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EUB tracks electricity sector growth and plans for the future

FROM 1999 THROUGH 2001, Alberta's total electricity generating capacity increased some 23%, or 2012 megawatts (MW). With 1 MW of electricity able to power 1000 typical homes for one year, that's a lot of power!

During the same time, Alberta shifted from being a net importer of about 1000 gigawatt-hours (GWh) of electricity in 1999 to being a net exporter of over 1300 GWh of electricity in 2001. While these changes were taking place, the length of Alberta's transmission lines stayed roughly the same, with just over 20 300 kilometres (km) of transmission lines in 2001.

These numbers help to show why managing the congestion of Alberta's electricity transmission system became an important issue for the EUB in 2002. Transmission congestion occurs when the electricity lines are not able to handle the volume of electricity normally exchanged to meet consumers' needs. In the newly restructured electric industry, the desire of electricity generators to export electricity raises two concerns: potential congestion and the costs of enhancing the transmission system to accommodate exports while continuing to serve Albertans.

Questions such as who should pay for new transmission wires and how to encourage new electricity generators in areas that need it most were addressed by the EUB in *Decision 2002-099: Congestion Management Principles*. This decision establishes a framework for Alberta's expanding electricity transmission system and ensures that costs associated with required transmission system upgrades are shared fairly.

Decision 2002-099 recognizes that Albertans must continue to have reliable electricity service, that required enhancements to the transmission system must be completed in a timely

manner, and that new generation needs to be encouraged in certain areas of the province where it is needed most.

Through *Decision 2002-099*, the EUB established 24 principles to guide the

Transmission congestion occurs when the electricity lines are not able to handle the volume of electricity normally exchanged to meet consumers' needs.

Transmission Administrator in its management of congestion on Alberta's transmis-

sion system. While utilities continue to own the transmission lines, the Transmission Administrator administers the provincewide system, providing buyers and sellers of electricity with nondiscriminatory access to the market and ensuring that the transmission system is reliable and operated efficiently.

One important area addressed through the principles is who will pay for new transmission wires. When new transmission facilities are built within Alberta, the cost will continue to be shared equally between electricity generators and consumers (industrial, commercial, farm, and residential). If transmission facilities are built for export purposes, their cost will be paid for entirely by those parties wishing to export the electricity.

To encourage electricity generators to build plants in areas where they are needed most, zones will be created with different transmission charges. Generators in zones with excess generation capacity will be subject to higher transmission charges than generators in zones with insufficient generation capacity.

Decision 2002-099 highlights the importance of the Transmission Administrator planning for and ensuring the timely development of required transmission system enhancements.

For more information, see *Alberta Electric Industry Annual Statistics* and *Decision 2002-099*, available on the EUB Web site at <www.eub.gov.ab.ca> or in print from EUB Information Services, telephone: (403) 297-8190. ❖

Draft guide available for stakeholder review

A new draft of *Guide 60: Upstream Petroleum Industry Flaring, Incinerating, and Venting* is posted on the EUB Web site for review and feedback. Paper and CD-ROM copies are also available from EUB Information Services, telephone: (403) 297-8190.

Enhancements have also been made to the associated Web pages that focus on Flaring, Incinerating and Venting and *Guide 60*, found when you click on the home page button "Rules, Regulations, Requirements."

The EUB encourages stakeholders to send comments or questions until February 28, 2003, to e-mail: <guide60.feedback@eub.gov.ab.ca> fax: (403) 297-3757

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.

For Your Information...**Recent EUB publications****Interim directives**

December 20: ID 2002-03: Performance Presentations for In Situ Oil Sands Schemes

General bulletins

December 16: GB 2002-19: EUB Authorized to Collect Debts Through Garnishing Production and Other Revenues

Publications

December 23: Order U2002-1034: 2003 Interim Rates, Tolls and Charges for ATCO Pipelines

December 20: Order U2002-1032: Regulated Rate Option Tariff Schedules for EPCOR Energy Services (Alberta) Inc. for the First Quarter of 2003

December 20: Order U2002-1033: 2003 Interim TFO Tariff for EPCOR Transmission Inc.

