



ATCO Gas South

2005 Storage Rate Rider H

Cost Awards

ALBERTA ENERGY AND UTILITIES BOARD

Utility Cost Order 2005-062: ATCO Gas South
2005 Storage Rate Rider H
Application No. 1401214
Cost Application No. 1412749

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ALBERTA ENERGY AND UTILITIES BOARD

Calgary, Alberta

ATCO Gas South
2005 Storage Rate Rider

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1 INTRODUCTION

In a letter dated May 17, 2005, ATCO Gas South (AGS) applied to the Alberta Energy and Utilities Board (Board/EUB) for an early recovery of \$3,624,000.00 during the remainder of 2005 in respect of additional working capital costs for its Carbon storage operation. This proposal was circulated to interested parties for comment, and an objection was received from the Consumers Group and the Utilities Consumer Advocate.

The Board dealt with the matter by way of a written process and issued its disposition by way of letter dated June 28, 2005.

On August 9, 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 23, 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 23, 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

Two participants submitted cost claims totaling \$3,624.00 including actual GST of \$187.69 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 [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 [Appendix A](#) to this Order in the total amount of \$3,624.00.

4 GST

In accordance with the Board's treatment of the GST on cost awards, AGS 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 \$187.69 as shown in column (g) of [Appendix A](#). The GST allowed by the Board may also be charged against AGS' 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. ATCO Gas South shall pay intervener costs in the amount of \$2,868.94, as set out in column (h) of [Appendix A](#).
2. ATCO Gas South's external costs in the amount of \$755.06, as set out in column (h) of [Appendix A](#), are approved.

3. ATCO Gas South shall record in its Hearing Cost Reserve Account the allowed external applicant and intervener costs in the amount of \$3,624.00, as set out in column (h) of [Appendix A](#).

Dated in Calgary, Alberta on this 10th day of November, 2005.

ALBERTA ENERGY AND UTILITIES BOARD

Original Signed by Thomas McGee

Thomas McGee
Board Member

APPENDIX A – SUMMARY OF COSTS CLAIMED AND AWARDED



UCO 2005-062
Appendix A.xls

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**ATCO Gas South
Cost Application No. 1412749
2005 Storage Rate Rider H
(1401214)**

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								
ATCO Gas South								
Bennett Jones LLP	\$750.00	\$5.06	\$0.00	\$755.06	\$750.00	\$5.06	\$0.00	\$755.06
Sub-Total	\$750.00	\$5.06	\$0.00	\$755.06	\$750.00	\$5.06	\$0.00	\$755.06
INTERVENERS								
Alberta Urban Municipalities Association								
Bryan & Company	\$1,150.00	\$0.00	\$80.50	\$1,230.50	\$1,150.00	\$0.00	\$80.50	\$1,230.50
Robert Bruggeman Regulatory Consulting Ltd.	\$1,531.25	\$0.00	\$107.19	\$1,638.44	\$1,531.25	\$0.00	\$107.19	\$1,638.44
Sub-Total	\$2,681.25	\$0.00	\$187.69	\$2,868.94	\$2,681.25	\$0.00	\$187.69	\$2,868.94
TOTAL INTERVENER COSTS	\$2,681.25	\$0.00	\$187.69	\$2,868.94	\$2,681.25	\$0.00	\$187.69	\$2,868.94
TOTAL INTERVENER AND APPLICANT COSTS	\$3,431.25	\$5.06	\$187.69	\$3,624.00	\$3,431.25	\$5.06	\$187.69	\$3,624.00