



AltaGas Utilities Inc.

2003-2004 GRA Phase I
Compliance Filing

Cost Awards

ALBERTA ENERGY AND UTILITIES BOARD

Utility Cost Order 2005-11: AltaGas Utilities Inc.
2003-2003 Phase I GRA – Compliance Filing
Application No.

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

Contents

1	INTRODUCTION.....	1
2	VIEWS OF THE BOARD – AUTHORITY TO AWARD COSTS.....	1
3	VIEWS OF THE BOARD - ASSESSMENT	2
4	GST.....	2
5	ORDER	2
	APPENDIX A – Summary of Costs Claimed and Awarded.....	4

ALBERTA ENERGY AND UTILITIES BOARD

Calgary, Alberta

**AltaGas Utilities Inc.
2003-2004 GRA (Phase I)
Compliance Filing**

**Utility Cost Order 2005-11
Application Nos.: 1357324 1355416
File No. 8000 – 1357327-01**

1 INTRODUCTION

On August 17, 2004, AltaGas Utilities Inc. (AltaGas) filed its compliance filing (Application No. 1357324) pursuant to the Alberta Energy and Utilities Board's (the Board) Decision 2004-063 regarding AltaGas' 2003/2004 Phase I general rate application (GRA), dated August 3, 2004.

In a letter dated September 16, 2004, the Board indicated that the compliance filing (Application No. 1355416) from Decision [2004-052](#), contains some evidence similar to AUI's compliance filing related to Decision [2004-063](#). To avoid any duplication, the Board indicated it would issue a compliance decision dealing with both compliance filings.

The Board received a submission from the Consumer Group (CG) dated September 20, 2004. September 27, 2004 the Board received AltaGas' reply. On October 15, 2004 the Board issued Order [U2004-382](#).

On November 4, 2004, 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 November 18, 2004. 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 November 18, 2004.

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 Guide 31B, *Guidelines for Utility Cost Claims* ([Guide 31B](#)). 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

The Board received two cost claims for this matter, the Municipal and Gas Co-op Intervenors (MGCI) and the Consumers' Coalition of Alberta (CCA). The amount being claimed by both parties totals \$4,177.65, including GST in the amount of \$273.30. The details of each claim are outlined in Appendix A attached.

The Board has reviewed the costs submitted by MGCI and CCA, bearing in mind the principles specified in the Board's *Scale of Costs* set out in Appendix C to [Guide 31B](#). The Board finds that the participation of the intervenors 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 and disbursements for each party to be reasonable as outlined in [Appendix A](#) to this Order in the total amount of \$4,069.49.

4 GST

In accordance with the Board's treatment of the GST on cost awards, AltaGas is required to pay only that portion of the GST paid by intervenors 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 \$165.14 as shown in column (g) of [Appendix A](#). The GST allowed by the Board may also be charged against AltaGas' 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

THEREFORE, for and subject to the reasons set out in this Order, the Alberta Energy and Utilities Board, pursuant to the provisions of the *Public Utilities Board Act* and regulations thereunder, HEREBY ORDERS AS FOLLOWS:

1. AltaGas Utilities Inc. shall pay intervener costs in the amount of \$4,069.49, 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 \$4,069.49, as set out in column (h) of [Appendix A](#).

Dated in Calgary, Alberta on this 17th day of February, 2005.

ALBERTA ENERGY AND UTILITIES BOARD

Original Signed by Thomas McGee

Thomas McGee
Board Member

APPENDIX A – SUMMARY OF COSTS CLAIMED AND AWARDED



UCO 2005-011
Appendix A (AltaGas)

[\(Back to Table of Contents\)](#)

**AltaGas Utilities Inc.
2003/04 Phase 1 GRA Compliance Filing
1357324 1355416**

Summary of Total Costs Claimed and 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								
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
INTERVENERS								
Municipal & Gas Co-op Intervenors								
Brownlee LLP	\$1,500.00	\$12.60	\$105.88	\$1,618.48	\$1,500.00	\$12.60	\$45.38	\$1,557.98
Campbell Ryder Consulting Group	\$1,181.25	\$10.50	\$83.42	\$1,275.17	\$1,181.25	\$10.50	\$35.75	\$1,227.50
Sub-Total	\$2,681.25	\$23.10	\$189.30	\$2,893.65	\$2,681.25	\$23.10	\$81.14	\$2,785.49
Consumers' Coalalition of Alberta								
Professional Regulatory Services, Inc.	\$1,200.00	\$0.00	\$84.00	\$1,284.00	\$1,200.00	\$0.00	\$84.00	\$1,284.00
Sub-Total	\$1,200.00	\$0.00	\$84.00	\$1,284.00	\$1,200.00	\$0.00	\$84.00	\$1,284.00
TOTAL INTERVENER COSTS								
	\$3,881.25	\$23.10	\$273.30	\$4,177.65	\$3,881.25	\$23.10	\$165.14	\$4,069.49
TOTAL INTERVENER AND APPLICANT COSTS								
	\$3,881.25	\$23.10	\$273.30	\$4,177.65	\$3,881.25	\$23.10	\$165.14	\$4,069.49