ATCO GAS
METER, ELECTRONICS, INSTRUMENTATION AND DISTRIBUTION CENTRE

BACKGROUND INFORMATION

Meter Shop

- Processes include meter testing, repairs and refurbishment, storage and distribution to the company's entire service area
- Manages approximately 920,000 in-service meters in Alberta and maintains an additional 27,000 in inventory
- Now tests and repairs approximately 100,000 meters per year, as part of the company's approved quality program

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Distribution Centre

- Serves as centralized distribution "hub" for ATCO Gas in Alberta
- Receives, inventories, stores and coordinates the shipping/transportation of meters for ATCO Gas's North and South service areas across the province

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Instrumentation & Electronics

- Receives and reviews all new gas detection and measurement instruments from manufacturers and certifies them according to a Measurement Canada accredited program
- Repairs and re-certifies gas detection and measurement instruments brought in from the field either due to failure, meter resizing or service disconnection
- Operates and maintains an advanced private radio and microwave communications system

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MEID provides "firsts" for ATCO Gas

ATCO Gas' Meter Shop is the only one in Canada:

- to employ a Large Volume Transfer Prover (LVTP) using highly accurate rotary meters to transfer internationally traceable volume standards to rotary, diaphragm and turbine meters
- to employ a Meter Proving System (MPS) minimizing the need for human intervention and the risk of errors by taking the final proof data from the *No Bell* prover, automatically loading it into the mainframe billing system and making the meter legal for use
- to eliminate the use of *Bell* provers and to replace them with *No-Bell* provers, which enable ATCO Gas to prove larger diaphragm meters and to increase output by more than 50 per cent
- where field personnel forecast actual field usage requirements for meters. These forecasts are used by ATCO Gas to ensure production matches demand and to manage the levels of inventory to those approved by the Alberta Energy and Utilities Board (AEUB). In turn, the distribution centre uses the forecast to ship the right meters to the right location on time

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MEID Backgrounder cont'd next page

MEID BACKGROUNDER, *Continued*

Measurement School

- The new MEID facility will be a featured part of the Canadian Gas Association's 2006 *Gas Measurement School* to be held in Edmonton from June 5-8, 2006.
- The annual event is attended by 250-300 delegates from local distribution companies, manufacturers and suppliers, and Measurement Canada.
- The school/conference emphasizes networking, learning measurement fundamentals, new technologies, and the current status of the Trade Sector Review.
- ATCO Gas is the "host company" for the 2006 event, and will be coordinating tours of its MEID Centre to showcase its leading edge technology, processes and techniques in the industry.

2005 Meter Statistics

- Total number of meters in service
  - 872,385 residential meters
  - 72,207 commercial and industrial meters
- New meters set
  - 27,861 residential customers
  - 1,653 commercial and industrial customers
- Meter exchanges
  - 45,023 residential meters
  - 13,817 commercial or industrial meters
- Meters processed at MEID
  - 65,359 new meters
  - 31,211 repaired meters

MEID Employees

- Up to 64 permanent and seasonal employees work at MEID, including electronic, instrumentation, warehousing and administrative staff.

The value of measurement

- An average home = 140 GJ per year
- 2002 ATCO Gas system throughput
  - Residential 110,098,000 GJ
  - Commercial/Industrial 121,805,000 GJ
  - 231,903,000 GJ
- Value of throughput at $7/GJ
  - Residential $770,686,000
  - Commercial/Industrial $852,635,000
  - $1,623,321,000
- That's over $1.6 billion of gas! Every molecule of that gas went through a meter!
  - A 1% measurement error = $16 million
  - A 3% measurement error = $48 million.