be applied to each account, the total amount of the deposit to be made by EFT and the deposit date. If the Company does not receive any of the information required hereunder, the Producer shall be responsible for any late penalty charges that result. The EFT Notification shall be sent to:

**By email: [paymentprocessing@atcogas.com](mailto:paymentprocessing@atcogas.com)**

5. Either party may terminate this EFT Agreement at any time, upon 10 business days written notice to the other party; provided however, that the Producer shall remain liable to make any Payments due during this notice period as provided herein. Termination of this EFT Agreement shall not relieve the Producer from its obligations under the Producer Service Agreement or the Producer Terms and Conditions for Gas Distribution Service.
6. If a Payment due date falls on a date on which the EFT cannot be completed because the electronic system for receipt of this Payment is, during such business day, incapable of receiving an EFT, such payment due date shall be deemed to be the next business day on which such EFT can be completed. If the EFT has not been completed on the due date for reasons beyond the Producer's control, the Producer shall not incur any late payment penalty. Any such delay shall not diminish the obligation of the Producer to pay the Company as soon as practical after it is notified of such failure.
7. Upon at least five (5) business days written notice to the Company, the Producer may make any payment arising from the Producer Service Agreement by reasonable means other than by EFT including, without limitation, by certified cheque, provided such payment is made with immediately available funds.
8. The Producer shall, at its sole expense, provide and maintain the equipment, security procedures, hardware, software, services, testing and connections necessary to effectively and reliably comply with the terms of this EFT Agreement.
9. This EFT Agreement shall ensure to the benefit of and be binding and enforceable by the parties hereto and their respective executors, administrators, successors and, where permitted, assigns.
10. The Producer and the Company shall comply with the nondisclosure obligations set forth in Paragraph 16 of the Producer Service Agreement. The Parties hereby acknowledge and agree that all information provided by the Company to the Producer pursuant to this EFT Agreement shall constitute Confidential Information for the purpose of the Producer Service Agreement, regardless, whether such information has been marked as "proprietary" and/or "confidential". The Producer shall indemnify and save harmless the Company, and its directors, officers, employees, Agents and representatives ("Indemnified Parties") from any and all damages, costs, expenses (including, but not limited to, attorney fees on a solicitor and own client basis), losses or claims incurred by such Indemnified Parties directly or indirectly resulting or arising from a disclosure of the Company's Confidential Information provided hereunder.
11. Neither Party will be liable to the other for the acts or omissions of the Company's financial institution.
12. If any provision of this EFT Agreement or the application thereof is to any extent held to be invalid or unenforceable, such provision shall be deemed to be severed from this EFT Agreement, and the remainder of this EFT Agreement shall not be affected and shall continue in full force and effect, enforceable to the fullest extent permitted by law or in equity.
13. Each Party agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary to perform all of the terms and conditions of this EFT Agreement and

the transactions contemplated hereby.

14. Subject to paragraph 4, contacts or notices required with respect to this EFT Agreement shall be directed as follows:

**ATCO Gas and Pipelines Ltd.**

10035-105 Street Edmonton,  
Alberta T5J 1C8

**Contact Name:** Gas Payments & Controls

**Email:** [paymentprocessing@atcogas.com](mailto:paymentprocessing@atcogas.com)

**Producer Name**

(address) **Contact**

**Name:**

**Alternate Contact Name:**

**Telephone No.:**

**Alternate:**

IN WITNESS WHEREOF THE Parties have executed this EFT Agreement as of the day and year first above mentioned:

**[PRODUCER NAME]**

**ATCO GAS AND PIPELINES LTD.**

Per:

Per:

Name:

Name:

Title:

Title:



## Appendix E Letter of Credit

---

### BANK FORM – LETTER OF CREDIT LETTER OF CREDIT NO.:

APPLICANT

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date of Issue: \_\_\_\_\_

AMOUNT: CAD \$ \_\_\_\_\_

and 00/100  
Canadian Dollars

Expiry Date: \_\_\_\_\_

#### BENEFICIARY:

**ATCO Gas and Pipelines Ltd. ATCO Centre**

10035-105 Street

Edmonton, AB T5J 1C8

AT THE REQUEST OF AND ON BEHALF OF THE APPLICANT WE HEREBY ESTABLISH IN YOUR FAVOUR OUR IRREVOCABLE LETTER OF CREDIT FOR A SUM NOT EXCEEDING THE ABOVE MENTIONED AGGREGATE AMOUNT.

