



## ATCO Gas

Retailer Service and  
Gas Utilities Act Compliance  
Phase 2, Part A

Cost Awards

**ALBERTA ENERGY AND UTILITIES BOARD**

Utility Cost Order 2005-058: ATCO Gas

Retailer Service and Gas Utilities Act Compliance

Phase II, Part A

Application No. 1380942

Cost Application No. 1410653

October 25, 2005

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)

## Contents

<b>1</b>	<b>INTRODUCTION.....</b>	<b>1</b>
<b>2</b>	<b>VIEWS OF THE BOARD – AUTHORITY TO AWARD COSTS.....</b>	<b>1</b>
<b>3</b>	<b>VIEWS OF THE BOARD - ASSESSMENT .....</b>	<b>2</b>
<b>4</b>	<b>GST.....</b>	<b>2</b>
<b>5</b>	<b>ORDER .....</b>	<b>2</b>
	<b>APPENDIX A – Summary of Costs Claimed and Awarded (AGN) .....</b>	<b>4</b>
	<b>APPENDIX B – Summary of Costs Claimed and Awarded (AGS) .....</b>	<b>4</b>



# ALBERTA ENERGY AND UTILITIES BOARD

Calgary, Alberta

---

**ATCO Gas  
Retailer Service and  
Gas Utilities Act Compliance  
Phase II, Part A**

**Utility Cost Order 2005-058  
Application No. 1380942  
Cost Application No. 1410653**

---

## 1 INTRODUCTION

The Alberta Energy and Utilities Board (EUB/Board) received an application (Application) from ATCO Gas on January 18, 2005 respecting Phase 2 of the ATCO Gas July 25, 2003 Retailer Service and Gas Utilities Act (GUA) Compliance Application (the Retailer Service Application) which was with respect to the development of processes for ATCO Gas to load balance its distribution system.

The Panel assigned to consider this matter consisted of B. T. McManus, Q.C. (Presiding Member), J. I. Douglas, FCA (Member), and W. K. Taylor (Acting Member). On July 26, 2005 the Board issued [Decision 2005-081](#).

On July 26, 2005 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 August 9, 2005. 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 August 9, 2005.

## 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**

Various participants submitted cost claims totaling \$63,128.10 including actual GST of \$1,591.63 allocated equally between ATCO Gas North (AGN) and ATCO Gas South (AGS).

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 [Guide 31B](#). 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 Appendices [A and B](#) to this Order in the total amount of \$63,128.10.

### **4 GST**

In accordance with the Board's treatment of the GST on cost awards, each AGN and AGS are 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 \$795.82 as shown in column (g) of [Appendix A](#) and \$795.81 as shown in column (g) of [Appendix B](#). The GST allowed by the Board may also be charged against each Applicant's respective 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, IT IS HEREBY ORDERED AS FOLLOWS:

1. ATCO Gas North shall pay intervener costs in the amount of \$18,399.86, as set out in column (h) of [Appendix A](#).
2. ATCO Gas North's external costs in the amount of \$13,164.19, as set out in column (h) of [Appendix A](#), are approved.

3. ATCO Gas North shall record in its Hearing Cost Reserve Account the allowed external applicant and intervener costs in the amount of \$31,564.05, as set out in column (h) of [Appendix A](#).
4. ATCO Gas South shall pay intervener costs in the amount of \$18,399.86, as set out in column (h) of Appendix B.
5. ATCO Gas South's external costs in the amount of \$13,164.19, as set out in column (h) of Appendix B, are approved.
6. ATCO Gas South shall record in its Hearing Cost Reserve Account the allowed external applicant and intervener costs in the amount of \$31,564.05, as set out in column (h) of Appendix B.

Dated in Calgary, Alberta on this 25th day of October, 2005.

**ALBERTA ENERGY AND UTILITIES BOARD**

*<Original Signed by Thomas McGee>*

Thomas McGee  
Board Member

## **APPENDIX A – Summary of Costs Claimed and Awarded (AGN)**



UCO 2005-058  
Appendix A (AGN Ret

## **APPENDIX B – Summary of Costs Claimed and Awarded (AGS)**



UCO 2005-058  
Appendix B (AGS Ret:

