



AltaGas Utilities Inc.

Compliance Filing Pursuant to Decision 2014-373

Costs Award

October 7, 2015

Alberta Utilities Commission

Decision 20531-D01-2015: AltaGas Utilities Inc.
Compliance Filing Pursuant to Decision 2014-373
Costs Award
Proceeding 20531

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1 Introduction

1. On December 24, 2014, the Alberta Utilities Commission issued Decision [2014-373](#)¹, dealing with AltaGas Utilities Inc.'s (AltaGas) 2014-2015 Capital Tracker Application and 2013 Capital Tracker True-up Application. In Decision 2014-373, the Commission directed AltaGas to file a compliance filing application in accordance with the directions contained in both Decision 2014-373 and Decision [3434-D01-2015](#)². On February 20, 2015, AltaGas filed its compliance application pursuant to the Commission direction in Decision 2014-373 (the compliance filing application). The Commission assigned Proceeding 20176 to deal with the compliance filing application.

2. On February 23, 2015, the Commission issued a notice of the compliance filing application, requiring interested parties to submit a statement of intent to participate (SIP) by March 5, 2015. The Commission received a SIP from the Consumers' Coalition of Alberta (CCA) by the specified deadline.

3. On March 9, 2015, the Commission issued a process letter and determined that the compliance filing application would be conducted by way of a minimal written process, as outlined in Commission Bulletin [2015-09](#)³.

4. The Commission considered the close of record for the compliance filing application to be May 1, 2015 following the CCA's letter of April 30, 2015, in which it confirmed that its outstanding concerns had been resolved through AltaGas' responses to information requests (IRs).

5. On June 8, 2015, the CCA submitted its costs claim application with respect to costs incurred in respect of the compliance filing application proceeding. The Commission assigned Proceeding 20531 to deal with this costs claim application.

6. On June 25, 2015, the Commission issued Decision [20176-D01-2015](#)⁴ with respect to the compliance filing application.

7. The Commission circulated a summary of the CCA's costs claimed to interested parties on July 3, 2015 and requested comments regarding the figures listed in the summary, or the

¹ Decision 2014-373: AltaGas Utilities Inc. 2014-2015 Capital Tracker Application and 2013 Capital Tracker True-up Application, Proceeding 3152 and 3244, Applications 1610446 and 1610600, December 24, 2014.

² Decision 334-D01-2015: Distribution Performance-Based Regulation Commission-Initiated Review of Assumption Used in the Accounting Test for Capital Trackers, Proceeding 3434, Application 1610877-1, February 5, 2015.

³ Bulletin 2015-09, Performance Standard for Processing Rate-Related Applications, March 26, 2015.

⁴ Decision 20176-D0-2015: AltaGas Utilities Inc. Compliance Filing Pursuant to Decision 2014-373 (2014-2015 Capital Tracker Forecast and 2013 Capital Tracker True-up), Proceeding 20176, June 25, 2015.

merits of the costs claimed, by July 16, 2015. No comments were received with respect to the circulated summary of costs.

8. The Commission considers the close of record for this costs proceeding to be July 16, 2015.

2 Commission's authority to award costs

9. When assessing costs claims pursuant to Section 21 of the *Alberta Utilities Commission Act*, SA 2007, c. A-37.2, the Commission applies AUC [Rule 022: Rules on Intervener Costs in Utility Rate Proceedings](#) (AUC Rule 022). Appendix A of AUC Rule 022 also prescribes a *Scale of Costs* applicable to all costs claimed.

10. In exercising its discretion to award costs, the Commission will, in accordance with Section 11 of AUC Rule 022, consider whether an eligible participant's costs are reasonable and directly and necessarily related to the proceeding; and whether the eligible participant acted responsibly in the proceeding and contributed to a better understanding of the issues before the Commission. The Commission will be mindful of a participant's willingness to co-operate with the Commission and other participants to promote an efficient and cost-effective proceeding.

11. As the costs of a utility proceeding are generally passed on to customers, it is the Commission's duty to ensure that the customers receive fair value for a party's contribution. The Commission only approves those costs that are reasonable and directly and necessarily related to the party's participation in the proceeding.

3 Commission findings

3.1 Consumers' Coalition of Alberta

12. The CCA submitted a costs claim for recovery of costs paid in the total amount of \$9,402.65. The costs claim requested approval of the following legal and consulting services:

- \$3,656.63 for Wachowich & Company, comprised of legal fees of \$3,482.50 and GST of \$174.13; and
- \$5,746.02 for Regulatory Services Inc., comprised of consulting fees of \$5,454.00, disbursements of \$18.40 and GST of \$273.62.

Wachowich & Company

13. The claim for Wachowich & Company relates to 9.95 hours of legal services performed by Mr. James Wachowich. The hours claimed include 7 hours for review of the application and review of IRs, and 2.95 hours for preparation of correspondence to the Commission confirming that outstanding concerns have been resolved through AltaGas's IR responses.

14. The Commission has assessed the costs claim for legal services for Wachowich & Company and finds that the hours incurred are reasonable given the tasks described in the costs application and have been claimed in accordance with the *Scale of Costs*. The Commission, therefore, approves the claim for legal services in the total amount of \$3,656.63, which is composed of \$3,482.50 in legal fees and GST of \$174.13.

Regulatory Services Inc.

15. The claim for Regulatory Services Inc. relates to 20.20 hours for consulting services performed by Mr. Jeffrey Jodoin. The hours claimed were for review of the application, preparation of IRs, and review of IR responses.

16. The Commission finds that the total hours claimed by Regulatory Services Inc. are excessive given the level of participation of the CCA in the compliance filing application proceeding. The CCA submitted three IRs to AltaGas and elected not to file argument or reply argument. Accordingly, the Commission considers that a reduction of ten per cent is warranted with respect to the consulting fees claimed for Regulatory Services Inc.

17. After applying a ten percent reduction, costs for Regulatory Services Inc. are approved in the total amount of \$5,173.35, which is composed of \$4,908.60 in consulting fees, \$18.40 in disbursements for internal photocopying, and GST of \$246.35.

18. Accordingly, the Commission approves recovery of the CCA's costs claim in the total amount of \$8,829.98, which is composed of \$3,482.50 in legal fees, \$4,908.60 in consulting fees, \$18.40 in disbursement, and GST of \$420.48.

4 GST

19. In accordance with the Commission's treatment of GST on costs award, AltaGas is required to pay only that portion of GST paid by interveners that may not be recoverable through the GST credit mechanism. Accordingly, the Commission approves the eligible GST in the amount of \$420.48.

20. The Commission emphasizes that its treatment of the GST claimed in no way relieves participants or their consultants from their GST obligations pursuant to the *Excise Tax Act*, R.S.C. 1985, c. E-15.

5 Order

20. It is hereby ordered that:

- 1) AltaGas Utilities Inc. shall pay intervener costs to the Consumers' Coalition of Alberta in the amount of \$8,829.98.

Dated on October 7, 2015.

Alberta Utilities Commission

(Original signed by)

Neil Jamieson
Commission Member