THIS CREDIT SHALL BE AVAILABLE TO YOU BY YOUR SIGNED AND ENDORSED SIGHT DRAFT DRAWN ON **[NAME AND ADDRESS OF THE CANADIAN CHARTERED BANK]** WHEN SUPPORTED BY YOUR SIGNED CERTIFICATE STATING THAT THE AMOUNT DRAWN IS DUE AND PAYABLE BY THE APPLICANT PURSUANT TO ATCO GAS' PRODUCER TERMS AND CONDITIONS FOR GAS DISTRIBUTION SERVICE ("TERMS AND CONDITIONS"), AS AMENDED FROM TIME TO TIME.

IT IS UNDERSTOOD THIS CREDIT IS ISSUED FOR THE PAYMENT OF MONIES ONLY AND WE HEREBY AGREE THAT WE SHALL HONOUR YOUR DEMAND FOR PAYMENT WITHOUT ENQUIRING WHETHER YOU HAVE A RIGHT AS BETWEEN YOURSELVES AND THE APPLICANT TO MAKE SUCH DEMAND AND WITHOUT RECOGNIZING ANY CLAIM OF THE APPLICANT.

DRAFTS MUST INDICATE THAT THEY ARE DRAWN UNDER **[NAME AND ADDRESS OF CANADIAN CHARTERED BANK]** IRREVOCABLE LETTER OF CREDIT STATING NUMBER AND DATE

DRAFTS DRAWN UNDER THIS CREDIT ARE TO BE ENDORSED HERON.

WE HEREBY AGREE THAT DRAFTS DRAWN UNDER THIS CREDIT WILL BE DULY HONoured ON PRESENTATION PROVIDED THAT ALL TERMS AND CONDITIONS HAVE BEEN COMPLIED WITH AND THE DRAFTS ARE PRESENTED TO **[NAME AND ADDRESS OF CANADIAN CHARTERED BANK]** NOT LATER THAN THE ABOVE MENTIONED EXPIRY DATE. HOWEVER, IT IS A CONDITION OF THIS STANDBY LETTER OF CREDIT THAT IT SHALL BE DEEMED TO BE AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR ONE YEAR FROM THE PRESENT OR ANY FUTURE EXPIRATION DATE HEREOF, UNLESS AT LEAST 30 DAYS PRIOR TO ANY SUCH EXPIRATION DATE, WE SHALL NOTIFY YOU IN WRITING BY REGISTERED MAIL OR COURIER THAT WE ELECT NOT TO CONSIDER THIS LETTER OF CREDIT RENEWED FOR SUCH FURTHER PERIOD.

EXCEPT SO FAR AS OTHERWISE EXPRESSLY STATED, THIS LETTER OF CREDIT IS SUBJECT TO THE "UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS" (1993 REVISION) INTERNATIONAL CHAMBER OF COMMERCE (PUBLICATION NO. 500).

FOR [NAME OF BANK]

\_\_\_\_\_  
COUNTER SIGNATURE

\_\_\_\_\_  
AUTHORIZED SIGNATURE

## Appendix F Guarantee

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### GUARANTEE

TO: ATCO Gas and Pipelines Ltd. (the "Company")

THIS GUARANTEE made as of the \_\_\_\_\_ day of \_\_\_\_\_, 200\_.

In consideration of the Company now or hereafter entering into agreements and transactions (collectively the "Contracts") with \_\_\_\_\_ ("Producer"), a subsidiary of the undersigned \_\_\_\_\_ (the "Parent"), in connection with the provision by the Company of Producer Receipt Service to serve the Producer and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), Parent covenants and agrees with the Company as follows:

