

# **ATCO Gas and Pipelines**

**SCADA Project** 

**Cost Awards** 

#### ALBERTA ENERGY AND UTILITIES BOARD

Utility Cost Order 2004-67: ATCO Gas and Pipelines SCADA Project

Application No.: 1308709

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Calgary, Alberta

ATCO Gas and Pipelines SCADA Project

Utility Cost Order 2004-67 Application No. 1308709 File No. 8000-1308709-02

#### 1 INTRODUCTION

The Alberta Energy and Utilities Board (EUB/Board) received a joint application (Application) from ATCO Gas and ATCO Pipelines, (collectively, ATCO), dated April 1, 2004, for approval of a Supervisory Control and Data Acquisition (SCADA) project facilitating the separation of the ATCO Pipelines transmission system from the ATCO Gas distribution system.

The Application was filed in response to a Board direction in Decision 2003-102, which related to Phase I of an ATCO Gas application for Retailer Service and Gas Utilities Act Compliance.

ATCO Pipelines provided a technical workshop on March 17, 2004, to provide interested parties with a background overview related to pipeline load balancing utilizing SCADA.

After reviewing the Application, in a letter of April 13, 2004, the Board finalized a schedule and confirmed its intention to deal with the Application using a written process. Final comments from parties were submitted on July 7, 2004. Accordingly, for purposes of Decision 2004-078, the Board considers that the record closed on July 7, 2004.

The Panel assigned to consider this matter consisted of B. T. McManus, Q.C. (Presiding Member), J. I. Douglas, FCA (Member), and W. K. Taylor (Acting Member). On September 17, 2004 the Board issued Decision 2004-078.

On August 9, 2004 the EUB circulated summaries of the costs being claimed with respect to ATCO Gas North (AGN), ATCO Gas South (AGS), ATCO Pipelines North (APN), and ATCO Pipelines South (APS). Parties were advised that any comments regarding the figures listed in the attached summaries or the merits of the total costs claimed were to be filed with the Board by August 23, 2004. The Board did not receive any comments. Accordingly the Board finds, for the purposes of this Cost Order, the cost process to have closed on August 23, 2004.

#### 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.

#### 3 VIEWS OF THE BOARD - Assessment

Various participants submitted cost claims totaling \$6,924.78 with respect to AGN, \$29,701.57 with respect to AGS, \$13,388.04 with respect to APN, and \$36,164.83 with respect to APS. The total amount being claimed for this proceeding is \$86,179.22.

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 Appendices A, B, C, and D to this Order in the total amounts of \$6,924.78, \$28,902.06, \$12,689.54, and \$34,666.82, respectively.

#### 4 GST

In accordance with the Board's treatment of the GST on cost awards, each Applicant 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 this particular portion of their claim. Eligible GST approved by the Board amounts to \$177.35 as shown in column (g) of Appendix A, \$817.51 as shown in column (g) of Appendix B, \$177.35 as shown in column (g) of Appendix C, and \$817.51 as shown in column (g) of Appendix D. The GST allowed by the Board may also be charged against each Applicant's respective 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 North shall pay intervener costs in the amount of \$2710.91, as set out in column (h) of Appendix A.
- 2. ATCO Gas North's external costs in the amount of \$4,213.87, as set out in column (h) of Appendix A, are approved.
- 3. ATCO Gas North shall record in its Hearing Cost Reserve Account the allowed external applicant and intervener costs in the amount of \$6,924.78, as set out in column (h) of Appendix A.
- 4. ATCO Gas South shall pay intervener costs in the amount of \$24,688.19, as set out in column (h) of Appendix B.
- 5. ATCO Gas South's external costs in the amount of \$4,213.87, as set out in column (h) of Appendix B, are approved.
- 6. ATCO Gas South shall record in its Hearing Cost Reserve Account the allowed external applicant and intervener costs in the amount of \$28,902.06, as set out in column (h) of Appendix B.
- 7. ATCO Pipelines North shall pay intervener costs in the amount of \$12,689.54, as set out in column (h) of Appendix C.
- 8. ATCO Pipelines North shall record in its Hearing Cost Reserve Account the allowed intervener costs in the amount of \$12,689.54, as set out in column (h) of Appendix C.
- 9. ATCO Pipelines South shall pay intervener costs in the amount of \$34,666.82, as set out in column (h) of Appendix D.

