

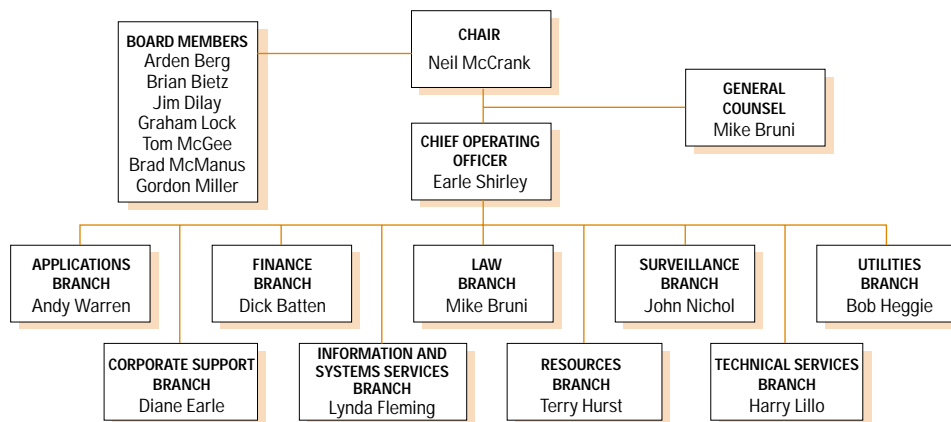
a c r o s s t h e b o a r d



Electrical deregulation will soon give customers a choice in who their electric power retailer will be. (See story, page 3)

Navigating the EUB

As part of the ongoing examination of the structure of the EUB, changes have been made to functions of the Finance, Human Resources, and Regulatory Support Branches in order to streamline business processes. The new structure is intended to provide a clearer view of where to go in order to conduct business with, or obtain information from the EUB.



The Branches now have the following roles and responsibilities:

Applications Branch is responsible for all application processes associated with the approval of new or modified resource development/conservation projects and facility developments using the Board's available technical support. The Branch works with the Surveillance Branch to improve industry/landowner relationships. For energy-related applications, the Branch is responsible for the coordination and administration of the EUB's public hearing process (including resourcing and/or assignment of hearing coordinators; all logistics associated with the preparation for and conduct of the hearing; drafting of decision reports). Executive Manager - Andy Warren (403) 297-8504.

Corporate Support Branch (formerly Human Resources) is responsible for the effective delivery of all administrative services and support required by the organization in order to be successful, including human resources, communications, and building services (library, mail, printing, and shipping/receiving). This Branch is responsible for the EUB's employment strategies ensuring that people needs of the

organization are met now and into the future. Executive Manager - Diane Earle (403) 297-8331.

Finance Branch is responsible for providing financial, business planning, and internal audit services to the organization. This includes safeguarding the Board's assets; effective and efficient budgeting, monitoring and control; provision of timely, accurate and relevant information to support Board decision making, maintenance of financial records for audit purposes, and adherence to external reporting requirements of government and industry. Executive Manager - Dick Batten (403) 297-8535.

Information and Systems Services Branch is responsible for streamlining data collection and dissemination activities as well as the organization's information systems, support, and technological infrastructure. The Branch continues to rationalize our information systems, so we have better tools to do our job. Executive Manager - Lynda Fleming (403) 297-2565.

Law Branch continues to provide or coordinate all legal advice and support as well as ensure procedural fairness through-

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About the EUB

Our mission is to ensure that the discovery, development, and delivery of Alberta's resources take place in a manner that is fair, responsible, and in the public interest. We regulate oil, natural gas, oil sands, coal, hydro and electric energy, pipelines, and transmission line development. On the utilities side, we regulate investor-owned natural gas, electric, and water utilities to ensure that customers receive safe and reliable service at just and reasonable rates. Regulation is done through four core functions: adjudication and regulation, applications, surveillance and enforcement, and information.

