

APMC-625



Marketable Alberta Natural Gas Purchased by Buy/Sell End Users' Agents or End Users (if no Agents) within Alberta under Regulated Prices

APMC-625

Company Code	Company Name	Delivery Month (YYMM)	Type of Amendment C/R/A <input type="checkbox"/>	Amendment Submission Date (YYMMDD)
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Distributors

Company Code	Quantity GJ	Company Code	Quantity GJ	Company Code	Quantity GJ

Arm's Length Purchases

Purchases at Buy/Sell Location	Volume 10 ³ m ³	Quantity GJ	Value \$		
Long-term Firm Contracts					
Short-term Firm Contracts					
Interruptible Contracts					
Total					

Purchases Upstream of Buy/Sell Location	Volume 10 ³ m ³	Quantity GJ	Value \$	Fuel Gas /Line Loss GJ	Transportation Charges \$
Long-term Firm Contracts					
Short-term Firm Contracts					
Interruptible Contracts					
Total					

96-02

Page of

APMC – 625 REPORTING INSTRUCTIONS

Reported by end users' agents or the end users (if no agents) who purchase marketable Alberta natural gas in the delivery month under arm's length contracts for resale to Designated Distributors within Alberta under a regulated Buy/Sell agreement.

A Buy/Sell arrangement means a contract or arrangement under which a distributor purchases, from an end user or from an end user and the end user's agent and during a specified period, marketable gas in a quantity that is expected to not

exceed the quantity of marketable gas the distributor is obligated to deliver during the same period to the end user pursuant to that contract or arrangement or by reason of a duty to supply gas to that end user under the *Gas Utilities Act*.

An Arm's Length Arrangement is defined as a transaction occurring between persons that are **not** associated. Persons are associated where, directly or in combination with other associates, one person owns or has a beneficial interest equal to or greater than 75% of the other person. Persons may be considered associated or non-associated by special direction of the APMC. Transactions between associated persons are considered to be Non-arm's Length Arrangements.

APMC-625

COMPANY CODE

The unique code assigned to the reporting company by the EUB. If no EUB code exists, contact Gas Valuation and a code will be assigned. This code must be used on all forms, approved magnetic media submissions and on all communications with the APMC.

COMPANY NAME

The name of the company reporting to the APMC.

DELIVERY MONTH

The year and month when the gas was delivered and when prior months' adjustments were transacted. For example, November 1993 is reported as 9311.

DISTRIBUTORS

Report all sales to Designated Distributors with which a regulated Buy/Sell is undertaken.

COMPANY CODE

The unique code assigned to the Designated Distributor with which the regulated Buy/Sell arrangement is undertaken. For codes, refer to *CODE LISTINGS* in the guide.

QUANTITY

Quantity sold by the end user's agent or the end user (if no agent) to the Designated Distributor in the current delivery month. Include previous months' adjustments which are transacted in the current delivery month. Quantities sold to Designated Distributors are a combination of Total Arm's Length Purchases on the lower portion of this form and Non-Arm's Length Purchases.

ARM'S LENGTH PURCHASES

Arm's length purchases are separated into two categories: *Purchases at Buy/Sell Location* and *Purchases Upstream of Buy/Sell Location*.

PURCHASES AT BUY/SELL LOCATION

Volume, Quantity and **Value** of gas purchased at the Buy/Sell location from arm's length parties in the current delivery

month. Include previous months' adjustments which are transacted in the current delivery month.

PURCHASES UPSTREAM OF BUY/SELL LOCATION

Volume and **Quantity** of gas (excluding Fuel Gas/Line Loss) purchased upstream of the Buy/Sell location in the current delivery month from arm's length parties. **Value** of the above quantity of gas calculated at the upstream purchase price. **Fuel Gas/Line Loss** supplied to the pipeline by the company to deliver the gas purchased upstream of the Buy/Sell location to the Buy/Sell location. **Transportation Charges** to deliver or have the capacity to deliver the gas purchased upstream of the Buy/Sell location to the Buy/Sell location. Include previous months' adjustments which are transacted in the current delivery month.

Purchases at Buy/Sell Location and Purchases Upstream of Buy/Sell Location are each separated into the following types of purchase contracts:

LONG-TERM FIRM CONTRACTS

A contract with a duration of greater than two years requiring firm deliveries of gas. A contract that is a combination of firm and interruptible is considered firm unless the interruptible quantity exceeds the contracted firm quantity.

SHORT-TERM FIRM CONTRACTS

A contract with a duration of less than or equal to two years requiring firm deliveries of gas. A contract that is a combination of firm and interruptible is considered firm unless the interruptible quantity exceeds the contracted firm quantity.

INTERRUPTIBLE CONTRACTS

A contract that does not require firm deliveries of gas.

The totals of Purchases at Buy/Sell Location and Purchases Upstream of Buy/Sell Location must equal the sum of their Long-term Firm, Short-term Firm and Interruptible Contracts.

