



**ATCO Gas North  
ATCO Gas South  
AltaGas Utilities Inc.**

**GRR Methodology and Gas Rate  
Unbundling – Compliance Filing  
For the Period January – March 2003**

**Cost Awards**

**ALBERTA ENERGY AND UTILITIES BOARD**

Utility Cost Order 2003-81: ATCO Gas North, ATCO Gas South, AltaGas Utilities Inc.  
GCCR Methodology and Gas Rate Unbundling Compliance Filing  
For the Period January – March, 2003  
Application No.: 8010-000032

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# ALBERTA ENERGY AND UTILITIES BOARD

Calgary, Alberta

ATCO Gas North, ATCO Gas South  
AltaGas Utilities Inc.  
GCRR Methodology and Gas Rate Unbundling  
Compliance Filing (January – March 2003)

Utility Cost Order 2003-81  
Application No. 8010-000032  
File No. 8000-8010-000032

## 1 INTRODUCTION

On October 30, 2001, the Alberta Energy and Utilities Board (the “Board”) issued [Decision 2001- 75](#) setting out its findings with respect to the methodology for managing utility gas supply portfolios and determining gas cost recovery rates (“GCRR”). In the Decision, the Board dealt specifically with its expectations for determination of the GCRR and gas rate unbundling on a going forward basis. In particular, the Board directed the utilities to administer and adjust the GCRR on a monthly basis, commencing April 1, 2002.

In the Decision, the Board directed natural gas utilities to file by February 1, 2002:

- a mock GCRR for the February 2002 period, for review by the Board and interested parties. This mock GCRR was to provide an example of the methodology and format for the filing of actual GCRRs, using values from the month of February 2002 for exposition purposes only.
- a proposed exit notice provision for their regulated gas rates that is as short as can be facilitated administratively; and
- interim delivery rates, based on the transfer of direct gas supply costs from utility cost of service to the GCRR.

On March 21, 2002, the Board issued the following Decisions with respect to GCRR Methodology and Gas Rate Unbundling - Compliance Filing:

- 1) [Decision 2002-034](#), ATCO Gas South;
- 2) [Decision 2002-035](#), ATCO Gas North;
- 3) [Decision 2002-036](#), AltaGas Utilities Inc.

On June 13, 2002 the Board issued a schedule to interested parties detailing the deadlines for intervenor cost claims as they relate to the monthly GCRR filings, as shown below.

Months	Cost Filing Deadline
January, February, March (2002)	July 30, 2002
April, May, June (2002)	July 30, 2002
July, August, September (2002)	October 30, 2002
October, November, December (2002)	January 30, 2003

The Board continues to apply these deadlines for the monthly filings in 2003, accordingly, this Cost Order will deal with costs incurred for January, February, and March 2003.

## 2 VEIWS 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 positively contribute 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. The determination of those issues and, 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 proceeding are generally passed on to customers, it is the Board's duty to ensure that customers receive fair value for their 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 \$3,420.95 including actual GST of \$223.47 with respect to the Proceeding.

## 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*. 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", and "C" attached.

#### 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. Eligible GST approved by the Board amounts to \$0.00 as shown in column (d) in Appendix "A", \$51.16 in Appendix "B", and \$17.20 in Appendix "C". The GST allowed by the Board may also be charged against each Applicant's 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., c. E-15.

#### 5 ORDER

THEREFORE, for the reasons provided above, the Alberta Energy and Utilities Board, pursuant to the provisions of the *Public Utilities Board Act* and regulations hereunder, hereby orders as follows:

1. ATCO Gas North shall pay intervener costs in the amount of \$918.98, as set out in column (e) of Appendix "A".
2. ATCO Gas North shall record in its Hearing Cost Reserve Account the allowed intervener costs in the amount of \$918.98, as set out in column (e) of Appendix "A".
3. ATCO Gas South shall pay intervener costs in the amount of \$1,756.26, as set out in column (e) of Appendix "B".
4. ATCO Gas South shall record in its Hearing Cost Reserve Account the allowed intervener costs in the amount of \$1,756.26, as set out in column (e) of Appendix "B".
5. AltaGas Utilities Inc. shall pay intervener costs in the amount of \$590.60, as set out in column (e) of Appendix "C".
6. AltaGas Utilities Inc. shall record in its Hearing Cost Reserve Account the allowed intervener costs in the amount of \$590.60, as set out in column (e) of Appendix "C".

