

INFORMATION BULLETIN 94-03

ALBERTA NATURAL GAS REFERENCE PRICE DECEMBER 1993 (Test Month)

The Natural Gas Reference Price is a monthly weighted average field price for Alberta gas delivered for consumption in or exported from Alberta, reduced by transportation and marketing allowances, and adjusted for pipeline fuel/loss. Commencing with the delivery month of January, 1994, a royalty payer can elect to value the royalty share of its monthly production at either the Reference Price or the payer's Corporate Average Price. The Reference Price for the *test month* of December, 1993 is **\$2.06/gigajoule**:

Weighted Average Price of Alberta Gas	\$ 2.327/GJ
Deductions: Intra-Alberta Transportation (1)	0.204
Marketing Allowance (2)	<u>0.038</u>
Price before Pipeline Factor	\$ 2.085/GJ
Pipeline Fuel/Loss Factor (3)	x <u>0.987</u>
December 1993 (Test Month) Reference Price	\$ <u>2.06</u> /GJ

- (1) The Intra-Alberta Transportation deduction is the monthly NOVA cost of service divided by total NOVA receipt quantities.
- (2) The Marketing Allowance deduction of \$0.038/GJ is a weighted average rate determined by the Department of Energy.
- (3) The Pipeline Fuel/Loss Factor is NOVA's ratio of net receipts after fuel and losses to total receipts.

Should you have any questions on the December Test Month Reference Price, please contact the APMC's Natural Gas Operations Department at (403) 297-5430.

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