



AUC

Alberta Utilities Commission

ATCO Gas, a division of ATCO Gas and Pipelines Ltd.

**2011-2012 General Rate Application
Phase I Compliance Filing**

Costs Awards

August 30, 2012

The Alberta Utilities Commission

Decision 2012-231: ATCO Gas, a division of ATCO Gas and Pipelines Ltd.

2011-2012 General Rate Application Phase I Compliance Filing

Costs Awards

Application Nos. 1608474 and 1608489

Proceeding ID No. 1902

August 30, 2012

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1 Introduction

1. On December 5, 2011, the Alberta Utilities Commission (AUC or Commission) issued Decision [2011-450](#)¹ regarding the 2011-2012 general rate application (GRA) Phase I for ATCO Gas, a division of ATCO Gas and Pipelines Ltd. (AG). In Decision 2011-450, the Commission directed AG to re-file its 2011-2012 GRA no later than January 9, 2012.
2. In a December 13, 2011, letter, AG was granted a one month extension for re-filing its application.²
3. On February 9, 2012, AG re-filed its 2011-2012 GRA (the compliance filing), reflecting the revisions required to comply with the Commission's directions in Decision 2011-450.
4. On February 13, 2012, the Commission issued a notice of application with respect to the compliance filing. Subsequently, statements of intent to participate in the proceeding were received from the Consumers' Coalition of Alberta (CCA), the City of Calgary and the Office of the Utilities Consumer Advocate.
5. On March 2, 2012, the Commission established a process schedule in order to examine and address any issues with respect to the compliance filing. Information requests to AG were due on March 13, 2012, and the information responses from AG were due March 27, 2012. By letter dated March 29, 2012, the Commission set the dates for argument and reply argument as April 12, 2012, and April 26, 2012, respectively.
6. The Commission considers that the record for this proceeding closed on April 26, 2012.
7. On July 20, 2012, the Commission issued Decision [2012-191](#)³, dealing with the compliance filing. AG was directed to re-file its 2011-2012 GRA compliance application including its placeholder summary to reflect the findings, conclusions and directions by September 10, 2012.
8. AG filed its costs claim on May 24, 2012.

¹ Decision 2011-450: ATCO Gas (A Division of ATCO Gas and Pipeline Ltd.) 2011-2012 General Rate Application Phase I, Application No. 1606822, Proceeding ID No. 969, Released: December 5, 2011.

² Proceeding ID 969, Exhibit 221.01

³ Decision 2012-190: ATCO Gas, a division of ATCO Gas and Pipelines Ltd. 2011-2012 General Rate Application Phase I Compliance Filing, Application No. 1608144, Proceeding ID No. 1709, Released: July 20, 2012.

9. On May 28, 2012, the Commission circulated a summary of costs being claimed to interested parties. Parties were advised that any comments regarding the figures listed in the summary or the merits of the costs claimed were to be filed by June 11, 2012. The Commission received a costs submission from the CCA on May 28, 2012. The Commission sent out a second summary of costs being claimed to interested parties on May 30, 2012. Parties were advised that any comments regarding the figures listed in the second summary or the merits of the costs claimed were to be filed by June 14, 2012. The Commission did not receive any comments regarding the costs claims submitted in this proceeding. Accordingly, the Commission considers the costs process to have closed on June 14, 2012.

2 Views of the Commission – authority to award costs

10. When assessing a costs claim pursuant to Section 21 of the *Alberta Utilities Commission Act*, the Commission applies AUC Rule 022: *Rules on Intervener Costs in Utility Rate Proceedings* (Rule 022). Rule 022 also prescribes a *Scale of Costs* applicable to costs claims.

11. 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 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.

12. In the Commission's view, the responsibility to contribute positively to the process is inherent 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 participant's willingness to co-operate with the Commission and other participants to promote an efficient and cost-effective proceeding.

13. 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

3.1 ATCO Gas' costs claim

14. ATCO Gas North and South submitted a costs claim totalling \$6,045.00. The claim is comprised of legal fees for Bennett Jones LLP in the amount of \$3,325.00; and consulting fees of Gannett Fleming Canada ULC, for depreciation adjustments required in the compliance filing as a result of Decision 2011-450, in the amount of \$2,720.00. AG's costs claim is allocated equally amongst ATCO Gas North and ATCO Gas South.

15. The Commission finds that the participation of AG was 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 are in accordance with the *Scale of Costs*. Accordingly, the Commission

considers AG's costs claim in the total amount of \$6,045.00 as reasonable and directly and necessarily related to the proceeding. The Commission approves these costs as filed.

