



AltaGas Utilities Inc.

**Application to Issue a Debenture in the
Principal Amount of \$30,000,000**

Cost Awards



The Alberta Utilities Commission

Decision 2011-110: AltaGas Utilities Inc.

Application to Issue a Debenture in the Principal Amount of \$30,000,000

Application No. 1606535

Proceeding ID No. 983

March 22, 2011

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Alberta Utilities Commission
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1 Introduction

1. On September 2, 2010 AltaGas Utilities Inc. (AUI) filed an application (Application) with the Alberta Utilities Commission (AUC or Commission) pursuant to section 26(2)(a)(ii) of the *Gas Utilities Act* requesting approval and authority to issue a debenture in the principal amount of \$30,000,000 (Debenture). AUI indicated that the purpose of the issue is to repay a \$30,000,000 five-year debenture maturing on October 4, 2010.

2. The Commission dealt with this Application by way of a written proceeding. On September 20, 2010, the Commission issued Decision [2010-448](#)¹.

3. On December 8, 2010, 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 December 22, 2010. The Commission did not receive any comments. Accordingly, the Commission considers, for the purposes of this Cost Order, the cost process to have closed on December 22, 2010.

2 Views of the Commission – Authority to Award Costs

4. When assessing a cost claim pursuant to Section 21 of the *Alberta Utilities Commission Act* (AUC Act), the Commission applies Rule 022, *Rules on Intervener Costs in Utility Rate Proceedings* (Rule 022).

5. 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.

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

¹ Decision 2010-448: AltaGas Utilities Inc., Application to Issue a Debenture in the Principal Amount of \$30,000,000, Application No. 1606535, Proceeding ID No. 818, Released: September 20, 2010.

7. 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

8. AUI submitted a cost claim totaling \$11,881.08. The claim is comprised of legal fees incurred by MacPherson Leslie & Tyerman LLP in the amount of \$11,680.50, together with disbursements of \$200.58

9. The Commission has considered the costs submitted by AUI. The Commission finds that the participation of AUI was effective and of assistance in reviewing the Application. The Commission also notes that the claims for professional fees and other claims were in accordance with the *Scale of Costs*. Accordingly, the Commission considers AUI's claims for fees and disbursements in the total amount of \$11,881.08 to be reasonable.

4 Order

It is hereby ordered that:

1. AltaGas Utilities Inc.'s external costs in the amount of \$11,881.08 are approved.
2. AltaGas Utilities Inc. shall record in its Hearing Cost Reserve Account the allowed external applicant costs in the amount of \$11,881.08.

Dated on March 22, 2011.

The Alberta Utilities Commission

(Original signed by)

Mark Kolesar
Commission Member