



AltaGas Utilities Inc.

Interim Rates for the Bonnyville Service Area

Cost Awards

ALBERTA ENERGY AND UTILITIES BOARD

Utility Cost Order 2003-83: AltaGas Utilities Inc.
Interim Rates for Bonnyville Service Area
Application No.: 1302431

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Calgary, Alberta

**AltaGas Utilities Inc.
Interim Rates for the
Bonnyville Service Area**

**Utility Cost Order 2003-83
Application No.: 1302431
File No.: 8000-1302431-01**

1 INTRODUCTION

By letter dated May 22, 2003, AltaGas Utilities Inc. (AltaGas) filed an application with the Alberta Energy and Utilities Board (EUB/Board), requesting approval of interim refundable rates and terms and conditions of service for the Bonnyville service area (the Application).

The Board provided Notice of the Application, dated June 3, 2003, to all interested parties and published it in local newspapers on or about June 10, 2003. Any party wishing to provide a submission was to do so by June 18, 2003. The Board indicated that in the absence of any opposition to the Application it would proceed to process the Application.

In response to the Board's Notice, a submission was received from the Consumers' Coalition of Alberta (CCA), dated June 19, 2003.

The Panel assigned to consider this matter consisted of R.G. Lock, P. Eng. (Presiding Member), G.J. Miller (Member), and J. Gilmour (Acting Member). On July 2, 2003 the Board issued Decision 2003-052.

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.

The CCA submitted a cost claim for the fees incurred by Professional Regulatory Services, Inc. in the amount of \$600.00 together with GST in the amount of \$42.00.

3 VIEWS OF THE BOARD - Assessment

The Board has reviewed the costs submitted by CCA, 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 CCA 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 claim for professional fees is in accordance with the *Scale of Costs*. Accordingly, the Board considers the claim for consulting fees to be reasonable and is approved in full together with GST in the amount of \$42.00.

4 GST

In accordance with the Board's treatment of the GST on cost awards, AltaGas 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 \$42.00. The GST allowed by the Board may also be charged against AltaGas' 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.

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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. AltaGas Utilities Inc. shall pay intervener costs to the Consumers' Coalition of Alberta in the amount of \$642.00.
2. AltaGas Utilities Inc. shall record in its Hearing Cost Reserve Account the allowed intervener costs in the amount of \$642.00.

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

ALBERTA ENERGY AND UTILITIES BOARD

(Originally signed by)

Thomas McGee
Board Member