



ATCO Gas, a division of ATCO Gas and Pipelines Ltd.

2010-2011 Unaccounted for Gas Rates – Rider “D”

Cost Awards



The Alberta Utilities Commission

Decision 2011-120: ATCO Gas, a division of ATCO Gas and Pipelines Ltd.
2010-2011 Unaccounted for Gas Rates – Rider “D”

Application No. 1606503

Proceeding ID No. 1025

March 29, 2011

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Alberta Utilities Commission
Fifth Avenue Place, 4th Floor, 425 - 1 Street SW
Calgary, Alberta
T2P 3L8

Telephone: (403) 592-8845

Fax: (403) 592-4406

Web site: www.auc.ab.ca

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1 Introduction

1. ATCO Gas (AG), a division of ATCO Gas and Pipelines Ltd., filed an application (the Application) with the Alberta Utilities Commission (AUC or Commission) respecting the determination of unaccounted for gas (UFG) percentage charges (Rider “D”) for each of the North and South service territories (referred to as AGN and AGS respectively) for the November 1, 2010-October 31, 2011 gas year.

2. The Commission dealt with this Application by way of a written proceeding. On October 27, 2010 the Commission issued Decision [2010-506](#)¹.

3. On December 24, 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 January 7, 2011. The Commission did not receive any comments. Accordingly, the Commission considers the cost process to have closed on January 7, 2011.

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 2010-506: ATCO Gas, a division of ATCO Gas and Pipelines Ltd., 2010-2011 Unaccounted for Gas Rates – Rider “D”, Application No. 1606503, Proceeding ID No. 799, Released: October 27, 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. The Consumers' Coalition of Alberta (CCA) submitted a cost claim totaling \$4,951.38. The claim is comprised of consulting fees incurred by Regulatory Services Inc. in the amount of \$4,700.00, together with disbursements and GST of \$15.60 and \$235.78, respectively.

9. The Commission has considered the costs submitted by the CCA. The Commission finds that the participation of the CCA 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 the CCA's claims for fees, disbursements and applicable GST in the total amount of \$4,951.38 to be reasonable. The costs submitted by the CCA were allocated equally amongst AGN and AGS.

4 GST

10. In accordance with the Commission's treatment of the GST on cost awards, AG 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 Commission has reduced this particular portion of their claim. Eligible GST approved by the Commission amounts to \$235.78. The GST allowed by the Commission may also be charged against AG's Hearing Cost Reserve Account.

11. The Commission 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 that:

1. ATCO Gas North shall pay intervener costs in the amount of \$2,475.69.
2. ATCO Gas North shall record in its Hearing Cost Reserve Account the allowed external applicant and intervener costs in the amount of \$2,475.69.
3. ATCO Gas South shall pay intervener costs in the amount of \$2,475.69.
4. ATCO Gas South shall record in its Hearing Cost Reserve Account the allowed external applicant and intervener costs in the amount of \$2,475.69.

Dated on March 29, 2011.

The Alberta Utilities Commission

(Original signed by)

Carolyn Dahl Rees
Vice-Chair

(Original signed by)

Bill Lyttle
Commission Member

(Original signed by)

Anne Michaud
Commission Member