Upcoming Public Hearings: summer/fall 2000

Please note: Due to space constraints, this list only covers hearings scheduled for the next two months, and some company names have been abbreviated. For information on hearings scheduled later in the year, call (403) 297-8259. Actual hearing durations can vary significantly. Unless otherwise noted, hearings begin at 9:00 a.m. and are open to the public. If you are interested in attending one, please call the above number to reconfirm the date, time, and place.

Scheduled Hearing Date	Application No.	Applicant	Hearing Purpose	Location
September 7	980247, 2000211	722924 Alberta Ltd. (Clearwater - Newco)	Complaint and application for fees and policies respecting connection and disconnection of water service	West Hall, 2nd floor 640-5th Ave. SW, Calgary
September 12 Pre-hearing	1067422	Surmont Compensation Issue	Proceeding pursuant to OC 196/2000 - direction to the EUB to prepare a scheme for compensation to persons who suffer injury or loss as a result of Board Decision 2000-22	Govier Hall, 2nd floor, 640-5th Ave. SW, Calgary
September 18	2000132, 2000133 2000134, 2000135	ATCO Electric Ltd., EPCOR Transmission Inc., TransAlta Utilities Corporation, EAL	2001-200X TFO & TA Rate Applications (Final)	Govier Hall, 2nd floor, 640-5th Ave. SW, Calgary
September 26	1048341, 1060562	Nycan Energy Inc., & Sphere Energy Inc.	Section 43 Review - Off Target Penalty	West Hall, 2nd floor 640-5th Ave. SW, Calgary
October 17	990289, 1055407	EPCOR Power Development Corporation & EPCOR Generation Inc., ATCO Pipelines	Application to construct Rosedale Power Plant Unit 11; Application for a 406.4MM high pressure natural gas pipeline to supply the Rosedale Plant	TBA
October 24	1042932	Shell Canada Limited	Well licence application - Level 4 critical sour gas well - Ferrier	TBA
October 30	2000094	ATCO Gas North	2000 Summer GCRR; Cost of Gas Supply; to address the concerns expressed by North Core Committee re: optimum levels of production from NUL's company-owned wells - Viking area	EUB's Utility Board Office 12 floor, 10055 - 106th St. Edmonton

Cancelled Hearings

Date Cancelled	Application No.	Applicant	Hearing Purpose	Reason for Cancellation
June 26	2000132, 2000133, 2000134	ATCO, EPCOR, TransAlta Utilities	Pre-hearing conference - issue list for 2001- 200X Interim Transmission Facility Owner Tariff Applications	Adjourned
July 25	990616	TransAlta Utilities	Temporary Suspension Regulation Application	Adjourned pending approval of negotiated settlement
July 27	1049872	Petro-Canada Oil and Gas	Application for a sour gas well licence - Westeros area	Settlement reached

Pending Decisions

Application No.	Applicant	Hearing Purpose	Hearing Date(s)	Actual Hearing Days
1060362	Gauntlet Energy Corporation	Application for a sour gas compressor station - Brazeau River field	June 20	1
1056567 1056568	Union Pacific Resources Inc.	To construct and operate a sour gas compressor station and a sour natural gas pipeline - Telfordville field	June 6-8	3
960313, 960314	Cardinal River Coals Ltd.	Joint Review Panel hearing for Cheviot Coal Mine Project - Mountain Park area. EUB/Canadian Environmental Assessment Agency	March 1-10 April 25-27	11
2000135	ESBI Alberta Ltd.	2001 Interim TA Tariff	N/A	N/A
2000136	ATCO Electric Ltd.	2001 Interim Distribution Tariff	N/A	N/A
2000137	TransAlta Utilities Corporation	2001 Interim Distribution Tariff	N/A	N/A
990187	ATCO Electric Ltd.	1999 Deferral Accounts - Negotiated Settlement	N/A	N/A
2000218	TransAlta Utilities Corporation	Part B - Interim Disposition of 2000 Distribution Deferral Accounts	N/A	N/A
990005	ESBI Alberta Ltd.	Application for R&V by the City of Medicine Hat of Decision 2000-34 issued May 31, 2000 (dealt with EAL's second refiling of its 1999/2000 GTA). Customer owned substation credit and dual use customer investment credit.	N/A	N/A