10.	ATCO Pipelines South shall recintervener costs in the amount o		•	
Dated	d in Calgary, Alberta on this8	day of	November	, 2004.
ALB	ERTA ENERGY AND UTILITI	ES BOARD		
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	nas McGee d Member			

#### APPENDIX A – SUMMARY OF COSTS CLAIMED AND AWARDED (AGN)



#### APPENDIX B – SUMMARY OF COSTS CLAIMED AND AWARDED (AGS)



#### APPENDIX C – SUMMARY OF COSTS CLAIMED AND AWARDED (APN)



#### APPENDIX D – SUMMARY OF COSTS CLAIMED AND AWARDED (APS)



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#### AGN SCADA Project 1308709-02

	Total Fees Claimed (a)	Total Expenses Claimed (b)	Total GST Claimed (c)	Total Amount Claimed (d)	Total Fees Awarded (e)	Total Expenses Awarded (f)	Total GST Awarded (g)	Total Amount Awarded (h)
APPLICANTS								
ATCO Gas North								
ATCO Gas North	\$0.00	\$317.50	\$0.00	\$317.50	\$0.00	\$317.50	\$0.00	\$317.50
Bennet Jones LLP	\$3,871.50	\$24.87	\$0.00	\$3,896.37	\$3,871.50	\$24.87	\$0.00	\$3,896.37
Sub-total	\$3,871.50	\$342.37	\$0.00	\$4,213.87	\$3,871.50	\$342.37	\$0.00	\$4,213.87
INTERVENERS								
Alberta Urban Municipalities Association / City of Edmonton								
Bryan & Company	\$1,400.00	\$8.56	\$98.60	\$1,507.16	\$1,400.00	\$8.56	\$98.60	\$1,507.16
Barry Shymanski Regulatory Consulting Ltd.	\$1,125.00	\$0.00	\$78.75	\$1,203.75	\$1,125.00	\$0.00	\$78.75	\$1,203.75
Sub-total	\$2,525.00	\$8.56	\$177.35	\$2,710.91	\$2,525.00	\$8.56	\$177.35	\$2,710.91
TOTAL INTERVENER COSTS	\$2,525.00	\$8.56	\$177.35	\$2,710.91	\$2,525.00	\$8.56	\$177.35	\$2,710.91
TOTAL INTERVENER AND APPLICANT COSTS	\$6,396.50	\$350.93	\$177.35	\$6,924.78	\$6,396.50	\$350.93	\$177.35	\$6,924.78

#### AGS SCADA Project 1308709-02

	Total Fees Claimed (a)	Total Expenses Claimed (b)	Total GST Claimed (c)	Total Amount Claimed (d)	Total Fees Awarded (e)	Total Expenses Awarded (f)	Total GST Awarded (g)	Total Amount Awarded (h)
APPLICANTS								
ATCO Gas South	ΦΩ ΩΩ	<b>#217.F</b> 0	<b>#0.00</b>	¢217.F0	Φ0.00	¢247.F0	Φ0.00	¢217.50
ATCO Gas South	\$0.00	\$317.50	\$0.00	\$317.50		\$317.50	\$0.00	\$317.50
Bennet Jones LLP	\$3,871.50	\$24.87	\$0.00	\$3,896.37	\$3,871.50	\$24.87	\$0.00	\$3,896.37
Sub-total INTERVENERS	\$3,871.50	\$342.37	\$0.00	\$4,213.87	\$3,871.50	\$342.37	\$0.00	\$4,213.87
Alberta Urban Municipalities Association / City of Edmonton								
Bryan & Company	\$1,400.00	\$8.56	\$98.60	\$1,507.16	\$1,400.00	\$8.56	\$98.60	\$1,507.16
Barry Shymanski Regulatory Consulting Ltd.	\$1,400.00	\$0.00	\$78.75	\$1,203.75		\$0.00	\$78.75	\$1,203.75
Sub-total	\$2,525.00	\$8.56	\$177.35	\$2,710.91	\$2,525.00	\$8.56	\$177.35	\$2,710.91
The City of Calgary	ΨΖ,323.00	ψ0.50	ψ177.33	ΨΖ,710.71	\$2,323.00	ψ0.50	ψ177.33	ΨΖ,710.71
D'Arcy & Deacon	\$4,337.50	\$169.06	\$315.47	\$4,822.03	\$4,337.50	\$169.06	\$135.21	\$4,641.77
Stephen Johnson	\$6,360.00	\$0.00	\$445.20	\$6,805.20	\$6,360.00	\$0.00	\$190.81	\$6,550.81
Energy Group Inc.	\$770.56	\$0.00	\$0.00		· · · · · · · · · · · · · · · · · · ·	\$0.00	\$23.12	\$793.68
Peter J. Milne & Associates Inc.	\$9,700.00	\$0.00	\$679.00	\$10,379.00		\$0.00	\$291.02	\$9,991.02
Sub-total	\$21,168.06	\$169.06	\$1,439.67	\$22,776.79	\$21,168.06	\$169.06	\$640.16	\$21,977.28
	1=1,133.00	, 111100	71,121101	,,,	.=.,	,,,,,,,	75.13.10	,,
TOTAL INTERVENER COSTS	\$23,693.06	\$177.62	\$1,617.02	\$25,487.70	\$23,693.06	\$177.62	\$817.51	\$24,688.19
TOTA INTERVENER AND APPLICANT COSTS	\$27,564.56	\$519.99	\$1,617.02	\$29,701.57	\$27,564.56		\$817.51	\$28,902.06

