



AltaGas Utilities Inc.

2007 GTA Compliance Refiling

Cost Awards



ALBERTA UTILITIES COMMISSION

Utility Cost Order 2008-028: AltaGas Utilities Inc.

2007 GTA Compliance Refiling

Application No. 1556301

Cost Application No. 1565802

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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

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**AltaGas Utilities Inc.
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1 INTRODUCTION

On December 11, 2007 the Alberta Energy and Utilities Board (the Board) issued Decision [2007-094](#)¹, which dealt with Phase I of the AltaGas Utilities Inc. (AUI) 2007 General Rate Application (GRA). In Decision [2007-094](#), page 62, the Board issued the following direction:

The Board directs AUI to revise its 2007 GRA Phase I to reflect the Board's findings, conclusions and directions in this Decision and to refile the amended GRA by January 18, 2008. The Board expects AUI in its Refiling to provide a summary of all adjustments made, including details of any associated impact on NWC, taxes, depreciation, or any other related areas.

Interveners wishing to comment on AUI's Refiling should file a submission with the Board by February 1, 2008.

On January 18, 2008 AUI submitted its refiling (Refiling) to the Alberta Utilities Commission (the Commission), the successor to the Board.

By letter dated January 22, 2008 the Commission extended the deadline for comments on the Refiling to February 5, 2008. Comments on the Refiling were received from the Consumers' Coalition of Alberta (CCA) and the Alberta Urban Municipalities Association and Office of the Utilities Consumer Advocate (AUMA/UCA). Reply comments were received from AUI on February 12, 2008.

On April 30, 2008 the Commission issued Decision [2008-032](#).

The Commission panel assigned to deal with the Refiling consisted of Ms. C. Dahl Rees, LL.B (Commission Member). The Commission considers the record to have closed on April 24, 2008.

On April 2, 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 April 9, 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 April 9, 2008.

¹ Decision 2007-094 - AltaGas Utilities Inc. 2007 General Rate Application Phase I (Application No. 1494406)
(Released: December 11, 2007)

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). Before exercising its discretion to award costs, 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. When determining a cost award, the Commission will consider if the participant acted responsibly in the proceeding and contributed to a better understanding of the issues before the Commission. 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 the Consumers' Coalition of Alberta totaling \$2,525.25. The CCA claim consulting fees incurred by Regulatory Services Inc. in the amount of \$2,405.00, together with GST of \$120.25.

The Commission has considered the costs submitted by the participants. The Commission finds that the participation of the intervener 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 and applicable GST for all participants to be reasonable in the total amount of \$2,525.25.

4 GST

In accordance with the Commission's treatment of the GST on cost awards, AUI 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 \$120.25. The GST allowed by the Commission may also be charged against AUI's Hearing Cost Reserve Account.

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. AltaGas Utilities Inc. shall pay intervener costs in the amount of \$2,525.25.
2. AltaGas Utilities Inc. shall record in its Hearing Cost Reserve Account the allowed intervener costs in the amount of \$2,525.25.

Dated in Calgary, Alberta on this 9th day of June, 2008.

ALBERTA UTILITIES COMMISSION

<Originally Signed By Carolyn Dahl Rees>

Carolyn Dahl Rees
Commissioner