

Gas Cost Recovery Rate (GCRR) - North

What is the GCRR?

The GCRR reflects the market price ATCO pays to purchase natural gas for our customers. Regulated by the Alberta Energy and Utilities Board, it changes monthly and is based on the most current forward market price information for the upcoming month.

ATCO Gas purchases natural gas from Alberta producers on the open market and does not mark up or profit from the cost of gas.

How is the GCRR determined?

The gas rate is based on two components:

- A forecast of market prices for the month.
- Any amount over- or under-collected from previous months. We only collect from customers what we have paid to purchase natural gas.

How much natural gas does a typical customer use?

A typical residential customer consumes 135 GJ per year broken down as follows:

Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
23 GJ	18 GJ	16 GJ	9 GJ	5 GJ	3 GJ	3 GJ	4 GJ	5 GJ	9 GJ	18 GJ	22 GJ

How much will a typical residential customer bill be for July?

A typical ATCO Gas North customer bill will total \$42.84 (including energy and delivery charges).

In June, a typical residential bill amounted to \$43.97.

Why are 2003 rates higher than 2002 rates?

Market rates can fluctuate for a variety of reasons including supply and demand for gas, weather, storage and production activity and availability of alternate fuel sources. Extreme temperatures have a strong influence on natural gas demand as well so many price spikes are associated with unusually hot or cold weather patterns.

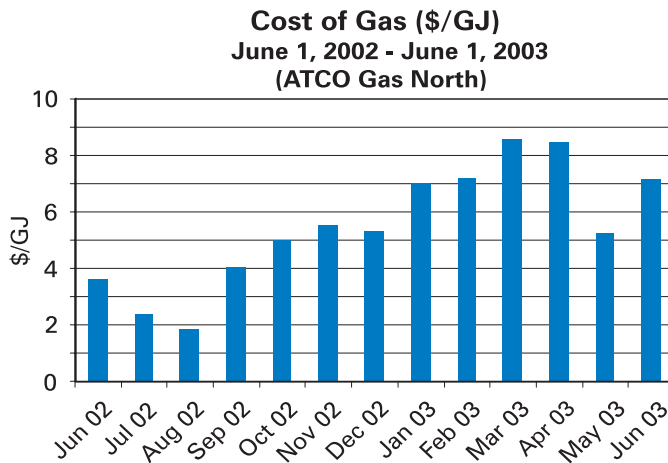
Where are natural gas prices going?

It's impossible to predict exactly where natural gas prices will go from one month to the next. Again, it depends on what factors are affecting the natural gas market.

What can customers do to control their gas bills?

Customers can take advantage of ATCO EnergySense, a service that offers free energy-saving advice. By taking some actions in the short-term, such as turning the thermostat down or installing a programmable thermostat, customers may be able to reduce their gas consumption. ATCO EnergySense also offers the Energuide for Houses energy efficiency evaluation for \$100. For more information contact an energy management analyst at 310-SAVE (310-7283) or visit www.atcoenergysense.com.

How does the ATCO Gas July rate compare with historical gas rates?



How do ATCO Gas delivery rates compare with other utilities?

ATCO Gas has the lowest delivery rates among other natural gas distribution companies in Canada.