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



**AGN  
Retailer Service and Gas Utilities Act  
Compliance Phase II  
(1380942)**

**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)
<b>APPLICANT</b>								
ATCO Gas North								
ATCO Gas North	\$0.00	\$5,727.83	\$0.00	\$5,727.83	\$0.00	\$5,727.83	\$0.00	\$5,727.83
Bennett Jones LLP	\$7,313.00	\$123.36	\$0.00	\$7,436.36	\$7,313.00	\$123.36	\$0.00	\$7,436.36
Sub-Total	\$7,313.00	\$5,851.19	\$0.00	\$13,164.19	\$7,313.00	\$5,851.19	\$0.00	\$13,164.19
<b>INTERVENERS</b>								
Alberta Urban Municipalities Association & City of Edmonton								
Bryan & Company	\$1,875.00	\$0.00	\$131.25	\$2,006.25	\$1,875.00	\$0.00	\$131.25	\$2,006.25
Robert Bruggeman Regulatory Consulting Ltd.	\$5,687.50	\$492.99	\$432.63	\$6,613.12	\$5,687.50	\$492.99	\$432.63	\$6,613.12
Sub-Total	\$7,562.50	\$492.99	\$563.88	\$8,619.37	\$7,562.50	\$492.99	\$563.88	\$8,619.37
Consumers' Coalition of Alberta								
Professional Regulatory Services, Inc.	\$3,062.50	\$250.86	\$231.94	\$3,545.30	\$3,062.50	\$250.86	\$231.94	\$3,545.30
Sub-Total	\$3,062.50	\$250.86	\$231.94	\$3,545.30	\$3,062.50	\$250.86	\$231.94	\$3,545.30
Public Institutional Consumers of Alberta								
Energy Management & Regulatory Consulting Ltd.	\$3,348.75	\$709.19	\$0.00	\$4,057.94	\$3,348.75	\$709.19	\$0.00	\$4,057.94
Nancy J. McKenzie Professional Corp.	\$2,171.25	\$6.00	\$0.00	\$2,177.25	\$2,171.25	\$6.00	\$0.00	\$2,177.25
Sub-Total	\$5,520.00	\$715.19	\$0.00	\$6,235.19	\$5,520.00	\$715.19	\$0.00	\$6,235.19
TOTAL INTERVENER COSTS	\$16,145.00	\$1,459.04	\$795.82	\$18,399.86	\$16,145.00	\$1,459.04	\$795.82	\$18,399.86
TOTAL INTERVENER AND APPLICANT COSTS	\$23,458.00	\$7,310.23	\$795.82	\$31,564.05	\$23,458.00	\$7,310.23	\$795.82	\$31,564.05

**AGS  
Retailer Service and Gas Utilities Act  
Compliance Phase II  
(1380942)**

**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)
<b>APPLICANT</b>								
<b>ATCO Gas South</b>								
ATCO Gas South	\$0.00	\$5,727.84	\$0.00	\$5,727.84	\$0.00	\$5,727.84	\$0.00	\$5,727.84
Bennett Jones LLP	\$7,313.00	\$123.35	\$0.00	\$7,436.35	\$7,313.00	\$123.35	\$0.00	\$7,436.35
<b>Sub-Total</b>	<b>\$7,313.00</b>	<b>\$5,851.19</b>	<b>\$0.00</b>	<b>\$13,164.19</b>	<b>\$7,313.00</b>	<b>\$5,851.19</b>	<b>\$0.00</b>	<b>\$13,164.19</b>
<b>INTERVENERS</b>								
<b>Alberta Urban Municipalities Association &amp; City of Edmonton</b>								
Bryan & Company	\$1,875.00	\$0.00	\$131.25	\$2,006.25	\$1,875.00	\$0.00	\$131.25	\$2,006.25
Robert Bruggeman Regulatory Consulting Ltd.	\$5,687.50	\$492.99	\$432.63	\$6,613.12	\$5,687.50	\$492.99	\$432.63	\$6,613.12
<b>Sub-Total</b>	<b>\$7,562.50</b>	<b>\$492.99</b>	<b>\$563.88</b>	<b>\$8,619.37</b>	<b>\$7,562.50</b>	<b>\$492.99</b>	<b>\$563.88</b>	<b>\$8,619.37</b>
<b>Consumers' Coalition of Alberta</b>								
Professional Regulatory Services, Inc.	\$3,062.50	\$250.87	\$231.93	\$3,545.30	\$3,062.50	\$250.87	\$231.93	\$3,545.30
<b>Sub-Total</b>	<b>\$3,062.50</b>	<b>\$250.87</b>	<b>\$231.93</b>	<b>\$3,545.30</b>	<b>\$3,062.50</b>	<b>\$250.87</b>	<b>\$231.93</b>	<b>\$3,545.30</b>
<b>Public Institutional Consumers of Alberta</b>								
Energy Management & Regulatory Consulting Ltd.	\$3,348.75	\$709.19	\$0.00	\$4,057.94	\$3,348.75	\$709.19	\$0.00	\$4,057.94
Nancy J. McKenzie Professional Corp.	\$2,171.25	\$6.00	\$0.00	\$2,177.25	\$2,171.25	\$6.00	\$0.00	\$2,177.25
<b>Sub-Total</b>	<b>\$5,520.00</b>	<b>\$715.19</b>	<b>\$0.00</b>	<b>\$6,235.19</b>	<b>\$5,520.00</b>	<b>\$715.19</b>	<b>\$0.00</b>	<b>\$6,235.19</b>
<b>TOTAL INTERVENER COSTS</b>	<b>\$16,145.00</b>	<b>\$1,459.05</b>	<b>\$795.81</b>	<b>\$18,399.86</b>	<b>\$16,145.00</b>	<b>\$1,459.05</b>	<b>\$795.81</b>	<b>\$18,399.86</b>
<b>TOTAL INTERVENER AND APPLICANT COSTS</b>	<b>\$23,458.00</b>	<b>\$7,310.24</b>	<b>\$795.81</b>	<b>\$31,564.05</b>	<b>\$23,458.00</b>	<b>\$7,310.24</b>	<b>\$795.81</b>	<b>\$31,564.05</b>