



ATCO Gas and Pipelines Ltd.

**Interim Application for Other Pipelines Receipts
Commodity Rate**

Cost Awards

ALBERTA ENERGY AND UTILITIES BOARD

Utility Cost Order 2004-05: ATCO Gas and Pipelines Ltd.

Interim Application for Other Pipelines Receipts Commodity Rate

Application No.: 1313660

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ALBERTA ENERGY AND UTILITIES BOARD

Calgary, Alberta

**ATCO Gas and Pipelines Ltd.
Interim Application for Other Pipelines
Receipts Commodity Rate**

**Utility Cost Order 2004-05
Application No.: 1313660
File No.:8000-1313660-01**

1 INTRODUCTION

On September 16, 2003, ATCO Gas and Pipelines Ltd., Pipelines Division, (ATCO Pipelines) applied to the Alberta Energy and Utilities Board (Board) for approval of an interim rate (Other Pipelines Receipt rate or OPR rate) of 1.5 ¢/gigajoule for gas nominated from the NOVA Gas Transmission Ltd. (NGTL) system onto the ATCO Pipelines system (the Application). This charge was requested to be effective October 1, 2003. ATCO Pipelines stated that the OPR rate could be fully reviewed in its upcoming Phase II GRA proceeding.

On October 6, 2003, the Board issued Order U2003-380, approving an interim OPR rate for the month of October 2003 of 1.3 ¢/gigajoule. The Board also directed ATCO Pipelines to establish deferral accounts for NGTL FT-A and FCS MAV expenses and revenues.

In Order U2003-380, the Board noted there were two deficiencies with regard to the Application and accordingly, directed ATCO Pipelines to provide further information by October 20, 2003. The Board received comments from interested parties by October 30, 2003 and ATCO Pipelines provided its response on October 31, 2003. The Board considers that the record for this proceeding closed on October 31, 2003.

The Panel assigned to consider this matter consisted of C.Dahl Rees (Acting Board Member, Panel Chair), B.T. McManus, Q.C., M. Edwards (Acting Board Member). On November 7, 2003 the Board issued Order U2003-401.

2 VIEWS OF THE BOARD – Authority to Award Costs

The Board's authority to award costs is derived from section 68 of the *Public Utilities Board Act*, R.S.A. 2000, c. P-45, which states in part:

- (1) The costs of and incidental to any proceeding before the Board, except as otherwise provided for in this Act, are in the discretion of the Board, and may be fixed in any case at a sum certain or may be taxed.

...

- (3) The Board may order by whom or to whom any costs are to be paid, and by whom they are to be taxed and allowed.

When assessing a cost claim pursuant to section 68, the Board is guided by Part 5 of its *Rules of Practice*, [AR 101/2001](#) and by the principles and policies expressed in Guide 31B, *Guidelines for Utility Cost Claims* ([Guide 31B](#)). Before exercising its discretion to award costs, the Board must consider the effectiveness of a participant's contribution to the process, its relevance to the

issues, and whether the costs claimed are fair and reasonable in light of the scope and nature of the issues in question.

In the Board's view, the responsibility to contribute positively to the process is inherent in the choice to intervene in a proceeding. The Board 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. When determining a cost award, the Board will consider if the participant acted responsibly in the proceeding and contributed to a better understanding of the issues before the Board. To the extent reasonably possible, the Board will be mindful of participants' will to co-operate with the Board and other participants to promote an efficient and cost-effective proceeding.

As the costs of a utility proceeding are generally passed on to customers, it is the Board's duty to ensure that customers receive fair value for a party's contribution. As such, the Board only approves those costs that are reasonable and directly and necessarily related to the party's participation in the proceeding.

Various participants submitted cost claims totaling \$7,056.27 including actual GST of \$461.62 with respect to the Proceeding.

On December 4, 2003 a summary of the costs being claimed was circulated to interested parties. On January 8, 2004 an updated summary was circulated to interested parties. Parties were advised that any comments to the updated summary were to be submitted by January 15, 2004. The Board did not receive any comments and accordingly considers the close of cost submissions to be January 15, 2003.

3 VIEWS OF THE BOARD - Assessment

The Board has reviewed the costs submitted by the participants, bearing in mind the principles specified in the Board's *Scale of Costs* set out in Appendix D to [Guide 31B](#). The Board finds that the participation of the interveners was, for the most part, effective and of assistance in reviewing the Application. The Board notes the scope and complexity of the issues before it and the extent of the examination thereof. The Board also notes that the claims for professional fees and other claims were in accordance with the *Scale of Costs*. Accordingly, the Board considers the claims for fees and disbursements for all participants to be reasonable as outlined in Appendix "A" " to this Order in the total amount of \$6,693.52.

4 GST

In accordance with the Board's treatment of the GST on cost awards, ATCO Pipelines 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 Board has reduced that particular portion of their claim. Eligible GST approved by the Board amounts to \$98.87 as shown in column (d) of Appendix "A". The GST allowed by the Board may also be charged against ATCO Pipelines' Hearing Cost Reserve Account.

The Board 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

THEREFORE, for and subject to the reasons set out in this Order, the Alberta Energy and Utilities Board, pursuant to the provisions of the *Public Utilities Board Act* and regulations thereunder, HEREBY ORDERS AS FOLLOWS:

1. ATCO Gas and Pipelines Ltd. shall pay intervener costs in the amount of \$6,693.52, as set out in column (e) of Appendix "A".
2. ATCO Gas and Pipelines Ltd. shall record in its Hearing Cost Reserve Account the allowed intervener costs in the amount of \$6,693.52, as set out in column (e) of Appendix "A".

Dated in Calgary, Alberta on this 23rd day of January, 2004.

ALBERTA ENERGY AND UTILITIES BOARD

(Original signed by)

Thomas McGee
Board Member

APPENDIX A – SUMMARY OF COSTS CLAIMED AND AWARDED



"UCO 2004-05
Appendix A (AGPL Cc

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**ATCO Gas Pipelines Ltd.
Interim Application for Other Pipelines Receipts Commodity Rate
(1313660)**

Summary of Total Costs Awarded

	Total Amount Claimed (a)	Total Fees Awarded (b)	Total Disbursements Awarded (c)	Total GST Awarded (d)	Total Amount Awarded (e)
APPLICANT					
ATCO Gas & Pipelines Ltd.					
AGPL	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Sub-Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
INTERVENERS					
Federation of Alberta Gas Co-ops Ltd. / Gas Alberta Inc.					
Brownlee Fryett	\$1,315.83	\$1,225.00	\$4.75	\$0.00	\$1,229.75
Campbell Ryder Consulting Group Ltd.	\$4,229.07	\$3,937.50	\$14.90	\$0.00	\$3,952.40
Sub-Total	\$5,544.90	\$5,162.50	\$19.65	\$0.00	\$5,182.15
Alberta Urban Municipalities Association / City of Edmonton					
Bryan & Company	\$829.25	\$775.00	\$0.00	\$54.25	\$829.25
Barry Shymanski Regulatory Consulting Ltd.	\$682.12	\$637.50	\$0.00	\$44.62	\$682.12
Sub-Total	\$1,511.37	\$1,412.50	\$0.00	\$98.87	\$1,511.37
TOTAL INTERVENER COSTS	\$7,056.27	\$6,575.00	\$19.65	\$98.87	\$6,693.52
TOTAL INTERVENER AND APPLICANT COSTS	\$7,056.27	\$6,575.00	\$19.65	\$98.87	\$6,693.52