



ATCO Gas and Pipelines Ltd.

**Z Factor Application for Recovery of 2013 Southern Alberta
Flood Costs**

Costs Award

April 27, 2016

Alberta Utilities Commission

Decision 21263-D01-2016

ATCO Gas and Pipelines Ltd.

Z Factor Application for Recovery of 2013 Southern Alberta Flood Costs
Costs Award

Proceeding 21263

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1 Introduction

1. In this decision, the Alberta Utilities Commission considered an application from the Consumers' Coalition of Alberta (CCA) for approval and payment of their costs of participation in Proceeding 2738 (the costs claim application). The Commission approved the costs, as claimed, for the reasons provided below.

2. Proceeding 2783 (the original proceeding) was convened by the Commission to consider the application of ATCO Gas and Pipelines Ltd.(ATCO Gas) to recover the costs it incurred as a result of the 2013 Southern Alberta flood through a Z factor rate adjustment. The original proceeding included information requests and responses, argument and reply argument. The close of record for the original proceeding was December 17, 2016 and the Commission issued Decision 2783-D01-2016,¹ in respect of the original proceeding, on March 16, 2016.

3. The CCA submitted its costs claim application on January 18, 2016, within the 30 day timeline permitted by the Commission's rules. The Commission assigned Proceeding 21263 and Application 21263-A001 to the costs claim application.

4. No comments were filed with respect to the costs claim application and the Commission considers the close of record for this proceeding to be February 8, 2016, the deadline for filing comments on the CCA's costs claim application.

2 Commission findings

5. The Commission's authority to award costs for participation in a utility rates proceeding is found in Section 21 of the *Alberta Utilities Commission Act*. When considering a claim for costs for a utility rates proceeding, the Commission is also guided by the factors set out in Section 11 of AUC Rule 022. Appendix A of AUC Rule 022 prescribes a Scale of Costs applicable to all costs claimed.

2.1 The Consumers' Coalition of Alberta

6. The following table summarizes the CCA's costs claim.

¹ Decision 2783-D01-2016: ATCO Gas and Pipelines Ltd. Z Factor Application for Recovery of 2013 Southern Alberta Flood Costs, Proceeding 2783, Application 1609783-1, March 16, 2016.

Claimant	Hours			Fees	Disbursements	GST	Total
	Preparation	Attendance	Argument				
CCA							
Wachowich & Company	25.66	0.00	61.15	\$13,776.70	\$0.00	\$688.84	\$14,465.54
Total	25.66	0.00	61.15	\$13,776.70	\$0.00	\$688.84	\$14,465.54

7. The Commission finds that the CCA acted responsibly in the original proceeding and contributed to a better understanding of the relevant issues in the proceeding.

Wachowich & Company

8. The CCA was represented by Wachowich & Company in the original proceeding. The fees claimed by the CCA for the legal services provided by Mr. James Wachowich, QC, and Ms. Shauna Gibbons, student-at-law, relate to review of the application, researching the Z factor, drafting IRs, reviewing IR responses, and drafting the CCA's argument and reply argument.

9. Of the 86.81 hours claimed by the CCA, 20.16 hours were claimed for work performed by Mr. Kyle Riley at a rate of \$120.00 per hour exclusive of GST. In its costs claim, the CCA identified Mr. Riley as having one year of experience as a research associate. The hours claimed by Mr. Riley relate to reviewing the original application, drafting IRs, and drafting the CCA's argument.

10. In Decisions 21143-D01-2016² and 21235-D01-2016,³ a portion of the costs claimed for Ms. Gibbons was disallowed by the Commission on the basis that some of the time was attributable to internal training. In approving the costs for Ms. Gibbons' services in this application, no time has been attributed to internal training. Accordingly, no costs have been disallowed.

11. The Commission finds that the services performed by Mr. Wachowich, Ms. Gibbons, and Mr. Riley were directly and necessarily related to the CCA's participation in the original proceeding, and that the fees, which were claimed in accordance with the Scale of Costs for those services, are reasonable. Accordingly, the Commission approves the CCA's claim for legal fees for Wachowich & Company in the amount of \$13,776.70 and GST of \$688.84 for a total of \$14,465.54.

² 21143-D01-2016: EPCOR Distribution and Transmission Inc. 2014 PBR Capital Tracker True-up and 2016-2017 Capital Tracker Forecast Costs Award, Proceeding 21143, Application 21143-A001, April 26, 2016.

³ 21235-D01-2016: ATCO Electric Ltd. 2014 PBR Capital Tracker True-up and 2016-2017 PBR Capital Tracker Forecast Costs Award, Proceeding 21235, Application 21235-A001, April 26, 2016.

3 Order

12. 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 \$14,465.54.

Dated on April 27, 2016.

Alberta Utilities Commission

(original signed by)

Mark Kolesar
Vice-Chair