1. Parent hereby unconditionally and irrevocably guarantees to the Company, its successors and assigns, the prompt, timely and complete payment of all of the debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by Producer to the Company pursuant to or arising from the Contracts (collectively, the "Obligations") plus any expenses (including all legal fees and disbursements) incurred by the Company in enforcing any of its rights under this guarantee and interest on unpaid amounts due under this guarantee calculated from the date on which those amounts were originally demanded until payment in full, both before and after judgment, at the rates and in the currency applicable to Producer's debts under the Contracts.
2. The liability of Parent hereunder shall be absolute and unconditional and, without limitation, shall not be affected by:
  - (a) any lack of validity or enforceability of the Contracts, any change in the time, manner or place of payment or in any other term of the Contracts, or the failure on the part of Producer to carry out any of its obligations under the Contracts;
  - (b) the bankruptcy, winding-up, liquidation, dissolution or insolvency of the Producer or the Company;
  - (c) any lack or limitation of power, incapacity or disability on the part of Producer or of the directors, partners or Agents thereof or any other irregularity, defect or informality on the part of Producer in its obligations to the Company; or
  - (d) any other circumstance which might otherwise constitute a defense available to, or a discharge of, Producer in respect of any or all of the obligations of Producer to the Company pursuant to the Contracts.
3. The liability of Parent hereunder shall not be released, discharged, limited or in any way affected by anything done, suffered or permitted by the Company in connection with any duties or liabilities of Producer to the Company or any security therefor including any loss of

or in respect of any security received by the Company from Producer or others. The Company may grant extensions of time or other indulgences, take and give up securities, accept compromises, grant releases and discharges and otherwise deal with Producer and other parties and securities as the Company may see fit, and may apply all moneys received from Producer or others, or from securities, upon such part of Producer's liability as it may think best, without prejudice to or in any way limiting or lessening the liability of Parent under this guarantee.

4. The Company shall not be bound or obligated to exhaust its recourse against Producer or other persons or any securities or collateral it may hold or take any other action before being entitled to demand payment or performance from Parent hereunder.
5. Parent shall not be entitled to claim or assert any defense available to Producer or claim or assert any set off, deduction, counterclaim or crossclaim against Producer in respect of any liability of Producer to Parent.
6. This guarantee shall be a continuing guarantee and shall be binding as a continuing obligation of Parent until all of the Obligations of Producer have been satisfied.
7. Should the Company receive from Parent a payment or payments in full or on account of the liability under this guarantee, Parent shall not be entitled to claim repayment against Producer until the Company's claims against Producer have been paid in full; and in case of liquidation, winding up or bankruptcy of Producer (whether voluntary or compulsory) or in the event that Producer shall make a bulk sale of any of its assets within the bulk transfer provisions of any applicable legislation or any composition with creditors or scheme of arrangement, the Company shall have the right to rank for its full claim and receive all dividends or other payments in respect thereof until its claim has been paid in full and Parent shall continue to be liable, up to the amount guaranteed, for any balance which may be owing to the Company by Producer.
8. No failure on the part of the Company to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude the other or further exercise thereof or the exercise of any right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law. Any loss of or in respect of securities received by the Company from Producer or any other person, whether occasioned through the fault of the Company or otherwise, shall not limit or lessen the liability of Parent under this guarantee.
9. Parent shall make payment to the Company of the Obligations forthwith after written demand therefore is made to Parent. The Company shall be entitled to make demand upon Parent at any time upon default in payment by Producer of the Obligations and upon such default the Company may treat all such Obligations as due and may forthwith collect from Parent all amounts guaranteed hereunder.

10. Upon an event of default of the Producer in payment of the Obligations, all debts and liabilities, present and future, of Producer to Parent are hereby postponed to the Obligations of Producer to the Company, and all money received by Parent in respect thereof shall be received in trust for the Company and forthwith upon receipt shall be paid over to the Company, the whole without in any way lessening or limiting the liability of Parent hereunder and this postponement is independent of the guarantee and shall remain in full force and effect until payment in full to the Company of all obligations of Parent under this guarantee.
11. Unless a law requires otherwise, Parent will make all payments under this guarantee without deduction or withholding for any present or future taxes of any kind. If a law does so require, Parent will pay to the Company an additional amount as is necessary to ensure the Company receives the full amount the Company would have received if no deduction or withholding had been made.
12. If any provision of this guarantee is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision and all other provisions hereof shall continue in full force and effect.
13. Parent hereby waives notice of acceptance of this instrument.
14. Parent represents and warrants that:
  - (a) at the date hereof, the Producer is a subsidiary of the Parent;
  - (b) Parent is duly incorporated under the laws of its jurisdiction of incorporation, is validly subsisting, has full power and has been duly authorized by all necessary corporate and other action to carry on its business and to enter into and perform its obligations under this guarantee;
  - (c) all necessary consents and authorities of any government agency or tribunal or other regulatory authority having jurisdiction required for Parent to enter into and perform its obligations under this guarantee have been obtained;
  - (d) this guarantee constitutes legal, valid and binding obligations enforceable against Parent in accordance with its terms except to the extent that such enforceability may be limited by the bankruptcy or insolvency of Parent or similar laws respecting the rights of creditors of Parent generally or by the availability of specific performance or other equitable remedies being in the discretion of the court; and
  - (e) the execution and delivery of, the performance of its obligations under and the compliance with the provisions of this guarantee by Parent will not:
    - (i) contravene any existing applicable law, statute, rule or regulation, nor any judgment, decree or permit to which Parent is subject;

