

# Monthly Reference Price Calculations

December 2006

## Natural Gas and In-stream Component Reference Prices

|  |        |                   |
|--|--------|-------------------|
| <b>Gas Reference Price</b>                                       |        | <b>7.05 \$/GJ</b> |
| Breakdown:   |        |                   |
| Weighted Average Price of Alberta Gas                            | 7.353  | \$/GJ             |
| Deductions:  |        |                   |
| Intra-Alberta Transportation                                     | 0.229  | \$/GJ             |
| Marketing Allowance  | 0.012  | \$/GJ             |
| Price before Pipeline Factor                                     | 7.112  | \$/GJ             |
| Pipeline Fuel/Loss Factor  | .991   |                   |
| Price Before Special Adjustment                                  | 7.051  | \$/GJ             |
| Special Adjustment   | 0.000  | \$/GJ             |
| Calculated RP (price before 2% amendment limitation or rounding) | 7.051  | \$/GJ             |
| Amendments:  |        |                   |
| Brought forward (from previous RP month)                         | 0.005  | \$/GJ             |
| Prior Period Amendment Adjustment (current RP month)             | -0.004 | \$/GJ             |
| Calculated RP After Amendments                                   | 7.052  | \$/GJ             |
| Reference Price  | 7.05   | \$/GJ             |
| Difference – Value is carried forward to next RP month           | 0.002  | \$/GJ             |

|  |        |                   |
|--|--------|-------------------|
| <b>Methane ISC Reference Price</b>                               |        | <b>7.03 \$/GJ</b> |
| Breakdown:   |        |                   |
| Weighted Average Price of Alberta Gas                            | 7.354  | \$/GJ             |
| Deductions:  |        |                   |
| Intra-Alberta Transportation                                     | 0.242  | \$/GJ             |
| Marketing Allowance  | 0.012  | \$/GJ             |
| Price before Pipeline Factor                                     | 7.100  | \$/GJ             |
| Pipeline Fuel/Loss Factor  | .991   |                   |
| Price Before Special Adjustment                                  | 7.038  | \$/GJ             |
| Special Adjustment   | 0.000  | \$/GJ             |
| Calculated RP (price before 2% amendment limitation or rounding) | 7.038  | \$/GJ             |
| Amendments:  |        |                   |
| Brought forward (from previous RP month)                         | -0.001 | \$/GJ             |
| Prior Period Amendment Adjustment (current RP month)             | -0.004 | \$/GJ             |
| Calculated RP After Amendments                                   | 7.033  | \$/GJ             |
| Reference Price  | 7.03   | \$/GJ             |
| Difference – Value is carried forward to next RP month           | 0.003  | \$/GJ             |
| Methane ISC Adjusted Intra-Alberta Transportation Deduction      | 0.241  | \$/GJ             |

**Methane ISC Par Price** **7.03 \$/GJ**

|  |        |                   |
|--|--------|-------------------|
| <b>Ethane ISC Reference Price</b>                                |        | <b>7.17 \$/GJ</b> |
| Breakdown:   |        |                   |
| Weighted Average Price of Alberta Gas                            | 7.397  | \$/GJ             |
| Deductions:  |        |                   |
| Intra-Alberta Transportation                                     | 0.139  | \$/GJ             |
| Marketing Allowance  | 0.012  | \$/GJ             |
| Price before Pipeline Factor                                     | 7.246  | \$/GJ             |
| Pipeline Fuel/Loss Factor  | .991   |                   |
| Price Before Special Adjustment                                  | 7.184  | \$/GJ             |
| Special Adjustment   | 0.000  | \$/GJ             |
| Calculated RP (price before 2% amendment limitation or rounding) | 7.184  | \$/GJ             |
| Amendments:  |        |                   |
| Brought forward (from previous RP month)                         | 0.000  | \$/GJ             |
| Prior Period Amendment Adjustment (current RP month)             | -0.009 | \$/GJ             |
| Calculated RP After Amendments                                   | 7.175  | \$/GJ             |
| Reference Price  | 7.17   | \$/GJ             |
| Difference – Value is carried forward to next RP month           | 0.005  | \$/GJ             |
| Ethane ISC Adjusted Intra-Alberta Transportation Deduction       | 0.137  | \$/GJ             |

