



ATCO Gas North & South

Compliance Filing Pursuant
to Decision 2005-039
(2003/2004 GRA – Impact of the
Retail Transfer & ITBS Volume
Forecast)

Cost Awards

ALBERTA ENERGY AND UTILITIES BOARD

Utility Cost Order 2005-065: ATCO Gas North & South
Compliance Filing Pursuant to Decision 2005-039
(2003/2004 GRA – Impact of the Retail Transfer &
ITBS Volume Forecast)

Application No.: 1403730

Cost Application No.: 1414231

Published by

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ALBERTA ENERGY AND UTILITIES BOARD

Calgary, Alberta

**ATCO Gas North & South
Compliance Filing Pursuant to Decision 2005-039
(2003/2004 GRA – Impact of the Retail
Transfer & ITBS Volume Forecast)**

**Utility Cost Order 2005-065
Application No.: 1403730
Cost Application No.: 1414231**

1 INTRODUCTION

On June 3, 2005 ATCO Gas (ATCO) filed its Compliance Filing with the Alberta Energy and Utilities Board (the Board) pursuant to Decision 2005-039, dated May 3, 2000, regarding the adjustment to the 2003/2004 General Rate Application (GRA) due to the impact of the retail transfer to Direct Energy Regulated Services. A portion of Decision 2005-039 also dealt with the ITBS [ITek Business Services] volume forecast for 2003/2004, and directed a separate compliance filing in respect of ITBS. The Order dealt with only those directions that did not include ITBS volume forecasts.

On June 15, 2005 the Board issued a letter outlining a review process, which was amended by letter dated June 29, 2005, permitting submissions from interested parties by July 4, 2005 and reply by ATCO Gas by July 15, 2005.

The Board dealt with the matter by way of a written process and was considered by panel members D. Weir and B. Torrance. The Board issued its disposition by way of Compliance Filing Order No. [U2005-307](#) issued July 26, 2005 and subsequently with Compliance Filing Order No. [U2005-307 Errata](#) issued August 18, 2005.

On August 18, 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 September 2, 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 September 2, 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

The Board received one cost claim from Alberta Urban Municipalities Association (AUMA) totalling \$1,319.39. AUMA allocated its cost claim to ATCO Gas North (AGN) exclusively.

The Board has reviewed the costs submitted by AUMA, 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 AUMA 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 the 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 AUMA to be reasonable as outlined in [Appendix A](#) to this Order in the total amount of \$1,319.39.

4 GST

In accordance with the Board's treatment of the GST on cost awards, AGN 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 \$86.31 as shown in column (g) of [Appendix A](#). The GST allowed by the Board may also be charged against AGN'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. ATCO Gas North shall pay intervener costs in the amount of \$1,319.39, as set out in column (h) of [Appendix A](#).
2. ATCO Gas North shall record in its Hearing Cost Reserve Account the allowed intervener costs in the amount of \$1,319.39 as set out in column (h) of [Appendix A](#).

Dated in Calgary, Alberta on this 21st 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 2005-065
Appendix A.xls

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AGN and AGS Compliance Filing Pursuant to D2005-039 (1403730)
(Cost No. 1414231)

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 North								
ATCO Gas North	\$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								
Alberta Urban Municipalities Association								
Bryan & Company	\$125.00	\$0.33	\$8.77	\$134.10	\$125.00	\$0.33	\$8.77	\$134.10
Robert Bruggeman Regualtory Consulting Ltd.	\$1,093.75	\$14.00	\$77.54	\$1,185.29	\$1,093.75	\$14.00	\$77.54	\$1,185.29
Sub-Total	\$1,218.75	\$14.33	\$86.31	\$1,319.39	\$1,218.75	\$14.33	\$86.31	\$1,319.39
TOTAL INTERVENER COSTS								
	\$1,218.75	\$14.33	\$86.31	\$1,319.39	\$1,218.75	\$14.33	\$86.31	\$1,319.39
TOTAL INTERVENER AND APPLICANT COSTS								
	\$1,218.75	\$14.33	\$86.31	\$1,319.39	\$1,218.75	\$14.33	\$86.31	\$1,319.39