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For Your Information...**Recent EUB Publications****General Bulletins**

GB 2000-16: E-mail Submissions for Reporting Production Data

GB 2000-17: Expanded Orphan Program Implementation

Publications

Guide 14: PVT and Core Studies Index (April 2000)

Guide 65: Resources Applications Guide for Conventional Oil and Gas Reservoirs (June 12, 2000)

Map of Alberta: Strike Areas, Revised to May 1, 2000

Statistical Series 2000-18: Alberta's Reserves 1999: Ethane, NGL, and Sulphur Volume 2

Cumulative Effects Assessment Guide: (June 29, 2000)

ST 2000-41: Regulatory Highlights for 1999

Interim Directives

ID 2000-03: Harmonization of Waste Management

ID 2000-04: Update to the Requirements for the Appropriate Management of Oilfields Wastes

ID 2000-05: Guide 65 - Resources Applications Guide for Conventional Oil and Gas Reservoirs

ID 2000-06: Interim Security Deposit Requirement on Facility Sales

News Releases

2000-29: EUB Announces Successful Stakeholder Consultation on Appropriate Dispute Resolution (ADR Initiative)

2000-30: EUB Approves Mid-Season Gas Cost Recovery Rate Applications

2000-31: Important New Petroleum Industry Clean Up Legislation - CAPP, SEPAC, and EUB Announce Expanded Orphan Program

Because of the number of decisions issued by the Board since the last ATB, only some decision summaries are provided. A complete listing of recent decisions and other EUB documents can be found under "What's New" on the EUB Web site (www.eub.gov.ab.ca).

Recent Decisions

June 13: ATCO Gas & Pipelines Ltd. 1998 General Rate Application, Phase II - Approved industrial/producer rates, directed ATCO to refile its core customer rates to incorporate the Board directed changes, and directed ATCO to engage in a consultative process to deal with unbundling of ATCO services. (Decision 2000-16)

June 27: Approved the Transmission Facility Owners' Tariff of ATCO Electric Ltd., EPCOR Transmission Inc., and TransAlta Utilities Ltd. on an interim refundable basis effective January 1, 2001. ATCO and EPCOR's interim 2001 tariffs are their currently approved tariffs, while TransAlta's does not include the Farm Transmission Costs that are instead included in its Distribution Facility Owner's 2001 tariff. (Decisions 2000-38, 2000-39, 2000-40)

July 10: Approved applications from Burlington Resources Canada Energy Ltd. to modify an existing sweet gas plant to include sour gas processing, associated pipelines, acid gas disposal well, and acid gas disposal scheme in the Pembina area on the condition that Burlington Resources meet all regulatory requirements and commitments made in the application and during the hearing. (Decision 2000-42)

July 12: Approved 20-year contracts between the Transmission Administrator, ESBI Alberta Ltd., and 3 electrical power generation developers proposing to build facilities in the Calgary area pursuant to the Invitation to Bid on Credits (IBOC) process. The successful bidders were PanCanadian Petroleum Limited, TransCanada Energy Ltd. and a 50/50 partnership between PanCanadian and Canadian Occidental Petroleum Ltd. The IBOC contracts will bring up to 281 MW of generation to southern Alberta for the winter 2001/2002 season. (Decision 2000-47)

July 18: Approved Avalanche Energy Limited's application for reduced spacing at its natural gas development in the Keoma area, about 20 kilometres east of Calgary. The Board also reinstated three well licences that had been suspended until the hearing was concluded. The Board found no relationship between the sweet, shallow gas well drilling and the poor water quality of the domestic water wells located in the hamlet. However, to provide additional assurance to the interveners, the well licence approvals carry the condition that Avalanche must recondition a local resident's water well and temporarily install a pressure sensor to determine if drilling, fracturing and completion activities can be detected at the water well. (Decision 2000-49)