#### APN SCADA Project 1308709-02

	Total Fees Claimed (a)	Total Expenses Claimed (b)	Total GST Claimed (c)	Total Amount Claimed (d)	Total Fees Awarded (e)	Total Expenses Awarded (f)	Total GST Awarded (g)	Total Amount Awarded (h)
APPLICANTS								
ATCO Pipelines North	<b>*</b> 0.00	*0.00	<b>*</b> 0.00	<b>*</b> • • • •	+0.00	**	*0.00	40.00
ATCO Pipelines North	\$0.00	\$0.00			\$0.00		\$0.00	\$0.00
Sub-total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
INTERVENERS								
Alberta Urban Municipalities Association / City of Edmonton								
Bryan & Company	\$1,400.00	\$8.56			\$1,400.00			\$1,507.16
Barry Shymanski Regulatory Consulting Ltd.	\$1,125.00	\$0.00	\$78.75	\$1,203.75	\$1,125.00	\$0.00	\$78.75	\$1,203.75
Sub-total	\$2,525.00	\$8.56	\$177.35	\$2,710.91	\$2,525.00	\$8.56	\$177.35	\$2,710.91
Federation of Alberta Gas Co-ops Ltd. & Gas Alberta Inc.								
Brownlee LLP	\$4,168.75	\$39.95	\$294.61	\$4,503.31	\$4,168.75	\$39.95	\$0.00	\$4,208.70
Campbell Ryder Consulting Group	\$5,753.13	\$16.80	\$403.89	\$6,173.82	\$5,753.13	\$16.80	\$0.00	\$5,769.93
Sub-total Sub-total	\$9,921.88	\$56.75	\$698.50	\$10,677.13	\$9,921.88	\$56.75	\$0.00	\$9,978.63
TOTAL INTERVENER COSTS	\$12,446.88	\$65.31	\$875.85	\$13,388.04	\$12,446.88	\$65.31	\$177.35	\$12,689.54
TOTAL INTERVENER AND APPLICANT COSTS	\$12,446.88	\$65.31	\$875.85	\$13,388.04	\$12,446.88	\$65.31	\$177.35	\$12,689.54

#### APS SCADA Project 1308709-02

	Total Fees Claimed	Total Expenses Claimed	Total GST Claimed	Total Amount Claimed	Total Fees Awarded	Total Expenses Awarded	Total GST Awarded	Total Amount Awarded
A DDI IO ANTO	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
APPLICANTS ATCO Pipelines South								
ATCO Pipelines South ATCO Pipelines South	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Sub-total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
INTERVENERS	ψ0.00	ψ0.00	ψ0.00	ψ0.00	Ψ0.00	ψ0.00	Ψ0.00	Ψ0.00
Alberta Urban Municipalities Association / City of Edmonton								
Bryan & Company	\$1,400.00	\$8.56	\$98.60	\$1,507.16	\$1,400.00	\$8.56	\$98.60	\$1,507.16
Barry Shymanski Regulatory Consulting Ltd.	\$1,125.00	\$0.00	\$78.75	\$1,203.75	\$1,125.00	\$0.00	\$78.75	\$1,203.75
Sub-total Sub-total	\$2,525.00	\$8.56	\$177.35	\$2,710.91	\$2,525.00	\$8.56	\$177.35	\$2,710.91
The City of Calgary								
D'Arcy & Deacon	\$4,337.50	\$169.06	\$315.47	\$4,822.03	\$4,337.50		\$135.21	\$4,641.77
Stephen Johnson	\$6,360.00	\$0.00	\$445.20				\$190.81	\$6,550.81
Energy Group Inc.	\$770.56	\$0.00	\$0.00	\$770.56	\$770.56	-	\$0.00	
Peter J. Milne & Associates	\$9,700.00	\$0.00	\$679.00				\$291.02	\$9,991.02
Sub-total	\$21,168.06	\$169.06	\$1,439.67	\$22,776.79	\$21,168.06	\$169.06	\$617.04	\$21,954.16
Federation of Alberta Gas Co-ops Ltd. & Gas Alberta Inc.	h	400.05	<b>#004</b> (1	<b>4.500.01</b>	<b>44440</b> 75	400.05	40.00	<b>44.000.70</b>
Brownlee LLP	\$4,168.75	\$39.95	\$294.61	\$4,503.31	\$4,168.75		\$0.00	
Campbell Ryder Consulting Group	\$5,753.13	\$16.80	\$403.89	\$6,173.82	\$5,753.13	\$16.80	\$0.00	\$5,769.93
Sub-total	\$9,921.88	\$56.75	\$698.50	\$10,677.13	\$9,921.88	\$56.75	\$0.00	\$9,978.63
TOTAL INTERVENER COSTS	\$33,614.94	\$234.37	\$2,315.52	\$36,164.83	\$33,614.94	\$234.37	\$794.39	\$34,643.70
TOTAL INTERVENER AND APPLICANT COSTS	\$33,614.94	\$234.37		\$36,164.83		\$234.37	\$794.39	\$34,643.70