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|  |        |                   |
|--|--------|-------------------|
| <b>Propane ISC Reference Price</b>                               |        | <b>7.19 \$/GJ</b> |
| Breakdown:   |        |                   |
| Weighted Average Price of Alberta Gas                            | 7.369  | \$/GJ             |
| Deductions:  |        |                   |
| Intra-Alberta Transportation                                     | 0.097  | \$/GJ             |
| Marketing Allowance  | 0.012  | \$/GJ             |
| Price before Pipeline Factor                                     | 7.260  | \$/GJ             |
| Pipeline Fuel/Loss Factor  | .991   |                   |
| Price Before Special Adjustment                                  | 7.197  | \$/GJ             |
| Special Adjustment   | 0.000  | \$/GJ             |
| Calculated RP (price before 2% amendment limitation or rounding) | 7.197  | \$/GJ             |
| Amendments:  |        |                   |
| Brought forward (from previous RP month)                         | 0.002  | \$/GJ             |
| Prior Period Amendment Adjustment (current RP month)             | -0.010 | \$/GJ             |
| Calculated RP After Amendments                                   | 7.189  | \$/GJ             |
| Reference Price  | 7.19   | \$/GJ             |
| Difference – Value is carried forward to next RP month           | -0.001 | \$/GJ             |
| Propane ISC Adjusted Intra-Alberta Transportation Deduction      | 0.097  | \$/GJ             |
| <br>   |        |                   |
| <b>Butanes ISC Reference Price</b>                               |        | <b>7.21 \$/GJ</b> |
| Breakdown:   |        |                   |
| Weighted Average Price of Alberta Gas                            | 7.375  | \$/GJ             |
| Deductions:  |        |                   |
| Intra-Alberta Transportation                                     | 0.075  | \$/GJ             |
| Marketing Allowance  | 0.012  | \$/GJ             |
| Price before Pipeline Factor                                     | 7.288  | \$/GJ             |
| Pipeline Fuel/Loss Factor  | .991   |                   |
| Price Before Special Adjustment                                  | 7.225  | \$/GJ             |
| Special Adjustment   | 0.000  | \$/GJ             |
| Calculated RP (price before 2% amendment limitation or rounding) | 7.225  | \$/GJ             |
| Amendments:  |        |                   |
| Brought forward (from previous RP month)                         | -0.004 | \$/GJ             |
| Prior Period Amendment Adjustment (current RP month)             | -0.013 | \$/GJ             |
| Calculated RP After Amendments                                   | 7.208  | \$/GJ             |
| Reference Price  | 7.21   | \$/GJ             |
| Difference – Value is carried forward to next RP month           | -0.002 | \$/GJ             |
| Butanes ISC Adjusted Intra-Alberta Transportation Deduction      | 0.075  | \$/GJ             |
| <br>   |        |                   |
| <b>Pentanes Plus ISC Reference Price</b>                         |        | <b>7.23 \$/GJ</b> |
| Breakdown:   |        |                   |
| Weighted Average Price of Alberta Gas                            | 7.371  | \$/GJ             |
| Deductions:  |        |                   |
| Intra-Alberta Transportation                                     | 0.057  | \$/GJ             |
| Marketing Allowance  | 0.012  | \$/GJ             |
| Price before Pipeline Factor                                     | 7.302  | \$/GJ             |
| Pipeline Fuel/Loss Factor  | .991   |                   |
| Price Before Special Adjustment                                  | 7.239  | \$/GJ             |
| Special Adjustment   | 0.000  | \$/GJ             |
| Calculated RP (price before 2% amendment limitation or rounding) | 7.239  | \$/GJ             |
| Amendments:  |        |                   |
| Brought forward (from previous RP month)                         | 0.004  | \$/GJ             |
| Prior Period Amendment Adjustment (current RP month)             | -0.012 | \$/GJ             |
| Calculated RP After Amendments                                   | 7.231  | \$/GJ             |
| Reference Price  | 7.23   | \$/GJ             |
| Difference – Value is carried forward to next RP month           | 0.001  | \$/GJ             |
| Pentanes ISC Adjusted Intra-Alberta Transportation Deduction     | 0.057  | \$/GJ             |