Dated in Calgary, Alberta this 19th day of December, 2003.

#### ALBERTA ENERGY AND UTILITIES BOARD

*(Originally signed by)*

Thomas McGee  
Board Member

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



"UCO 2003-81  
Appendix A (AGN Mo

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



"UCO 2003-81  
Appendix B (AGS Mo

**APPENDIX C – SUMMARY OF COSTS CLAIMED AND AWARDED (ALTAGAS)**



"UCO 2003-81  
Appendix C (AltaGas

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ATCO Gas North

2002/2003 GCRR, COPRR and COSRR Filings  
(Jan - Mar 2003)

Summary of Total Costs Claimed and Awarded

	Total Amount Claimed (a)	Total Fees Awarded (b)	Total Disbursements Awarded (c)	Total GST Awarded (d)	Total Amount Awarded (e)
<b>APPLICANT</b>					
<b>ATCO Gas North</b>					
ATCO Gas North	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Sub-Total	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>INTERVENERS</b>					
<b>Federation of Alberta Gas Co-ops Ltd. &amp; Gas Alberta Inc.</b>					
Campbell Ryder Consulting Group	\$541.42	\$487.50	\$18.50	\$0.00	\$506.00
Brownlee Fryett	\$441.89	\$412.50	\$0.48	\$0.00	\$412.98
Sub-total	<b>\$983.31</b>	<b>\$900.00</b>	<b>\$18.98</b>	<b>\$0.00</b>	<b>\$918.98</b>
<b>TOTAL INTERVENER COSTS</b>					
<b>TOTAL COSTS</b>					
	<b>\$983.31</b>	<b>\$900.00</b>	<b>\$18.98</b>	<b>\$0.00</b>	<b>\$918.98</b>



ATCO Gas South

2002/2003 GCRR, COPRR and COSRR Filings  
(Jan - Mar 2003)

Summary of Total Costs Claimed and Awarded

	Total Amount Claimed (a)	Total Fees Awarded (b)	Total Disbursements Awarded (c)	Total GST Awarded (d)	Total Amount Awarded (e)
<b>APPLICANT</b>					
<b>ATCO Gas South</b>					
ATCO Gas South	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Sub-total</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>INTERVENERS</b>					
<b>The City of Calgary</b>					
Burnet, Duckworth & Palmer	\$406.35	\$375.00	\$5.10	\$11.40	\$391.50
Peter J. Milne & Associates Inc.	\$561.75	\$525.00	\$0.00	\$15.75	\$540.75
Energy Objective	\$856.00	\$800.00	\$0.00	\$24.00	\$824.00
<b>Sub-total</b>	<b>\$1,824.10</b>	<b>\$1,700.00</b>	<b>\$5.10</b>	<b>\$51.16</b>	<b>\$1,756.26</b>
<b>TOTAL INTERVENER COSTS</b>					
<b>TOTAL COSTS</b>	<b>\$1,824.10</b>	<b>\$1,700.00</b>	<b>\$5.10</b>	<b>\$51.16</b>	<b>\$1,756.26</b>

AltaGas Utilities Inc.

2002/2003 GCRR , COPRR and COSRR Filings

(Jan - Mar 2003)

Summary of Total Costs Claimed and Awarded

	Total Amount Claimed (a)	Total Fees Awarded (b)	Total Disbursements Awarded (c)	Total GST Awarded (d)	Total Amount Awarded (e)
<b>APPLICANT</b>					
AltaGas Utilities Inc.					
AltaGas Utilities Inc.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Sub-total</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>INTERVENERS</b>					
<b>Municipal &amp; Gas Co-op Intervenors, Bonnyville Municipal Intervenors</b>					
Campbell Ryder Consulting Group	\$613.54	\$562.50	\$10.90	\$17.20	\$590.60
<b>Sub-total</b>	<b>\$613.54</b>	<b>\$562.50</b>	<b>\$10.90</b>	<b>\$17.20</b>	<b>\$590.60</b>
<b>TOTAL INTERVENER COSTS</b>	<b>\$613.54</b>	<b>\$562.50</b>	<b>\$10.90</b>	<b>\$17.20</b>	<b>\$590.60</b>
<b>TOTAL COSTS</b>	<b>\$613.54</b>	<b>\$562.50</b>	<b>\$10.90</b>	<b>\$17.20</b>	<b>\$590.60</b>