December 17: Special Announcement: LLR Program December LLR Assessment and 2003 Industry Parameters

December 10: Orphan Fund Annual Report for 2001-2002

Recent decisions

December 24: Decision 2002-116: ATCO Gas and Pipelines Ltd. (North) Application to Approve 2002 Rates, Amended North Core Agreement and Sale of Beaverhill Lake and Fort Saskatchewan Properties — regarding a negotiated settlement that addresses 2002 rates and the sale of Beaverhill Lake and Fort Saskatchewan properties and includes an amendment to the negotiated North Core Agreement

December 24: Decision 2002-115: ATCO Gas 2003/2004 General Rate Application — regarding interim rates, pending final determination of rates in the 2003/2004 General Rate Application

December 23: Decision 2002-117: Orr Mineral Developments Ltd. Interim Rate Rider and General Rate Application

December 20: Decision 2002-114: Aquila Networks Canada (Alberta) Ltd. 2003 Interim Distribution Tariff — utilities distribution companies recover the costs incurred to serve their customers through a Distribution Tariff charged to their customers

December 20: Decision 2002-113: Bushmills Energy Corporation Compulsory Pooling, Medicine Lodge Area, Section 6-53-21W5M — this decision for Bushmills Energy Corporation and Talisman Energy Inc. deals with compulsory pooling, which allows for the sharing of gas interests among all owners within an area

December 20: Decision 2002-112: EPCOR Energy Services (Alberta) Inc. 2003 Regulated Rate Option Settlement Agreement — The Regulated Rate Option offers residential, farm, irrigation, and small business consumers the opportunity to continue to purchase electricity at a regulated rate during the transition to a competitive electricity retail market

December 19: Decision 2002-103: Transmission Administrator Finalization of Articles 4 and 24 of Terms and Conditions of Service for 2001 and 2002 — concerns compensation to power plant owner Engage Energy Canada, L.P., for power used for system support services

December 19: Decision 2002-104: Transmission Administrator Changes to Fixed Loss Factors Resulting from Changes in Generator Output — a decision for the Transmission Administrator regarding line loss factor calculations, which determine the loss between the energy entering the transmission system and the energy leaving the transmission system due to the resistance wires have against the flow of the current

December 19: Decision 2002-109: Review of Utility Cost Order No. UCO 2002-06 — regarding a review of a Utility Cost Order for TransAlta Utilities Corporation

December 18: Decision 2002-110: AltaLink Management Ltd. and TransAlta Utilities Corporation 2003 Interim Transmission Tariff — regarding the monthly interim charges that these companies will invoice the Transmission Administrator for use of their facilities in 2003

December 17: Decision 2002-111: ATCO Pipelines South 2001/2002 General Rate Application, and Part A: Asset Transfer, Outsourcing Arrangements, and GRA Issues — Second Compliance Filing — regarding ATCO Pipelines South 2001/2002 revenue requirement and proposed rates for transmission service to ATCO Gas South for 2001 and 2002

December 11: Decision 2002-108: ATCO Electric Ltd. 2003 Distribution Tariff and Transmission Facility Owner's Tariff. Part A: 2003 Interim DT and TFO Tariff — As the owner of transmission and distribution lines, ATCO Electric Ltd. is entitled to collect the costs it incurs when its lines and facilities are used to provide service to other utility companies or customers; the Transmission Facility Owners Tariff is charged to the Transmission Administrator, which then recovers these costs from distribution companies in the form of a Transmission Tariff; distribution companies recover the costs incurred to serve their customers through the Distribution Tariff charged to their customers

December 11: Decision 2002-106: ATCO Electric

Ltd. 2003 Regulated Rate Option Tariff. Part A: 2003 Energy Rates — the EUB addresses monthly pricing methodology

December 11: Decision 2002-105: ATCO Electric Ltd. 2003 Regulated Rate Option Tariff. Part B: Final 2002 and Interim 2003 RRO Non-Energy Rates — this tariff applies to non-energy costs, such as for customer service and billing

December 6: Decision 2002-107: Memorandum of Decision in follow-up to the Manhattan Resources prehearing meeting held in Sherwood Park on November 20, 2002; reflects what the EUB heard at the prehearing meeting and outlines a path forward

News releases

December 24: NR 2002-31: EUB Approves Interim General Rate Application for ATCO Gas

December 20: NR 2002-30: EUB Approves 2003 Regulated Rate Option Tariff for EPCOR

December 19: NR 2002-29: EUB Orders Engage Energy to Refund \$62.6 Million to Alberta's Transmission Administrator

December 11: NR 2002-28: EUB Issues Decision on ATCO Electric Regulated Rate Option Monthly Pricing Methodology Application

December 6: NR 2002-27: EUB issues prehearing meeting memorandum of decision — sets March 24, 2003, date for public hearing into Manhattan Resources applications near Fort Saskatchewan [note to reader: this hearing has been cancelled]

Recent AGS publications

December 16: GEO 02-10: Sampling of Groundwater from Wells in the Athabasca Oil Sands (In Situ) Area, Alberta, 1999-2001 - A Compilation of Protocols and Methods

December 16: GEO 02-09: Sampling of Surface Water and Spring Water in the Athabasca Oil Sands (In Situ) Area, Alberta, 1999-2001 - A Compilation of Protocols and Methods

