



AltaGas Utilities Inc.

**2008-2009 General Rate Application
Phase I Compliance Filing**

Cost Awards



ALBERTA UTILITIES COMMISSION

Decision 2010-388: AltaGas Utilities Inc.

2008-2009 General Rate Application

Phase I Compliance Filing

Application No. 1605779

Cost Application No. 1606197

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**AltaGas Utilities Inc.
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1 INTRODUCTION

1. AltaGas Utilities (AUI) filed an application on January 8, 2010 with the Alberta Utilities Commission (AUC or Commission) requesting approval of its 2008-2009 General Rate Application (GRA) – Phase I Compliance Filing (Compliance Filing). The Compliance Filing was prepared by AUI pursuant to the directions from Decisions 2009-176 and 2009-216. AUI provided updated information to Compliance Filing on February 25, 2010 and April 7, 2010.

2. The Commission dealt with this Application by way of a written proceeding. On May 6, 2010 the Commission issued Decision [2010-197](#)¹ with respect to the Compliance Filing.

3. On May 12, 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 May 26, 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 May 26, 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 2010-197 – AltaGas Utilities Inc., 2008-2009 General Rate Application Phase I Compliance Filing (Application No. 1605779; Proceeding ID. 452) (Released: May 6, 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 \$3,234.00. The claim was comprised of consulting services incurred by Regulatory Services Inc. in the amount of \$3,080.00, together with GST of \$154.00.

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 and GST in the total amount of \$3,234.00 to be reasonable.

4 GST

10. In accordance with the Commission's treatment of the GST on cost awards, AUI 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 \$154.00. The GST allowed by the Commission may also be charged against AUI'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:

1. AltaGas Utilities Inc. shall pay intervener costs in the amount of \$3,234.00.
2. AltaGas Utilities Inc. shall record in its Hearing Cost Reserve Account the allowed intervener costs in the amount of \$3,234.00.

Dated on August 11, 2010.

ALBERTA UTILITIES COMMISSION

(Original signed by)

Mark Kolesar
Commissioner