



## ATCO Gas

Weather Deferral Account Rate Rider

Cost Awards



**ALBERTA UTILITIES COMMISSION**

Utility Cost Order 2009-046: ATCO Gas

Weather Deferral Account Rate Rider

Application No. 1605061

Cost Application No. 1605296

Published by

Alberta Utilities Commission

Fifth Avenue Place, 4th Floor, 425 - 1 Street SW

Calgary, Alberta

T2P 3L8

Telephone: (403) 592-8845

Fax: (403) 592-4406

Web site: [www.auc.ab.ca](http://www.auc.ab.ca)

Contents

**1 INTRODUCTION..... 1**

**2 VIEWS OF THE COMMISSION – AUTHORITY TO AWARD COSTS ..... 1**

**3 VIEWS OF THE COMMISSION – ASSESSMENT..... 2**

**4 GST..... 2**

**5 ORDER ..... 2**



## **1 INTRODUCTION**

1. In Decision [2008-113](#)<sup>1</sup>, the Alberta Utilities Commission (Commission) approved a weather deferral account for ATCO Gas (AG). On May 7, 2009, AG filed a weather deferral account rate rider application with respect to AG's north service territory (ATCO Gas North or AGN) to be effective July 1, 2009.
2. The Commission dealt with this Application by way of written process. On June 24, 2009, the Commission issued Decision [2009-093](#)<sup>2</sup> in respect of the Application.
3. On July 27, 2009, a summary of the costs being claimed was circulated to interested parties. Parties were advised that any comments regarding the figures listed in the summary or the merits of the total costs claimed were to be filed by August 10, 2009. The Commission did not receive any comments. Accordingly, the Commission considers, for the purposes of this Cost Order, the cost process to have closed on August 10, 2009.

## **2 VIEWS OF THE COMMISSION – AUTHORITY TO AWARD COSTS**

4. When assessing a cost claim pursuant to Section 21 of the *Alberta Utilities Commission Act* (AUC Act), the Commission applies Rule 022, *Rules on Intervener Costs in Utility Rate Proceedings* (Rule 022). Rule 022 was revised on September 30, 2008. As the filing of this Application with the Commission was on May 7, 2009, the Commission has assessed the costs claimed in accordance with the provisions of the revised Rule 022.
5. In exercising its discretion to award costs, the Commission will, in accordance with section 11 of Rule 022, consider whether an eligible participant acted responsibly and contributed to a better understating of the issues before the Commission, and whether the costs claimed are reasonable and directly and necessarily related to the proceeding. The Commission considers these factors in light of the scope and nature of the issues in question.
6. In the Commission's view, the responsibility to contribute positively to the process is inherent in the choice to intervene in a proceeding. The Commission expects that those who choose to participate will prepare and present a position that is reasonable in light of the issues arising in the proceeding and necessary for the determination of those issues. To the extent reasonably possible, the Commission will be mindful of participants' willingness to co-operate

---

<sup>1</sup> Decision 2008-113 – ATCO Gas 2008-2009 General Rate Application Phase I (Application 1553052, ID. 11) (Released: November 13, 2008).

<sup>2</sup> Decision 2009-093 – ATCO Gas Weather Deferral Account Rate Rider (Application No. 1605061, ID. 198) (Released: June 24, 2009).

with the Commission and other participants to promote an efficient and cost-effective proceeding.

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

### **3 VIEWS OF THE COMMISSION – ASSESSMENT**

8. On July 14, 2009, the CCA submitted a cost claim totaling \$5,611.83. The claim was comprised of legal fees incurred by Wachowich & Company in the amount of \$522.50, together with GST of \$26.13; and consulting fees incurred by Regulatory Services, Inc. in the amount of \$4,780.00, together with disbursements and GST of \$42.10 and \$241.11 respectively.

9. The Commission has considered the costs submitted by the CCA. The Commission finds that the participation of the CCA was, for the most part, effective and of assistance in reviewing the Application. The Commission notes the scope and complexity of the issues before it and the extent of the examination thereof. The Commission also notes that the claims for professional fees and other claims were in accordance with the *Scale of Costs*. Accordingly, the Commission considers the claims for fees, disbursements and applicable GST for all participants to be reasonable in the total amount of \$5,611.83.

### **4 GST**

10. In accordance with the Commission's treatment of the GST on cost awards, AG is required to pay only that portion of the GST paid by interveners that may not be recoverable through the GST credit mechanism, accordingly where parties are eligible for a GST credit the Commission has reduced this particular portion of their claim. Eligible GST approved by the Commission amounts to \$267.24. The GST allowed by the Commission may also be charged against AG's Hearing Cost Reserve Account.

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

### **5 ORDER**

IT IS HEREBY ORDERED:

1. ATCO Gas shall pay intervener costs in the amount of \$5,611.83.
2. ATCO Gas shall record in its Hearing Cost Reserve Account the allowed external applicant and intervener costs in the amount of \$5,611.83.

Dated in Calgary, Alberta on this 2<sup>nd</sup> day of November, 2009.

**ALBERTA UTILITIES COMMISSION**

*(Original signed by)*

Bill Lyttle  
Commissioner