



## AltaGas Utilities Inc.

2005-2006 GRA Phase II - Clarification of  
Decisions 2007-079 & 2007-093

Cost Awards

**ALBERTA ENERGY AND UTILITIES BOARD**

Utility Cost Order 2008-042: AltaGas Utilities Inc.

2005-2006 GRA Phase II - Clarification of

Decisions 2007-079 & 2007-093

Application No. 1556666

Cost Application No. 1567087

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# ALBERTA ENERGY AND UTILITIES BOARD

Calgary, Alberta

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## 1 INTRODUCTION

The Alberta Energy and Utilities Board (the EUB or the Board) issued Decision [2007-079](#)<sup>1</sup> on October 16, 2007, which approved the rates of AltaGas Utilities Inc. (AUI) as files, effective November 1, 2007.

By way of letter dated January 18, 2008, AUI requested clarification from the Board of certain matters related to Decision 2007-079 and Decision [2007-093](#)<sup>2</sup>. AUI acknowledged that it could be reasonable concluded that the Board approved in these Decisions the terms and conditions of service and contracts that were filed with AUI's 2005-2006 Phase II General Rate Application and AUI's subsequent Compliance Filing. However, AUI requested explicit clarification that the aforementioned Board Decisions approved all of AUI's proposed terms and conditions of service and contracts.

On February 12, 2008 the Board issued Decision [2007-079 \(Addendum\)](#).

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 Board did not receive any comments. Accordingly, the Board considers, for the purposes of this Cost Order, the cost process to have closed on April 9, 2008.

## 2 VIEWS OF THE BOARD – Authority to Award Costs

When assessing a cost claim pursuant to section 68, the Board is guided by Part 5 of its *Rules of Practice*, [AR 101/2001](#) and by the principles and policies expressed in Directive 031B, *Guidelines for Utility Cost Claims (Directive 031B)*. Before exercising its discretion to award costs, the Board must consider the effectiveness of a participant's contribution to the process, its relevance to the issues, and whether the costs claimed are fair and reasonable in light of the scope and nature of the issues in question.

In the Board's view, the responsibility to contribute positively to the process is inherent in the choice to intervene in a proceeding. The Board 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 Board will consider if the participant acted responsibly in the proceeding and contributed to a better

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<sup>1</sup> Board Decision 2007-079, AltaGas 2005/2006 Phase II General Rate Application, dated October 16, 2007. (Application No. 1491262)

<sup>2</sup> Board Decision 2007-093, AltaGas Utilities Inc. 2005/2006 Phase II GRA Compliance Filing, dated November 27, 2007. (Application No. 1543961)

understanding of the issues before the Board. To the extent reasonably possible, the Board will be mindful of participants' willingness to co-operate with the Board 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 Board's duty to ensure that customers receive fair value for a party's contribution. As such, the Board only approves those costs that are reasonable and directly and necessarily related to the party's participation in the proceeding.

### **3 VIEWS OF THE BOARD - Assessment**

The Board received one cost claim from AUI totalling \$786.06. AUI claim legal fees for MacPherson Leslie & Tyerman LLP in the amount of \$770.00, together with disbursements of \$16.06.

The Board has reviewed the costs submitted by the participant, bearing in mind the principles specified in the Board's *Scale of Costs* set out in Appendix C to [Directive 031B](#). The Board notes the scope and complexity of the issues before it and the extent of the examination thereof. The Board also notes that the claims for professional fees and other claims were in accordance with the *Scale of Costs*. Accordingly, the Board considers the claims for fees and disbursements for AUI to be reasonable to this Order in the total amount of \$786.06

### **4 GST**

In accordance with the Board'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 Board has reduced this particular portion of their claim. Eligible GST approved by the Board amounts to \$0.00. The Board 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. external costs in the amount of \$786.06 are approved.
2. AltaGas Utilities Inc. shall record in its Hearing Cost Reserve Account the allowed external applicant and intervener costs in the amount of \$786.06.

Dated in Calgary, Alberta on this 7<sup>th</sup> day of July, 2008.

### **ALBERTA ENERGY AND UTILITIES BOARD**

<Originally Signed By Thomas McGee>

Thomas McGee  
EUB Board Member