- (ii) conflict with or result in any breach of any of the terms of, or constitute a default under, any indenture, deed, mortgage, trust, agreement or other instrument material to the business, assets or financial condition of Parent and to which Parent is a party or is subject or by which it or any of its property is bound; or
  - (iii) result in the creation of any lien, charge or encumbrance upon any of the property or assets of Parent.
- 15. Any change or changes in the name of Producer shall not affect or in any way limit or lessen the liability of Parent hereunder and this guarantee shall extend to the person, firm or corporation acquiring or from time to time carrying on the business of Producer.
- 16. Any account settled or stated by or between the Company and Producer shall be accepted by Parent as conclusive evidence that the balance or amount thereby appearing due by Customer to the Company is so due.
- 17. (a) All notices permitted or required to be given pursuant to this guarantee shall be in writing and may be delivered by hand, mailed by registered mail or otherwise or sent by email.
- (b) All notices shall be deemed to be sufficiently given and received if:
  - (i) personally served on the other party by delivery during the normal business hours of the recipient at the addresses set forth below, which notices shall be deemed to have been received when actually delivered;
  - (ii) by e-mail (or by any other like method by which a written or recorded message may be sent) directed to the party on whom they are to be served at that party's address or email address set forth below, which notice shall be deemed to have been received when actually received if received within the normal working hours of a business day, or, at the commencement of the next ensuing business day following transmission thereof; or
  - (iii) mailed by registered mail or postage prepaid to the other party, which notice shall be deemed to have been received on the fifth business day following the date of mailing thereof, provided that in the event of an actual or threatened postal strike or other labour disruption that may affect the mail service, notices shall be deemed to be sufficiently given and received only when actually received.
- (c) A party may change its address for the receipt of notices at any time by giving notice thereof to the other parties.
- (d) Addresses for notices authorized or required to be given pursuant to this Agreement

are as follows:

ATCO GAS AND PIPELINES LTD.

10035 -105 Street  
Edmonton, Alberta  
T5J 1C8

Attn: Gas Payments & Controls

18. This instrument is in addition and without prejudice to any securities of any kind (including without limitation guarantees and postponement agreements whether or not in the same form as this instrument) now or hereafter held by the Company.
19. Notwithstanding anything else stated in this guarantee, this guarantee constitutes the entire agreement between the Company and the Parent with respect to the guarantee's subject matter and cancels and supersedes any prior understandings and agreements between the Company and the Parent. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, expressed, implied or statutory, between the parties other than as expressly stated in this guarantee.
20. This instrument shall be construed in accordance with the laws of the Province of Alberta, and Parent agrees that any legal suit, action or proceeding arising out of or relating to this instrument may be instituted in the courts of such province or territory, and Parent hereby accepts and irrevocably submits to the jurisdiction of the said courts and acknowledges their competence and agrees to be bound by any judgment thereof, provided that nothing herein shall limit the Company's right to bring proceedings against Parent elsewhere.
21. This instrument shall extend to and enure to the benefit of the successors and assigns of the Company, and shall be binding upon Parent and the successors and assigns of Parent.

[PARENT]

Per: \_\_\_\_\_

Per: \_\_\_\_\_

## Appendix G Confidentiality Agreement

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[Producer Name]

Address

Attention:

Re: Producer Receipt Services

Producer Financial Information

During the course of our business dealings with your Company ATCO Gas and Pipelines Ltd. (ATCO Gas) must obtain, for credit evaluation purposes, detailed financial information regarding your Company and its business activities. This financial information will include, but not necessarily be limited to, with your prior authorization: (a) your financial statements and other pertinent financial information and (b) independent confirmation from your bank(s) and other financial institution(s) regarding your financial circumstances.

