

Apex Utilities Inc.

Cost of Service and Rates Compliance
Filing to Decision 26616-D01-2022

Appendix 8

AUI Rate Riders

Rider	Description
Rider A - Franchise Fees	Franchise fees are paid to municipalities in consideration of the exclusive grant of a franchise and for the ability to put gas distribution facilities on land owned by the municipalities.
Rider B - Property Taxes and Municipal Fees	Property taxes and fees are levied by municipalities against AUI's land and buildings, linear property, machinery, and equipment or charged for services such as inspection and permitting related to construction work within the franchise area.
Rider C - Deemed Cost of Gas	Rider C is a deemed calculation used where municipalities calculate the franchise fee on both natural gas charges and delivery charges for customers being served by a competitive retailer. Rider C is necessary to ensure the franchise fee is charged in a fair way, whether a customer purchases gas through a competitive or default gas supply.
Rider D - Gas Cost Recovery	The gas cost recovery rate is the cost per gigajoule, approved by the AUC on a monthly basis, for the cost of natural gas provided to default supply customers plus procurement costs, management fees, bad debt, penalty revenue, and/or carrying costs of cash working capital related to providing natural gas to its customers.
Rider E – Unaccounted-for Gas (Receipts)	Rate Rider E is used in calculating Rider D and Rider G. It is designed to allow AUI to recover its annual line losses and is approved on an annual basis by the AUC.
Rider F – Deficiency or Refund	Rider F is used to recover a deficiency or refund resulting from AUC Decisions.
Rider G - Third Party Transportation	Rider G is the cost per gigajoule, approved by the AUC on a monthly basis, for third party transportation costs incurred by AUI for transporting gas to customers on a third party's pipeline (e.g. TCPL, ATCO Pipelines, municipal systems).
Rider H – Unaccounted-for Gas (Deliveries)	Rider H is used to facilitate gas settlement and balancing calculations consistent with AUC Rule 028. This rider is necessary to ensure retailers' bear their share of UFG related to deliveries, consistent with AUC Rule 028.
Rider L – Load Balancing Deferral Account	Rider L is used to capture the financial impact of the effect of retailers' account balances for deliveries and receipts on AUI's distribution system and to account for system balancing of transmission capacity on the TCPL system. Rider L was developed to ensure compliance with AUC Rule 028.