December 16: GEO 02-08: Static Water Levels and Completion Details of Nested Piezometers in the Quaternary-Tertiary(?) Succession, Athabasca Oil Sands (In Situ) Area, Alberta

December 16: GEO 02-03: Carbon-14 Dating of Groundwater from Selected Wells in Quaternary and Quaternary-Tertiary Sediments, Athabasca Oil Sands (In Situ) Area, Alberta

December 16: GEO 02-02: Geochemical and Isotope Data for Formation Water from Selected Wells, Cretaceous to Quaternary Succession, Athabasca Oil Sands (In Situ) Area, Alberta

EUB offers electronic solutions

THE EUB IS CURRENTLY developing and implementing the Integrated Applications Program (IAP), a multiyear project to provide applicants with an electronic business solution for many of their requirements. When IAP is fully implemented, stakeholders will be able to submit applications and related information, hearing information, notices, and technical data electronically.

The first component of IAP, implemented in July 2001, was an electronic registry, called the Integrated Application Registry (IAR), which allows anyone with Internet access to review the status of most applications registered at the EUB. Once in the registry, located in the Applications section of the EUB Web site, it is easy to find an application by entering pertinent selection criteria. With input of an applicant's name as the selection criterion, the registry will find all the applications submitted by that company. From there, the user can click on the application they are interested in to learn about its status.

The next step in IAP is the Electronic Application Submission (EAS) Phase 1, which will allow electronic submissions of certain applications, such as well licence applications under *Guide 56: Energy Development Applications*, some

applications under *Guide 65: Resources Applications for Conventional Oil and Gas Reservoirs*, utility rate applications, and utility applications under *Guide 28: Applications for Power Plants, Substations, and*

Transmission Lines.

EAS will also provide notification to companies of approvals and licences, after which the applicant can acquire those documents electronically from the EUB Web site.

The EUB places a great deal of importance on stakeholder involvement in the implementation of any new system. In this case, an industry focus group has been specifically identified and invited to participate in the EAS project.

By the spring of 2003, the first electronic applications will be submitted on line. Following a six-month transition period, the EUB expects electronic filing to be the primary filing method for all EAS Phase 1 application types. The EUB recognizes that there may be continued need for certain paper filings; however, to maximize the value of an electronic filing system, paper filings should become the exception.

For more information on EAS, go to the EUB Web site at <www.eub.gov.ab.ca>, click on the Applications button, and go to the Electronic Application Submission link. ❖

With input of an applicant's name as the selection criterion, the registry will find all the applications submitted by that company.

Public Safety and Sour Gas quarterly progress report now available

The EUB's 2002/03 third-quarter progress report for the Public Safety and Sour Gas (PS&SG) initiative is now available. The report covers work under way from October through December 2002. Projects are based on the 87 recommendations made by the Provincial Advisory Committee on Public Safety and Sour Gas (Advisory Committee) in December 2000. As of the end of December 2002, work has been completed on 16 recommendations, while work on 47 is ongoing.

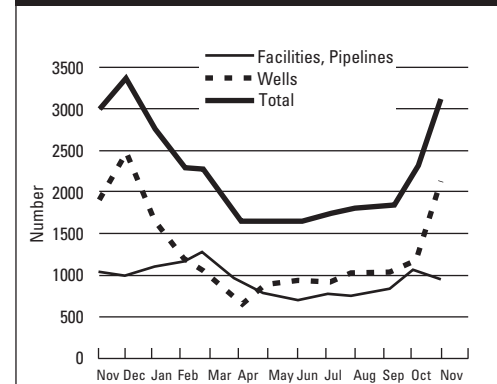
The EUB is committed to improving how the public is informed about sour gas-related issues. To assist with achieving this goal, a new EUB PS&SG project Web site at <www.eub.gov.ab.ca/bbs/public/sourgas/home.htm> provides general information on sour gas, progress updates on current PS&SG recommendation projects, links to publications related to PS&SG projects, and a link to the Advisory Committee's Web site <publicsafetyandsourgas.org>.