ATCO Gas recognizes that some or all of this information may be confidential and, to the extent that it is, we hereby undertake to maintain such information in confidence and will not disclose it to any person or entity other than our employees, officers, directors, advisors and Agents who have a need to know and who have been advised of the confidentiality of the information and have agreed to be bound by this undertaking.

This undertaking will not apply to any confidential information which: (a) was in the public domain at the time of disclosure to us; (b) thereafter passes into the public domain by acts other than the acts of or caused by ATCO Gas; (c) is thereafter disclosed to ATCO Gas by third parties provided that ATCO Gas does not know, or has no reasonable basis to know, that the information was received or disclosed unlawfully; or (d) is required by law (including any applicable court order, government or regulatory authority order, rule, regulation or procedure) to be disclosed.

ATCO Gas agrees that monetary damages may be an insufficient remedy for any actual or anticipatory breach of this undertaking and therefore, in addition to any other remedy which may be available to you, injunctive relief is an appropriate remedy to prevent the unwarranted disclosure of confidential information. However, in no event shall you be entitled to indirect, consequential punitive or exemplary damages from ATCO Gas.

This agreement and undertaking shall be governed by the laws of the Province of Alberta and ATCO Gas agrees to attorn to the jurisdiction of the Courts of the Province of Alberta.

Yours truly,

Officer [Title]

*Agreed to by both parties:*

[Producer]

ATCO Gas and Pipelines Ltd.

Per: \_\_\_\_\_

Per: \_\_\_\_\_



## **Appendix H Agency Appointment Agreement**

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**TO: ATCO Gas and Pipelines Ltd. (“the Company”)**

**10035-105 Street**

**Edmonton, Alberta T5J 1C8**

I/We \_\_\_\_\_ (“the Producer”) hereby appoint

\_\_\_\_\_ (“the Agent”) as the Producer’s sole and exclusive

Agent to:

- (a) request and receive the Producer Information and Producer Usage Information including, without limitation interval, meter data, financial billing data, site configuration data, and site and service information, from the Company on behalf of the Producer; and
- (b) deal with the Company on behalf of the Producer with respect to all Producer Receipt Services provided by the Company to the Producer including, but not limited to, metering, meter reading, Account Balancing, billing and invoicing for Producer Receipt Service at the site;

(Collectively referred to as “Arrangements”)

The Agent agrees to enter into such further agreements with the Company as the Company deems necessary to permit the Company to deal with the Agent on behalf of the Producer.

The Producer acknowledges and agrees to be bound by the terms and conditions of any agreement between the Agent and the Company with respect to the Producer Information and/or Producer Receipt Service. The Producer further acknowledges, agrees to, and hereby does, ratify and confirm all actions taken by the Agent on the Producer’s behalf.

The Agent acknowledges and agrees to act in accordance with the terms and conditions of any agreement between the Producer and the Company with respect to the Producer Information, Producer Usage Information, and/or Producer Receipt Services including, but not limited to the Company’s Producer Terms and Conditions for Gas Distribution Service, as they are approved by the AUC, from time to time (“Terms and Conditions”).

The Company may rely exclusively upon, and deal exclusively with, the Agent with respect to all Arrangements on the Producer’s behalf as if the Arrangements had been made by the Producer.

The Producer confirms and agrees that:

- (a) the Producer is responsible for the payment of all amounts pursuant to the Terms and Conditions;
- (b) Producer shall make all payments required pursuant to the Terms and Conditions and pursuant to any Arrangements made by the Agent on behalf of the Producer, when due.

The Producer and Agent, jointly and severally covenant to indemnify and save harmless the Company, and its directors, officers, employees, Agents and representatives (“Indemnified Parties”) from any and all damages, costs, expenses (including, but not limited to, attorney fees on a solicitor and own client basis), losses or claims incurred by such Indemnified Parties directly or indirectly resulting or arising from the Company’s reliance upon the Agent’s authority hereunder, and/or from the acts or omissions of the Agent in exercising its authority hereunder.

This Appointment and the Agent’s authority to act hereunder shall be and remain in full force and effect until the Producer notifies ATCO Gas Ltd. in writing that the Producer has revoked its appointment of the Agent as its Agent.

\_\_\_\_\_  
PRODUCER NAME

\_\_\_\_\_  
DATE

Accepted by:

\_\_\_\_\_  
AGENT

\_\_\_\_\_  
DATE