3.2 The Consumers' Coalition of Alberta's costs claim

16. The CCA submitted a costs claim totalling \$8,109.47. The claim is comprised of consulting fees for Regulatory Services Inc. in the amount of \$7,705.00, with disbursements of \$18.30 and GST of \$386.17.

17. The Commission finds that the participation of the CCA was 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 claim for professional fees is in accordance with the *Scale of Costs*. Accordingly, the Commission considers the CCA's costs claim in the total amount of \$8,109.47 as reasonable and directly and necessarily related to the proceeding. The Commission approves the CCA costs as filed and for these costs to be allocated equally between ATCO Gas North and ATCO Gas South.

4 GST

18. In accordance with the Commission's treatment of GST on costs awards, AG is required to pay only that portion of GST paid by interveners that may not be recoverable through the GST credit mechanism. Eligible GST approved by the Commission amounts to \$386.17. The GST allowed by the Commission may also be charged against AG's hearing costs reserve account.

19. 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

20. It is hereby ordered that:

- (1) ATCO Gas North shall pay the Consumers' Coalition of Alberta intervener costs in the amount of \$4,054.74, as set out in column (h) of Appendix A.
- (2) ATCO Gas North shall pay external costs in the amount of \$3,022.50, as set out in column (h) of Appendix A.
- (3) ATCO Gas North shall record in its hearing costs reserve account the allowed external and intervener costs in the total amount of \$7,077.24, as set out in column (h) of Appendix A.
- (4) ATCO Gas South shall pay the Consumers' Coalition of Alberta intervener costs in the amount of \$4,054.73, as set out in column (h) of Appendix A.
- (5) ATCO Gas South shall pay external costs in the amount of \$3,022.50, as set out in column (h) of Appendix A.

- (6) ATCO Gas South shall record in its hearing costs reserve account the allowed external and intervener costs in the total amount of \$7,077.23, as set out in column (h) of Appendix A.

Dated on August 30, 2012.

The Alberta Utilities Commission

(original signed by)

Moin Yahya
Commission Member

ATCO Gas
 2011-2012 GRA Phase I Compliance Filing
 Proc ID No. 1902
 App. Nos. (1608144)1608474,1608489
 Total Costs Claimed/Awarded

	Total Fees Claimed (a)	Total Expenses Claimed (b)	Total GST Claimed (c)	Total Amount Claimed (d)	Total Fees Awarded (e)	Total Expenses Awarded (f)	Total GST Awarded (g)	Total Amount Awarded (h)
APPLICANT								
ATCO Gas North								
Bennett Jones LLP	\$1,662.50	\$0.00	\$0.00	\$1,662.50	\$1,662.50	\$0.00	\$0.00	\$1,662.50
Gannett Fleming Canada ULC	\$1,360.00	\$0.00	\$0.00	\$1,360.00	\$1,360.00	\$0.00	\$0.00	\$1,360.00
Sub-Total	\$3,022.50	\$0.00	\$0.00	\$3,022.50	\$3,022.50	\$0.00	\$0.00	\$3,022.50
Amount of Intervener Costs				\$4,054.74				\$4,054.74
Amount to be recorded in Hearing Costs Reserve Account				\$7,077.24				\$7,077.24
ATCO Gas South								
Bennett Jones LLP	\$1,662.50	\$0.00	\$0.00	\$1,662.50	\$1,662.50	\$0.00	\$0.00	\$1,662.50
Gannett Fleming Canada ULC	\$1,360.00	\$0.00	\$0.00	\$1,360.00	\$1,360.00	\$0.00	\$0.00	\$1,360.00
Sub-Total	\$3,022.50	\$0.00	\$0.00	\$3,022.50	\$3,022.50	\$0.00	\$0.00	\$3,022.50
Amount of Intervener Costs				\$4,054.73				\$4,054.73
Amount to be recorded in Hearing Costs Reserve Account				\$7,077.23				\$7,077.23
INTERVENER								
Consumers' Coalition of Alberta								
Regulatory Services Inc.	\$7,705.00	\$18.30	\$386.17	\$8,109.47	\$7,705.00	\$18.30	\$386.17	\$8,109.47
Sub-Total	\$7,705.00	\$18.30	\$386.17	\$8,109.47	\$7,705.00	\$18.30	\$386.17	\$8,109.47
TOTAL INTERVENER COSTS	\$7,705.00	\$18.30	\$386.17	\$8,109.47	\$7,705.00	\$18.30	\$386.17	\$8,109.47
TOTAL INTERVENER AND APPLICANT COSTS	\$13,750.00	\$18.30	\$386.17	\$14,154.47	\$13,750.00	\$18.30	\$386.17	\$14,154.47