



# AltaGas Utilities Inc.

2005/2006 General Rate Application  
Phase I Compliance Filing

Cost Awards

**ALBERTA ENERGY AND UTILITIES BOARD**

Utility Cost Order 2006-021: AltaGas Utilities Inc.

2005/2006 General Rate Application

Phase I Compliance Filing

Application No. 1436063

Cost Application No. 1450099

Published by

Alberta Energy and Utilities Board

640 – 5 Avenue SW

Calgary, Alberta

T2P 3G4

Telephone: (403) 297-8311

Fax: (403) 297-7040

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

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# ALBERTA ENERGY AND UTILITIES BOARD

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Calgary, Alberta

**AltaGas Utilities Inc.  
2005/2006 General Rate Application  
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**Utility Cost Order 2006-021  
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Cost Application No. 1450099**

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## 1 INTRODUCTION

On December 16, 2005, AltaGas Utilities Inc. (AUI) re-filed with the Alberta Energy and Utilities Board (EUB/Board) the Phase I portion of AUI's 2005/2006 General Rate Application (GRA) to reflect and comply with the Board's findings and directions in Decision [2005-127](#) (Compliance Filing).

The Panel assigned to consider this matter consisted of R.G. Lock, P.Eng. (Presiding), G.J. Miller, and M.L. Asgar-Deen, P.Eng. The Board handled the matter by way of a written proceeding and on April 4, 2006 issued Decision [2006-034](#).

On March 8, 2006, 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 March 22, 2006. 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 March 22, 2006.

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

The Board's authority to award costs is derived from section 68 of the *Public Utilities Board Act*, R.S.A. 2000, c. P-45, which states in part:

- (1) The costs of and incidental to any proceeding before the Board, except as otherwise provided for in this Act, are in the discretion of the Board, and may be fixed in any case at a sum certain or may be taxed.

...

- (3) The Board may order by whom or to whom any costs are to be paid, and by whom they are to be taxed and allowed.

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 understanding of the issues before the Board. To the extent reasonably possible, the Board will be mindful of participants' will 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**

Various participants submitted cost claims totalling \$4,092.75 including actual GST of \$267.75 with respect to the Proceeding.

The Board has reviewed the costs submitted by the participants, bearing in mind the principles specified in the Board's *Scale of Costs* set out in Appendix C to [Directive 031B](#). The Board finds that the participation of the interveners was, for the most part, effective and of assistance in reviewing the Application. 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, disbursements, and applicable GST for all participants to be reasonable as outlined in [Appendix A](#) to this Order in the total amount of \$4,092.75.

### **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 \$267.75 as shown in column (g) of [Appendix A](#). The GST allowed by the Board may also be charged against AUI's Hearing Cost Reserve Account.

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. shall pay intervener costs in the amount of \$4,092.75, as set out in column (h) of [Appendix A](#).

2. AltaGas Utilities Inc. shall record in its Hearing Cost Reserve Account the allowed intervener costs in the amount of \$4,092.75, as set out in column (h) of [Appendix A](#).

Dated in Calgary, Alberta on this 5th day of May, 2006.

**ALBERTA ENERGY AND UTILITIES BOARD**

*<Original Signed by Thomas McGee>*

Thomas McGee  
Board Member

## **APPENDIX A – SUMMARY OF COSTS CLAIMED AND AWARDED**



UCO 2006-021  
Appendix A

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AltaGas  
Cost Application 1450099

2005/2006 GRA Phase 1 Compliance Filing  
(1436063)

