



ATCO Gas and Pipelines Ltd.

2013 PBR Capital Tracker Refiling & True-up and
2014-2015 Capital Tracker Forecast Compliance
Application

Costs Award

November 26, 2015

Alberta Utilities Commission

Decision 20734-D01-2015: ATCO Gas and Pipelines Ltd.
2013 PBR Capital Tracker Refiling & True-up and
2014-2015 PBR Capital Tracker Forecast Compliance Application
Costs Award
Proceeding 20734

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1 Introduction

1. On March 19, 2015, the Alberta Utilities Commission issued Decision 3267-D01-2015¹, dealing with ATCO Gas and Pipelines Ltd.'s (ATCO Gas) 2013 Capital Tracker Refiling and True-up and 2014-2015 Capital Tracker Forecast Application. In Decision 3267-D01-2015, the Commission directed ATCO Gas to file a compliance application in accordance with the directions set out in both Decision 3267-D01-2015 and Decision 3434-D01-2015². On April 27, 2015, ATCO Gas filed the directed compliance application (the compliance filing application). The Commission assigned proceeding 20385 to deal with the compliance filing application.

2. On April 28, 2015, the Commission issued a notice of the compliance filing application and requested interested parties to submit a statement of intent to participate (SIP) by May 11, 2015. The Commission received a SIP from the Consumers' Coalition of Alberta (CCA) by the specified deadline.

3. On May 12, 2015, the Commission issued a process letter and determined that the compliance filing application would be conducted by way of a minimal written process, involving information requests (IRs), argument and reply argument, as outlined in Commission Bulletin 2015-09³.

4. The Commission considered the close of record for the compliance filing application to be July 15, 2015, when the CCA submitted a letter to the Commission indicating that it would not be filing reply argument.

5. On August 12, 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 20734 to deal with this costs claim application.

6. The Commission circulated a summary of the CCA's costs claimed to interested parties on August 19, 2015, and requested comments regarding the figures listed in the summary, or the merits of the total costs claimed, by September 1, 2015. No comments were received with respect to the circulated summary of costs.

¹ Decision 3267-D01-2015: ATCO Gas and Pipelines Ltd. 2013 PBR Capital Tracker Refiling and True-up and up and 2014-2015 PBR Capital Tracker Forecast, Proceeding 3267, Application 1610634-1, March 19, 2015.

² Decision 3434-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.

7. On August 24, 2015, the Commission issued Decision 20385-D01-2015⁴ with respect to the compliance filing application.

8. The Commission considers the close of record for this costs proceeding to be September 1, 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 \$8,680.67. The costs claim requested approval of the following legal and consulting services:

- \$1,488.38 for Wachowich & Company, composed of legal fees of \$1,417.50 and GST of \$70.88; and
- \$7,192.29 for Regulatory Services Inc., composed of consulting fees of \$6,831.00, disbursements of \$18.80 and GST of \$342.49.

Wachowich & Company

13. The claim for Wachowich & Company relates to 4.05 hours of legal services performed by Mr. James Wachowich. The hours claimed include 2.55 hours for review of the application and drafting of IRs, and 1.50 hours for preparation of argument.

14. The Commission has assessed the costs claim for legal services provided by Wachowich & Company and finds that the tasks described and hours claimed are reasonable, directly and necessarily related to the proceeding and in accordance with the *Scale of Costs*. The

⁴ Decision 20385-D01-2015: ATCO Gas and Pipelines Ltd. 2013 PBR Capital Tracker Refiling and True-up and 2014-2015 PBR Capital Tracker Forecast Compliance Application, Proceeding 20385, Application 20385-A001, August 24, 2015.

Commission, therefore, approves the claim for legal services in the total amount of \$1,488.38, which is composed of \$1,417.50 in legal fees and GST of \$70.88.

Regulatory Services Inc.

15. The claim for Regulatory Services Inc. relates to 25.3 hours for consulting services performed by Mr. Jan Thygesen. The hours claimed include 19.20 hours for review of the application, preparation of IRs, and review of IR responses; and 6.10 hours for drafting of the CCA's argument.

16. The Commission has assessed the costs claim for consulting services provided by Regulatory Services Inc. and finds that the tasks described and hours claimed are reasonable, directly and necessarily related to the proceeding and in accordance with the *Scale of Costs*. The Commission also finds the disbursements for photocopying to be reasonable and in accordance with the *Scale of Costs*.

17. The Commission, therefore, approves recovery of costs for Regulatory Services Inc. in the amount of \$7,192.29, which is composed of \$6,831.00 in consulting fees, \$18.80 in disbursement, and GST of \$342.49.

18. Accordingly, the Commission approves recovery of the CCA's costs claim in the total amount of \$8,680.67, which is composed of \$1,417.50 in legal fees, \$6,831.00 in consulting fees, \$18.80 in disbursement, and GST of \$413.37.

4 GST

19. In accordance with the Commission's treatment of GST on cost awards, ATCO Gas 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 \$413.37.

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

21. It is hereby ordered that:

- 1) ATCO Gas and Pipelines Ltd. shall pay intervener costs to the Consumers' Coalition of Alberta in the amount of \$8,680.67.

Dated on November 26, 2015.

Alberta Utilities Commission

Original signed by)

Mark Kolesar
(Vice-Chair)