July 18: Approved Petro-Canada Oil and Gas' application to construct and operate a steam-assisted gravity drainage (SAGD) scheme for the production of crude bitumen in the Athabasca Oil Sands area about 70 km northwest of Fort McMurray. Production is expected to be 3 500 cubic metres of bitumen per day, with a projected total recovery of about 37 million cubic metres of bitumen over a 25 year project life span. Among others, the Board attached conditions requiring monitoring of certain air emissions and surface water quality. (Decision 2000-50)

Navigating the EUB

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out the EUB. The Board Advisory Committee (BAC) process is also the responsibility of this Branch. Executive Manager - Mike Bruni (403) 297-8256.

Resources Branch is responsible for all the EUB's geological and economic appraisals of Alberta's energy and mineral resources, including the geological survey function; geological, engineering and economic assessments related to resources, reserves, conservation surveillance and supply/demand forecasts. The Branch also provides direction to the public of Alberta on energy development planning. Executive Manager - Terry Hurst (403) 297-8570.

Surveillance Branch is responsible for high level enforcement and compliance actions as well as most of the regulatory activities and issues associated with operating energy developments. This includes surveillance and monitoring activities (with the exception of conservation-related surveillance) and the liability management function. By working closely with the Applications Branch, this Branch is able to be proactive in resolving difficulties without hearings or enforcement actions. Executive Manager - John Nichol (403) 297-2573.

Technical Services Branch (formerly Regulatory Support) is responsible for providing technical advice, support and coordination for major regulatory and operational issues. Some of the regulatory areas focused on include cumulative effects, environmental protection, and public safety. The Branch also provides technical support and advice to other Branches, primarily Applications and Surveillance. Executive Manager - Harry Lillo (403) 297-3721.

Utilities Branch is responsible for regulating investor-owned natural gas, electric, and water utilities to ensure that customers receive safe and reliable service at just and reasonable rates. This regulatory role is currently in a state of evolution in light of the ongoing deregulation of the natural gas and electric industries. Staff also respond to customer inquiries and complaints regarding utility matters. In addition, the Branch ensures facilities are built, operated, and decommissioned in an economic, efficient, and environmentally responsible way. Executive Manager - Bob Heggie (403) 297-4108. ❖

TransAlta's Electric Distribution System Sold

On July 5, 2000, the EUB (the Board) approved an application by TransAlta Utilities Corporation for the sale of TransAlta's electricity distribution business (EUB Decision 2000-41). TransAlta currently provides distribution service to 350 000 customers across central and southern Alberta. Under the proposed transactions, UtiliCorp Canada Corp. (UtiliCorp) will acquire TransAlta's existing distribution service area in early fall, as soon as all legal requirements of the sale are completed.

Since 1996, the EUB has dealt with many issues surrounding the functional separation of the generation, transmission, and distribution components of the electric industry. This is another example and a very significant one because it represents the sale of TransAlta's entire distribution and retail business. The sale includes the transfer of about 650 TransAlta distribution and retail employees, and 90 000 kilometres of low voltage power distribution lines. The Board put conditions in its approval to ensure TransAlta customers will not incur any additional costs as a result of the sale. The distribution system itself will still be subject to regulation by the EUB.

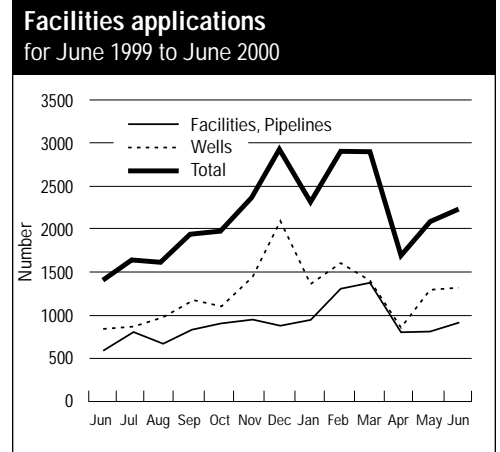
TransAlta's application was the subject of an EUB hearing, which took place from