Costs Claimed and Awarded

|   | Total Fees Claimed<br>(a) | Total Expenses Claimed<br>(b) | Total GST Claimed<br>(c) | Total Amount Claimed<br>(d) | Total Fees Awarded<br>(e) | Total Expenses Awarded<br>(f) | Total GST Awarded<br>(g) | Total Amount Awarded<br>(h) |
|---|---------------------------|-------------------------------|--------------------------|-----------------------------|---------------------------|-------------------------------|--------------------------|-----------------------------|
| <b>APPLICANT</b>                            |                           |                               |                          |                             |                           |                               |                          |                             |
| AltaGas Utilities Inc.                      |                           |                               |                          |                             |                           |                               |                          |                             |
| AltaGas Utilities Inc.                      | \$0.00                    | \$0.00                        | \$0.00                   | \$0.00                      | \$0.00                    | \$0.00                        | \$0.00                   | \$0.00                      |
| Sub-Total                                   | \$0.00                    | \$0.00                        | \$0.00                   | \$0.00                      | \$0.00                    | \$0.00                        | \$0.00                   | \$0.00                      |
| <b>INTERVENERS</b>                          |                           |                               |                          |                             |                           |                               |                          |                             |
| Alberta Urban Municipalities Association    |                           |                               |                          |                             |                           |                               |                          |                             |
| Bryan & Company                             | \$750.00                  | \$4.70                        | \$52.83                  | \$807.53                    | \$750.00                  | \$4.70                        | \$52.83                  | \$807.53                    |
| Robert Bruggeman Regulatory Consulting Ltd. | \$1,443.75                | \$7.80                        | \$101.61                 | \$1,553.16                  | \$1,443.75                | \$7.80                        | \$101.61                 | \$1,553.16                  |
| Sub-Total                                   | \$2,193.75                | \$12.50                       | \$154.44                 | \$2,360.69                  | \$2,193.75                | \$12.50                       | \$154.44                 | \$2,360.69                  |
| Consumers Coalition of Alberta              |                           |                               |                          |                             |                           |                               |                          |                             |
| Professional Regulatory Services, Inc.      | \$918.75                  | \$0.00                        | \$64.31                  | \$983.06                    | \$918.75                  | \$0.00                        | \$64.31                  | \$983.06                    |
| Sub-Total                                   | \$918.75                  | \$0.00                        | \$64.31                  | \$983.06                    | \$918.75                  | \$0.00                        | \$64.31                  | \$983.06                    |
| Municipal and Gas Co-op Intervenors         |                           |                               |                          |                             |                           |                               |                          |                             |
| Garbutt Consulting Inc.                     | \$700.00                  | \$0.00                        | \$49.00                  | \$749.00                    | \$700.00                  | \$0.00                        | \$49.00                  | \$749.00                    |
| Sub-Total                                   | \$700.00                  | \$0.00                        | \$49.00                  | \$749.00                    | \$700.00                  | \$0.00                        | \$49.00                  | \$749.00                    |
| <b>TOTAL INTERVENER COSTS</b>               |                           |                               |                          |                             |                           |                               |                          |                             |
|   | \$3,812.50                | \$12.50                       | \$267.75                 | \$4,092.75                  | \$3,812.50                | \$12.50                       | \$267.75                 | \$4,092.75                  |
| <b>TOTAL INTERVENER AND APPLICANT COSTS</b> |                           |                               |                          |                             |                           |                               |                          |                             |
|   | \$3,812.50                | \$12.50                       | \$267.75                 | \$4,092.75                  | \$3,812.50                | \$12.50                       | \$267.75                 | \$4,092.75                  |

## CONTACT LIST

| NAME OF INTERVENER                       |      | REPRESENTING INTERVENER   | CONTACT FOR INTERVENER   |
|--|------|---|--|
| Alberta Urban Municipalities Association | AUMA | Reynolds, Mirth, Richards & Farmer<br>Barristers & Solicitors<br>3200, 10180 - 101st Street<br>N.W.<br>Edmonton, Alberta, T5J 3W8 | Attention: C. Randall McCreary<br>Telephone: (780) 425-9510<br>Fax: (780) 429-3044<br>E-Mail: <a href="mailto:rmccreary@rmrf.com">rmccreary@rmrf.com</a> |
| Consumers' Coalition of Alberta          | CCA  | Wachowich & Company<br>Barristers and Solicitors<br>555, 10310 – Jasper Avenue<br>Edmonton, Alberta T5J 2W4                       | Attention: James A. Wachowich<br>Telephone: 780-429-0555<br>Fax: 780-425-4795<br>E-Mail: <a href="mailto:mail@wachowich.com">mail@wachowich.com</a>      |
| Municipal Gas Co-op Interveners          | MGCI | Garbutt Consulting Inc.<br>11527 – 13 Avenue<br>Edmonton, AB T6J 7A3  | Attention : Greg Garbutt<br>Telephone : (780) 965-7283<br>Fax: (780) 437-7292<br><a href="mailto:ggarbutt@telus.net">ggarbutt@telus.net</a>              |