

# **ATCO Gas South**

**Disposition of the Carbon Assets** 

**Cost Awards** 

### The Alberta Utilities Commission

Decision 2011-278: ATCO Gas South Disposition of the Carbon Assets Application No. 1607097 Proceeding ID No. 1142

June 24, 2011

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Calgary, Alberta

ATCO Gas South Disposition of the Carbon Assets Decision 2011-278 Application No. 1607097 Proceeding ID No. 1142

#### 1 Introduction

- 1. On December 1, 2010, ATCO Gas and Pipelines Ltd. (AGPL), CU Inc. (CUI) and Canadian Utilities Limited (CU) (collectively ATCO) filed an application (application) with the Alberta Utilities Commission (the AUC or the Commission). ATCO sought approval from the Commission for the disposition (the Carbon Transaction) of the Carbon natural gas storage facility assets and associated properties (the Carbon assets) owned by AGPL. The requested approval was made pursuant to Section 26(2)(d) of the *Gas Utilities Act*, R.S.A. 2000, c. G-5 and Section 2(c) of the *Gas Utilities Designation Regulation* A/R 257/2007.
- 2. On December 2, 2010, the Commission issued a notice of application.
- 3. The Commission dealt with this Application by way of a written proceeding. On March 29, 2011, the Commission issued Decision 2011-119¹ with respect to the application.
- 4. On March 29, 2011, a summary of 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 April 12, 2011. The Commission did not receive any comments. Accordingly, the Commission considers the cost process to have closed on April 12, 2011.

#### **2** Views of the Commission – Authority to Award Costs

5. 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).

- 6. 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.
- 7. 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

<sup>1</sup> Decision 2011-119: ATCO Gas and Pipelines Ltd., CU Inc. and Canadian Utilities Limited, Disposition of Carbon Assets, Application no. 1606815, Proceeding Id No. 966, Released March 29, 2011.

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.

8. 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

- 9. ATCO Gas South submitted a cost claim totaling \$117,974.00 with respect to the Proceeding. The claim is comprised of legal fees incurred by Bennett Jones LLP in the amount of \$117,974.00.
- 10. The Commission finds that the participation of ATCO Gas South was effective and of assistance in reviewing the Application. The Commission notes the scope and complexity of the issues before it and the extent of the examination thereof. 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 ATCO Gas South's claim for professional fees in the total amount of \$117,974.00 to be reasonable.

#### 4 Order

It is hereby ordered that:

- 1. ATCO Gas South shall pay external costs in the amount of \$117,974.00, as set out in column (h) of Appendix A, are approved.
- 2. ATCO Gas South shall record in its Hearing Cost Reserve Account the allowed external applicant costs in the amount of \$117,974.00, as set out in column (h) of Appendix A.

Dated on June 24, 2011.

#### **The Alberta Utilities Commission**

(original signed by)

Willie Grieve Chair (original signed by)

Moin Yahya Commission Member (original signed by)

Tudor Beattie Commission Member

Alberta Utilities Commission

Appendix A
ATCO Gas South
Cost Proceeding ID. 1142

Disposition of the Carbon Asset (1606815)

**Total Costs Claimed Awarded** 

\$117,974.00	\$0.00	\$0.00	\$117,974.00	\$117,974.00	\$0.00	\$0.00	\$117,974.00	TOTAL INTERVENER AND APPLICANT COSTS
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	TOTAL INTERVENER COSTS
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Sub-Total Sub-Total
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	No Intervener Costs
								INTERVENERS
\$117,974.00	\$0.00	\$0.00	\$117,974.00	\$117,974.00	\$0.00	\$0.00	\$117,974.00	Sub-Total
	\$0.00	\$0.00	\$117,974.00	\$117,974.00	\$0.00	\$0.00	\$117,974.00	Bennett Jones LLP
								ATCO Gas South
								APPLICANT
(h)	(g)	(£)	(e)	(p)	(၁)	(p)	(a)	
Total Amount Awarded	Total GST Awarded	Expenses Awarded	Total Fees Awarded	Total Amount Claimed	Total GST Claimed	Total Expenses Claimed	Total Fees Claimed	
		Total						