AMENDMENTS

Refer to **REVISIONS TO PRIOR MONTHS' SUBMISSIONS** in the guide.

REPORTING DEADLINE

Reports must arrive at the APMC offices no later than 12:00 midnight, Calgary time, on the last day of the month following the delivery month. If the last day of the month falls on a weekend or holiday, reports will be due by 12:00 midnight on the first business day of the second month following the delivery month.

MINIMUM REPORTING REQUIREMENTS

If a report does not meet the minimum reporting requirements by the deadline, it is considered late and is subject to late reporting penalties.

A report must be accompanied by a transmittal document (APMC-600 form). All reports and transmittal documents must:

- ❖ be in a form prescribed or approved by the Commission. A report is acceptable if it is an original, photocopy or fax of an APMC pre-printed form or approved facsimile. Also acceptable are submissions in an approved magnetic or Bulletin Board Service (BBS) format.
- ❖ be legible and permanent; pencil is not acceptable.

A transmittal document must:

- ❖ be signed or validated by or on behalf of the person furnishing the report. A person is defined as the legal entity required to report.
- ❖ sufficiently identify the person furnishing the report.

There are penalties for late or inaccurate/incomplete reporting: An overview of the penalty system is located in the Penalties section of this guide.

ACCURACY KEY

- Fuel Gas/Line Loss: Report to nearest gigajoule.
- Quantity: Report to nearest gigajoule.
- Transportation Charges: Report to nearest dollar.
- Value: Report to nearest dollar.
- Volume: Report in 10³m³ to one decimal point.

APMC-625



Marketable Alberta Natural Gas Purchased by Buy/Sell End Users' Agents or End Users (if no Agents) within Alberta under Regulated Prices

APMC-625

Company Code 990	Company Name Heavy Metal Industries Ltd.	Delivery Month (YYMM) 9310	Type of Amendment C/R/A <input type="checkbox"/>	Amendment Submission Date (YYMMDD)
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Distributors

Company Code	Quantity GJ	Company Code	Quantity GJ	Company Code	Quantity GJ
500	224,698				
650	5,597				

A + B + C
D

Arm's Length Purchases

Purchases at Buy/Sell Location	Volume 10 ³ m ³	Quantity GJ	Value \$	
Long-term Firm Contracts				
Short-term Firm Contracts	499.5	18,731	24,424	A
Interruptible Contracts				
Total	499.5	18,731	24,424	

Purchases Upstream of Buy/Sell Location	Volume 10 ³ m ³	Quantity GJ	Value \$	Fuel Gas /Line Loss GJ	Transportation Charges \$
Long-term Firm Contracts	1,508.3	57,994	64,081	1,184	7,101
Short-term Firm Contracts	147.3	5,597	15,423	114	571
Interruptible Contracts					
Total	1,655.6	63,591	79,504	1,298	7,672

B
D

APMC – 625 EXAMPLE

❖ The **A,B,C...** references on the forms are intended to assist the reader in tracing the transactions from the example text to the example forms. These references should not appear on actual submissions.

The Quantities sold to the Designated Distributors are a combination of Total Arm's Length Purchases (the total of the columns title **Quantity GJ**) on the lower portion of this form and non-arm's length Buy/Sell quantities.

During the delivery month of October 1993 (9310)...

(A)

Heavy Metal Industries, a Buy/Sell end user without an agent (EUB Code: 990), purchased gas from DEF Ltd. at the Buy/Sell location on NOVA. The two companies are not associated and this is a six month firm contract. The gas is immediately sold to Keep 'Em Warm Distribution Co., a Designated Distributor (EUB Code: 500), under a regulated Buy/Sell agreement and the Designated Distributor transports the gas to its franchise area for resale.

Gas Purchased: 499.5 10³m³ [18,731 GJ]
 Purchase Price: \$1.30395/GJ
 Value: Quantity x Price = \$24,424

(B)

Heavy Metal Industries Inc. purchased gas at arm's length from GHI Ltd. in the field (upstream of the Buy/Sell location) under a Long-term Firm contract. All gas purchased, less fuel gas, is sold downstream at the franchise area to Keep 'Em Warm Distribution Co. under a regulated Buy/Sell agreement.

Volume Purchased Upstream: 1,539.1 10³m³
 Quantity Purchased Upstream: 59,178 GJ
 Fuel Gas/Line Loss: 30.8 10³m³ [1,184 GJ]
 Transportation Charges: \$7,101

Volume Delivered to Buy/Sell Location:
 1,508.3 10³m³
 (Volume Purchased *less* Fuel Gas/Line Loss)

Quantity Delivered to Buy/Sell Location:
 57,994 GJ
 (Quantity Purchased *less* Fuel Gas/Line Loss)

Purchase Price: \$1.10496/GJ
 Value: \$64,081

(Quantity Delivered x Price)

Sale to Designated Distributor: 1,508.3 10³m³ [57,994 GJ]

- ❖ Heavy Metal Industries Inc. will also have to submit an APMC-601 due to field purchase.

