



ATCO Gas

Retailer Service and Gas Utilities Act -
Phase II, Part B Process, Modules 3 & 5

Cost Awards



ALBERTA UTILITIES COMMISSION

Utility Cost Order 2008-062: ATCO Gas

Retailer Service and Gas Utilities Act

Phase II, Part B Process, Modules 3 & 5

Application No. 1575607

Proceeding ID: 68

Cost Application No. 1585174

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1 INTRODUCTION

On June 10, 2008, the Alberta Utilities Commission (the Commission) received an application (Application) from ATCO Gas (AG), requesting approval for:

1. the parameter with respect to the daily Imbalance Window;
2. the revisions to the Terms and Conditions for Distribution Access Service; and
3. the effective date for implementation of Retailer Service to be set for October 1, 2008.

The Commission considered the Application by way of a written process. Argument was received on July 25, 2008, from AG. The Commission received a letter from AG on July 31, 2008, indicating that it would not be providing Reply Argument since no other parties provided Argument. The Commission considers that the record have closed on July 31, 2008.

On September 12, 2008, the Commission issued Order [2008-290](#).

On October 3, 2008, 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 October 10, 2008. 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 October 10, 2008.

2 VIEWS OF THE COMMISSION – AUTHORITY TO AWARD COSTS

When assessing a cost claim pursuant to section 21 of the AUC Act, the Commission applies Rule 022, *Rules on Intervener Costs* ([Rule 022](#)). The Commission has assessed the costs claimed in respect of the Application in accordance with the current Rule 022. As set out in Commission Bulletin 2008-16, cost claims for any rate applications filed with the Commission prior to October 1, 2008, will be assessed in accordance with the cost rule currently in effect. Thereafter, the Commission will assess cost claims for rate applications filed with the Commission after October 1, 2008 in accordance with the revised Cost Rule 022.

Before exercising its discretion to award costs under the current Rule 022, the Commission must consider whether the participant acted responsibly and contributed to a better understanding 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.

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

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

The Commission received one cost claim from AG totaling \$8,098.06. AG claims legal fees incurred by Bennett Jones in the amount of \$4,325.00. AG also claims disbursements in the amount of \$3,773.06. The cost claims were allocated equally amongst AG North and AG South.

The Commission has considered the costs submitted by AG. The Commission finds that the participation of the applicant 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 \$8,098.06.

4 GST

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 \$0.00.

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 North external costs in the amount of \$4,049.03 are approved.
2. ATCO Gas North shall record in its Hearing Cost Reserve Account the allowed external applicant costs in the amount of \$4,049.03.
3. ATCO Gas South external costs in the amount of \$4,049.03 are approved.
4. ATCO Gas South shall record in its Hearing Cost Reserve Account the allowed external applicant costs in the amount of \$4,049.03.

Dated in Calgary, Alberta on this 19th day of November, 2008.

ALBERTA UTILITIES COMMISSION

<Originally Signed By Carolyn Dahl Rees>

Carolyn Dahl Rees
Vice – Chair

<Originally Signed By Bill Lyttle>

Bill Lyttle
Commissioner

<Originally Signed By Tudor Beattie>

Tudor Beattie
Commissioner