# Monthly Reference Price Calculations

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## Natural Gas Liquids Reference Prices and Par Prices

|                               |        |                   |
|-------------------------------|--------|-------------------|
| Ethane Reference Price        | 7.17   | \$/GJ             |
| Ethane Par Price              | 7.17   | \$/GJ             |
| Propane Reference Price       | 267.75 | \$/m <sup>3</sup> |
| Propane Par Price             | 7.19   | \$/GJ             |
| Butanes Reference Price       | 319.30 | \$/m <sup>3</sup> |
| Butanes Par Price             | 7.21   | \$/GJ             |
| Pentanes Plus Reference Price | 478.01 | \$/m <sup>3</sup> |
| Pentanes Plus Par Price       | 453.50 | \$/m <sup>3</sup> |
| Propane Floor Price           | 228.13 | \$/m <sup>3</sup> |
| Butanes Floor Price           | 262.85 | \$/m <sup>3</sup> |

## Natural Gas Liquids Transportation Allowances

### Pentanes Plus (Spec Pentanes):

|          |       |                   |
|----------|-------|-------------------|
| Region 1 | 27.00 | \$/m <sup>3</sup> |
| Region 2 | 13.24 | \$/m <sup>3</sup> |
| Region 3 | 27.66 | \$/m <sup>3</sup> |
| Region 4 | 35.31 | \$/m <sup>3</sup> |

### Propane & Butanes (Spec Product):

|          |        |                   |
|----------|--------|-------------------|
| Region 1 | 13.81  | \$/m <sup>3</sup> |
| Region 2 | -0.17  | \$/m <sup>3</sup> |
| Region 3 | -28.93 | \$/m <sup>3</sup> |
| Region 4 | 3.29   | \$/m <sup>3</sup> |

### Pentanes Plus, Propane & Butanes (NGL Mix):

|          |       |                   |
|----------|-------|-------------------|
| Region 1 | 15.24 | \$/m <sup>3</sup> |
| Region 2 | 15.19 | \$/m <sup>3</sup> |
| Region 3 | 31.23 | \$/m <sup>3</sup> |
| Region 4 | 13.02 | \$/m <sup>3</sup> |

|                                |       |                   |
|--------------------------------|-------|-------------------|
| <b>Fractionation Allowance</b> | 15.50 | \$/m <sup>3</sup> |
|--------------------------------|-------|-------------------|

# Monthly Reference Price Calculations

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## Natural Gas and Natural Gas Liquids Royalty Rates

|                   |            |
|-------------------|------------|
| New Methane       | 30.00000 % |
| Old Methane       | 35.00000 % |
| New Ethane        | 30.00000 % |
| Old Ethane        | 35.00000 % |
| Propane           | 30.00000 % |
| Butanes           | 30.00000 % |
| New Pentanes Plus | 33.54578 % |
| Old Pentanes Plus | 46.86783 % |

## Select Prices 2006

|               |                         |
|---------------|-------------------------|
| New Methane   | 1.419 \$/GJ             |
| Old Methane   | 0.418 \$/GJ             |
| New Ethane    | 1.419 \$/GJ             |
| Old Ethane    | 0.418 \$/GJ             |
| Propane       | 1.419 \$/GJ             |
| Butane        | 1.419 \$/GJ             |
| Pentanes plus | 50.73 \$/m <sup>3</sup> |

## Royalty Factors for Pentanes Plus

|              | Base | Marginal |
|--------------|------|----------|
| New Pentanes | 22   | 35       |
| Old Pentanes | 22   | 50       |

## The 2006 Alberta Royalty Tax Credit Rate

|                         |         |
|-------------------------|---------|
| 1 <sup>st</sup> quarter | 25.00 % |
| 2 <sup>nd</sup> quarter | 25.00 % |
| 3 <sup>rd</sup> quarter | 25.00 % |
| 4 <sup>th</sup> quarter | 25.00 % |

**Sulphur Default Price**            12.89 \$ / Tonne