May 23 to June 2, 2000. Stakeholders representing a wide spectrum of Alberta's electric industry and consumer groups were registered as participants. In its decision, the Board noted that UtiliCorp has demonstrated its ability to operate a distribution business safely and reliably. UtiliCorp operates utilities in many other jurisdictions, including its operation of West Kootenay Power Ltd. in British Columbia. In addition, UtiliCorp will be retaining the existing staff of the distribution utility thereby maintaining the current expertise. In Alberta, the new company will be called UtiliCorp Networks Canada.

In essence, the Board is satisfied the sale will not adversely impact the regulated services provided to TransAlta's customers. As a result of changing legislation and government policies, the retail market for electricity will gradually develop over the next few years and this sale, in part, reflects this progression. For all Albertans, including UtiliCorp's future customers, "customer choice" is slated to begin in 2001, when it will be possible for individual residential customers to choose their specific electric power retailer. For more information concerning this topic visit www.customerchoice.gov.ab.ca. ❖

Application Summary

Facilities applications for May and June 2000		
Production facilities	126	148
Pipelines	664	754
Wells	1306	1327
Total received	2096	2229
Total completed/approved	2002	2464
Closed	7	10
Withdrawn	79	69



Resource applications for May and June 2000		
Equity (rateable take, common carrier, common purchaser, common processor, compulsory pooling, special spacing)	80	91
Conservation (resources – oil, gas, and in situ bitumen; gas removal, enhanced recovery, water disposal, concurrent production, underground storage, commingled production, reserves)	125	107
Depletion administration (good production practice, penalty relief)	19	15
Corporate (transfer)	18	33
Mining (coal and mineable oil sands)	0	0
Total received	242	246
Total completed/approved	210	172

Utilities applications for May and June 2000		
Electric	7	3
Gas	4	9
Facilities	9	8
Franchises and others	7	3
Total received	27	23
Total completed/approved	25	24

Corporate transfers and name changes for May and June 2000		
Well licence transfers	1974	2048
Well licence name changes	907	1520
Pipeline licence transfers	282	191
Total received	3163	3759
Total completed	2992	3610

Upcoming Event: Strathcona Open House

All Strathcona community residents, industry, and government representatives are invited to participate in an interactive information session about energy development in our community. Participants will learn more about the EUB and its role in the Strathcona area, meet local EUB field centre staff, check out information booths and maps, and hear short presentations on EUB application process, enforcement, and flaring. Also, there will be an opportunity for discussion on landowner and public concerns.

Where: Festival Place, Sherwood Park
When: Tuesday, September 12, 2000, 6 to 10 p.m.

Call the EUB St. Albert Field Centre for more details at (780) 460-3800.



Questions, Complaints, Problems? Who to contact...

Utilities—For general information or to file a consumer utility complaint, please contact us at:

EUB Utilities Branch
 10th floor, 10055 - 106 Street
 Edmonton, Alberta T5J 2Y2
 Telephone: (780) 427-4901
 Fax: (780) 427-6970
 E-mail: utilities.concerns@gov.ab.ca

Oil and Gas—For information or complaints about new or existing oil and gas developments and facilities, we recommend contacting the operating company first. If the company doesn't respond appropriately, you can contact the nearest EUB field centre (see list), all of which provide 24-hour on-call service.

EUB Field Centres (24-hour on call)

Bonnyville	(780) 826-5352*
Drayton Valley	(780) 542-5182*
Grande Prairie	(780) 538-5138*
Medicine Hat	(403) 527-3385*
Midnapore	(403) 297-8303*
Red Deer	(403) 340-5454*
St. Albert	(780) 460-3800*
Wainwright	(780) 842-7570*

* To call toll free from anywhere in Alberta, dial 310-0000 and enter the 7-digit local number to connect, or press zero for a RITE operator.