The PS&SG 2002/03 third-quarter progress report is available on the EUB PS&SG project Web site or from EUB Information Services, telephone: (403) 297-8190. ❖

Applications summary

Facilities applications, 2002	November
Production facilities	.171
Pipelines	.828
Wells	.2110
Total received	.3109
Total approved	.2651
Closed	.38
Withdrawn	.60

Facilities applications, Nov. 2001 - Nov. 2002



Resource applications, 2002

Resource applications, 2002	November
Equity (rateable take, common carrier, common purchaser, common processor, compulsory pooling, special spacing)	.58
Conservation (resources - oil, gas, and in situ bitumen; gas removal, enhanced recovery, water disposal, concurrent production, underground storage, commingled production, reserves)	.142
Depletion administration (good production practice, penalty relief)	.9
Corporate (transfer)	.5
Mining (coal and mineable oil sands)	.1
Total received	.215
Total completed	.231

Utilities applications, 2002

Utilities applications, 2002	November
Electric	.16
Gas	.10
Facilities	.16
Franchises and others	.16
Total received	.58
Total completed	.37

Corporate transfers and name changes applications, 2002

Corporate transfers and name changes applications, 2002	November
Well licence transfers	.1080
Well licence name changes	.1725
Pipeline licence transfers	.334
Facility licence transfers	.84
Total received	.3223
Total completed	.4022

This list is subject to change at any time, so please check the complete list of upcoming public hearings on the EUB Web site at <www.eub.gov.ab.ca/bbs/applications/hearings/hearings.pdf>. If you do not have Internet access, contact EUB Information Services at (403) 297-8190.

Upcoming public hearings

Application No.	Applicant	Hearing Purpose
1279345	Altalink Management Ltd.	2002/03 - 2003/04 GRA
1279347	TransAlta Utilities Ltd.	

Start Date: February 10 at Govier Hall, Energy and Utilities Board Building, 640-5th Ave SW, Calgary

Pending decisions

Application No.	Applicant	Hearing Purpose
1058461 et al.	Anderson Exploration Ltd.	Approval to produce gas
1078980	Anderson Exploration Ltd.	Section 43 review Applications 1069381 and 1069382 - Approval to produce gas
1086353	Franco-Nevada Mining Corporation	Section 42 review Applications 1039410 and 1047055 - Approval to produce gas
1073875	Anderson Exploration Ltd.	Review of the impact of continued gas production on bitumen recovery
1062688 et al.	AEC Oil and Gas (AEC)	Approval to produce gas
1085736 et al.	BP Canada Energy Company	Approval to produce gas - Leismer field
1085793	Petro-Canada Oil and Gas	Shut-in gas production - Chard area
1089982 et al.	Paramount Resources Limited	Approval to produce gas
1090128 et al.	Rio Alto Exploration Ltd.	Approval to produce gas
1256085	PanCanadian Resources Corporation	Application to shut in gas - Christina Lake
1097090	EUB Staff Submission Group	Potential impact of gas production on bitumen recovery
1252461	ConocoPhillips Canada Resources Limited	Sour gas well and gas battery and pipelines
1272754		Sinclair field
1250392	Aquila Networks Canada (Alberta) Ltd.	2002-2006 Distribution Tariff Application
1282880	ATCO Electric Ltd.	Compliance filing as directed in Decision 2002-082
1086695 et al.	Canadian Natural Resources Limited	New and amended primary recovery schemes
1277165 et al.		Applications for 55 well licences - Lindbergh Sector Cold Lake Oil Sands Area
1259219	Bonterra Energy Corp.	Sweet gas well licence application
1248262	Petrovera Resources Limited	Primary recovery scheme - Applications for 16 well licences - Lindbergh Sector
1086164 et al.		Cold Lake Oil Sands Area
2000234	ATCO Electric Ltd., ATCO Gas and Pipelines Ltd., Northwestern Utilities Limited (ATCO Group)	Affiliate Transactions and Code of Conduct Proceeding; Part B: Code of Conduct
1253701	Elk Point Resources Inc.	Applications for sour gas wells, facilities and pipelines - Wildwood Field
1253703		
1261233		
1273217	BP Canada Energy Company	Rateable take - Blackstone Beaverhill Lake A Pool
1210269	Glacier Power Ltd.	Construct and operate 80 MW hydro-electric project near Dunvegan
[2000198]		
NRCB		
Application No.		
2000-1		

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Tell us how we're doing

Please send your comments and suggestions to <acrosstheboard@gov.ab.ca>.

For EUB publications or inquiries, contact: EUB Information Services

640-5 Avenue SW, Main Floor
Calgary, Alberta T2P 3G4
Telephone: (403) 297-8190* Fax: (403) 297-7040
E-mail: <eub.info_services@eub.gov.ab.ca>
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For Alberta Geological Survey (AGS) documents on geological research:

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Web: <www.ags.gov.ab.ca>

Questions, complaints, problems?

Utilities: For information or to file a consumer utility complaint, contact us at:
EUB Utilities Branch, 10th floor, 10055-106 Street,
Edmonton, Alberta T5J 2Y2
Fax: (780) 427-6970
Complaints: (780) 427-4903*
E-mail: <utilities.concerns@eub.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 does not respond appropriately, you may contact the nearest EUB Field Centre.

EUB Field Centres (24-hour service)

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 phone number, including area code, or press zero for a RITE operator.

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