(C)

Heavy Metal Industries Inc. owns 85% of JKL Ltd. and purchased gas from this associated company at a sales station on NOVA. This is a three year firm contract. All volume purchased, less fuel gas, is sold downstream at the franchise area to Keep 'Em Warm Distribution Co. under a regulated Buy/Sell agreement.

Volume Purchased Upstream: 3,964.8 10³m³
 Quantity Purchased Upstream: 150,226 GJ
 Fuel Gas/Line Loss: 70.8 10³m³ [2,253 GJ]
 Sales to Designated Distributor: \$3,894.0 10³m³ [147,973GJ]

- ❖ This non-arm's length purchase upstream of the Buy/Sell location is **not** reported on the **Arm's Length Purchases** section of this form, but the sale to the Designated Distributor must be included in the **Distributors** section.

*The sales to Keep 'Em Warm (EUB Code: 500) in A, B, and C total 224,698 GJ and are reported in the **Distributors** section of the APMC-625.*

(D)

Heavy Metal Industries Inc. purchased gas from Gopher Gas Marketing at an interconnection point on NOVA under an eight month firm contract. Heavy Metal Industries Inc. owns 33% of Gopher Gas Marketing. All volume purchased, less fuel gas, is sold downstream at the franchise area to the Cold Weather Distribution Company (EUB Code: 650) under a regulated Buy/Sell agreement.

Volume Purchased Upstream: 150.3 10³m³
 Quantity Purchased Upstream: 5,711 GJ
 Fuel Gas/Line Loss: 3.0 10³m³ [114GJ]
 Transportation Charges: \$571

Volume Delivered to Buy/Sell Location:
 147.3 10³m³
 (Volume Purchased *less* Fuel Gas/Line Loss)

Quantity Delivered to Buy/Sell Location:
 5,597 GJ
 (Quantity Purchased *less* Fuel Gas/Line Loss)

Purchase Price: \$2.75552/GJ
 Value: \$15,423

(Quantity Delivered x Price)

Sale to Designated Distributor: 147.3 10³m³ [5,597 GJ]

- ❖ The sale to Cold Weather Distribution Company (EUB Code: 650) in this example equals 5,597 GJ and will be reported in the Distributors section of the APMC-625.

Both Keep 'Em Warm and Cold Weather must each submit an APMC-624. For the purpose of this guide, only the APMC-624 for Keep 'Em Warm has been shown.

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APMC-625

Company Code 990	Company Name Heavy Metal Industries Ltd.	Delivery Month (YYMM) 9310	Type of Amendment C/R/A C	Amendment Submission Date (YYMMDD) 93 12 29
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Distributors

Company Code	Quantity GJ	Company Code	Quantity GJ	Company Code	Quantity GJ
500	-77,000				

Arm's Length Purchases

Purchases at Buy/Sell Location	Volume 10 ³ m ³	Quantity GJ	Value \$		
Long-term Firm Contracts					
Short-term Firm Contracts					
Interruptible Contracts					
Total					

Purchases Upstream of Buy/Sell Location	Volume 10 ³ m ³	Quantity GJ	Value \$	Fuel Gas /Line Loss GJ	Transportation Charges \$
Long-term Firm Contracts					
Short-term Firm Contracts					
Interruptible Contracts					
Total					

APMC-625 AMENDMENT EXAMPLE

For amendment instructions, refer to **REVISIONS TO PRIOR MONTHS' SUBMISSIONS** in this guide.

CHANGE (C)/ADD (A)

On December 29, 1993 Heavy Metal Industries Inc., a Buy/Sell end user (EUB Code: 990), discovered an error on its submission for the delivery month of 9310. A portion, 77,000 GJ of the reported sale to Keep 'Em Warm Distribution Co. (EUB Code: 500) should have been reported as a sale to Great Gas Distribution Co. (EUB Code: 611).

This error requires changing an existing entry and adding a new entry and, therefore, two separate amending APMC-625 forms must be submitted.

Step #1:

On the first amending APMC-625, enter the reduction of 77,000 GJ for Keep 'Em Warm Distribution Co. by using **C** as Type of Amendment.

- ❖ Please note that negative signs are used for quantitative fields.

Step #2:

On the second amending APMC-625, add a new entry of 77,000 GJ for Great Gas Distribution Co. by using **A** as Type of Amendment.

QUESTIONS & ANSWERS

What quantities are included in the *Distributors* section of the APMC-625?

The quantities shown in this section include the arm's length Buy/Sell purchases detailed in the lower section of the form plus non-arm's length Buy/Sell purchases.

How do you identify the Buy/Sell location?

The Buy/Sell location is the point where the resale to the Designated Distributor takes place. It is specified in the Buy/Sell agreement.

Does a Buy/Sell end user's agent or end user (if no agent) which is *not* capable of consuming 100,000 GJ per annum report on the APMC-625?

Yes. All Buy/Sell end users' agents of end users (if no agents) participating in Buy/Sell arrangements within Alberta under regulated prices must complete the APMC-625.

APMC-625

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