



## **AltaGas Utilities Inc.**

**2008-2009 General Rate Application – Phase II  
Negotiated Settlement Supplemental Cost Claim**

**Cost Awards**

**The Alberta Utilities Commission**

Decision 2011-400: AltaGas Utilities Inc.

2008-2009 General Rate Application – Phase II Negotiated Settlement

Supplemental Cost Claim: Cost Awards

Application No. 1607470

Proceeding ID No. 1035

October 6, 2011

Published by

Alberta Utilities Commission

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## **1 Introduction**

1. On May 21, 2010, AltaGas Utilities Inc. (AltaGas or AUI) filed a 2008-2009 General Rate Application (GRA) Phase II (the Phase II Application) with the Alberta Utilities Commission (AUC or Commission). By letter dated May 27, 2010, AUI requested that the Commission include a provision in the process schedule which would allow it to pursue a negotiated settlement process (NSP) with interested parties. In a letter dated June 30, 2010, the Commission approved AUI's request to pursue the NSP for the 2008-2009 test years only with interested parties.

2. The Commission dealt with the Phase II Application by way of a written proceeding. On March 8, 2011 the Commission issued Decision [2011-073](#).<sup>1</sup>

3. The Commission issued Decision [2011-187](#)<sup>2</sup> on April 29, 2011 with respect to the revised cost claim filed by the Applicant on April 28, 2011.

4. Subsequent to this decision AUI received two AUC invoices dated May 12, 2011 for publication of notice costs for the negotiated settlement application.

5. On July 6, 2011, AUI filed a cost application to recover these supplemental costs. On July 6, 2011, 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 July 20, 2011. The Commission did not receive any comments on the cost claim. Commission considers the cost process to have closed on July 20, 2011.

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

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

7. 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.

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<sup>1</sup> Decision 2011-073: AltaGas Utilities Inc. 2008-2009 General Rate Application – Phase II Negotiated Settlement, Application No. 1606230, Proceeding ID No. 651, Released: March 8, 2011.

<sup>2</sup> Decision 2011-187: AltaGas Utilities Inc., 2008-2009 General Rate Application – Phase II Negotiated Settlement, Cost Awards (Applicant) Application No. 1606230, Proceeding ID. 1035, Released: April 29, 2011.

8. 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.

9. 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 Costs in a Negotiated Settlement**

10. In the case of an NSP, the Commission does not directly participate in the process. Rather, the Commission reviews the nature of the process itself and its results to ensure that it was fair, reasonable, and in the public interest. Without the direct opportunity to review the effectiveness of participants, the Commission will take into account other considerations to ensure that the costs of participation in a NSP, which are ultimately passed on to all customers, are reasonable and represent fair value.

### **4 Views of the Commission – Assessment**

11. AUI submitted a supplemental cost claim totaling \$5,127.54 comprised of disbursements incurred for publication of notice for the negotiated settlement application.

12. The Commission considers the costs submitted by AUI are reasonable and directly and necessarily related to the proceeding, and notes that the claim is in accordance with the *Scale of Costs*. Accordingly, the Commission approves AUI's claims for disbursements in the total amount of \$5,127.54.

### **5 GST**

13. No GST is being claimed in this cost application.

14. The Commission emphasizes that this cost decision in no way relieves AUI from its GST obligations pursuant to the *Excise Tax Act*, R.S.C. 1985, c. E-15.

### **6 Order**

It is hereby ordered that:

1. AltaGas Utilities Inc. external costs in the amount of \$5,127.54, as set out in column (h) of Appendix A are approved.
2. AltaGas Utilities Inc. shall record in its Hearing Cost Reserve Account the allowed external costs in the amount of \$5,127.54, as set out in column (h) of Appendix A.

Dated on October 6, 2011.

**The Alberta Utilities Commission**

*<Original signed by>*

Tudor Beattie, Q.C.  
Chair

*<Original signed by>*

Bill Lyttle  
Commission Member

*<Original signed by>*

Mark Kolesar  
Commission Member

2008/2009 General Rate Application - Phase II  
Supplemental Cost Claim  
(1606230)

Total Costs Claimed and Awarded

	Total Fees Claimed (a)	Total Expenses Claimed (b)	Total GST Claimed (c)	Total Amount Claimed (d)	Total Fees Claimed (e)	Total Expenses Claimed (f)	Total GST Claimed (g)	Total Amount Claimed (h)
<b>APPLICANT</b>								
AltaGas Utilities Inc.	\$0.00	\$5,217.54	\$0.00	\$5,217.54	\$0.00	\$5,217.54	\$0.00	\$5,217.54
<b>Sub-Total</b>	\$0.00	\$5,217.54	\$0.00	\$5,217.54	\$0.00	\$5,217.54	\$0.00	\$5,217.54
<b>INTERVENERS</b>								
No Intervener Costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Sub-Total</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>TOTAL INTERVENER COSTS</b>								
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>TOTAL INTERVENER AND APPLICANT COSTS</b>								
	\$0.00	\$5,217.54	\$0.00	\$5,217.54	\$0.00	\$5,217.54	\$0.00	\$5,217.54