



AltaGas Utilities Inc.

2007 Deficiency Rider F – Reconciliation

July 21, 2009



ALBERTA UTILITIES COMMISSION

Decision 2009-107: AltaGas Utilities Inc.
2007 Deficiency Rider F - Reconciliation
Application No. 1605190
Proceeding ID. 215

July 21, 2009

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1 INTRODUCTION

1. AltaGas Utilities Inc. (AUI) filed an application (the Application) on June 22, 2009, with the Alberta Utilities Commission (AUC or the Commission).
2. The Application requests a carry forward of an unbilled balance of \$28,691 associated with its 2007 Deficiency Rider F, previously approved by the AUC and designed to recover AUI's 2007 deficiency.

2 BACKGROUND

3. Decision [2008-103](#)¹ approved the recovery of AUI's 2007 Deficiency of \$2,297,710, including carrying costs, over a four-month period beginning in November 2008. Order [U2008-324](#)² approved Rider F at 7.882 percent to collect the 2007 Deficiency. Decision 2008-103 and Order U2008-324 also contained directions for AUI to file a compliance filing reconciling the 2007 Deficiency recoveries (the Application).
4. Notice of the Application was issued by the Commission on June 26, 2009. One Statement of Intent to Participate was received from the Consumers' Coalition of Alberta stating no objection to the Application.

3 DISCUSSION

5. In the Application, AUI submitted that Rider F collected a total of \$2,269,019, leaving an unbilled balance of \$28,691 (\$2,297,710-\$2,269,019). AUI explained that an unbilled balance will naturally occur because some customers that were on AUI's system when Rider F was calculated will subsequently leave AUI's system, and those customers who leave are, therefore, no longer available when billing occurs. AUI recommended that, since the unbilled balance of \$28,691 was a relatively significant amount (in comparison to prior deficiency amounts that were too small to warrant a carry-forward and were, therefore, written off instead), it intended to carry this amount forward into its next deficiency/excess application.

¹ Decision 2008-103 – AltaGas Utilities Inc. 2007 Deficiency Rider, Interim Refundable Rates and Standard Contribution – Rural Other (Application No. 1575162) (Released October 21, 2008)

² Order U2008-324 – AltaGas Utilities Inc. 2007 Deficiency Rider, Interim Refundable Rates and Standard Contribution – Rural Other Compliance Filing (Application No. 1592368) (Released October 31, 2008)

6. The AUC is satisfied that AUI's Deficiency Rider Application is consistent with Decision 2008-103 and Order U2008-324. In the Application³ filed by AUI that resulted in Decision 2008-103, AUI suggested that, assuming any over- or under-collection incurred due to the difference between the proposed and actual 2007 Deficiency Rider is immaterial to the approved revenue requirement, the residual difference be taken into income on a current basis. AUI suggested that materiality would be in the order of less than \$10,000.

7. The Application is approved as filed, given that the \$28,691 balance is larger than the AUI materiality threshold of \$10,000, and is minimal in terms of impact to customer rates, and that there was no objection from interested parties.

4 DECISION

IT IS HEREBY ORDERED THAT:

- (1) The deficiency balance of \$28,691 be carried forward to AUI's next filed deficiency/excess application to complete the reconciliation of Deficiency Rider F.

Dated in Calgary, Alberta on July 21, 2009.

ALBERTA UTILITIES COMMISSION

(original signed by)

Mark Kolesar
Acting Commissioner

³ Application No. 1575162, AltaGas Utilities Inc., 2007 Deficiency Rider and Interim Refundable Rates (Filed on June 5, 2008)