

THE PROVINCE OF ALBERTA

PUBLIC UTILITIES BOARD ACT

ALBERTA ENERGY AND UTILITIES BOARD

IN THE MATTER OF
ATCO Gas Limited
(Formerly Canadian Western Natural Gas Company Limited)
1999 Summer Period Gas Cost Recovery Rate
Negotiated Settlement

UTILITY COST ORDER 2002 - 02

Application Number: 990115
Cost File Number: 8000-990115 (01)

1. DECISION

ATCO Gas Limited (formerly Canadian Western Natural Gas Company Limited) (ATCO) applied to the Alberta Energy and Utilities Board (the Board) by application dated March 10, 1999 for approval of the 1999 Summer Period Gas Cost Recovery Rate (GCRR) of \$2.347/GJ, effective for consumption on and after April 1, 1999. ATCO obtained agreement with certain customer groups for the proposed rates and no objections were filed with respect to the proposal. On March 30, 1999 the Board issued Order Number U99030 approving the said proposal.

Before exercising its discretion to award costs, the Board must consider the effectiveness of the participants' contribution to the process, its relevance to the issues, and whether the costs of participation were necessary and reasonable. The Board will also have regard for the *Scale of Costs*, which sets a cap on professional fees and outlines those disbursements that will be considered for reimbursement.

In the case of applications based upon a negotiated settlement (NSP), the Board does not directly participate in the process. Rather, the Board reviews the nature of the process itself and its results to ensure that they were fair, reasonable and in the public interest. Without the direct opportunity to review the effectiveness of participants, the Board will take into account other considerations to ensure that the costs of participation in a NSP, which are ultimately passed on to all customers, are indeed reasonable and represent fair value.

In this instance the Board has reviewed the cost submissions of the participants and ATCO, and notes that the costs claimed are in accordance with the Board's *Scale of Costs*. Accordingly, the Board considers the claims for fees and disbursements for all participants to be reasonable as outlined in Schedule "A".

In accordance with the Board's treatment of the GST on cost awards, ATCO is required to pay only that portion of the GST paid by the intervener that may not be recoverable through the GST credit mechanism. Eligible GST approved by the Board amounts to \$117.10 as shown in column (d) of Schedule "A". Such GST allowed by the Board may also be charged against the ATCO Hearing Cost Reserve Account. The Board emphasizes, however, that its treatment of the GST awarded in no way relieves participants from their GST obligations pursuant to the *Excise Tax Act* R.S. c. E-13.

THEREFORE IT IS HEREBY ORDERED THAT:

- (1) ATCO Gas Limited shall pay interveners' costs in the amount of \$9,065.90 as set out in column (e) of Schedule "A";
- (2) ATCO Gas Limited's external costs in the amount of \$4,100.61 as shown in column (e) of Schedule "A" are approved in full; and
- (2) ATCO Gas Limited shall record in its hearing cost reserve account its approved external costs and the allowed interveners' costs totalling \$13,166.51 as outlined in column (e) of Schedule "A"

MADE at the City of Calgary, in the Province of Alberta, this 19th day of February, 2002.

ALBERTA ENERGY AND UTILITIES BOARD

Original Signed by Thomas McGee

Thomas McGee

ATCO Gas Limited
(Formerly Canadian Western Natural Gas Company Limited)

Application No. 990115

Summary of Total Costs Claimed and Awarded

	Fees and Disbursements Claimed (excluding GST) (a)	Total GST Associated with Claimed Fees and Disbursements (b)	Total Fees, Disbursements and GST claimed (c)	Eligible GST (d)	Fees and Disbursements Allowed Including Eligible GST (e)
Applicant					
ATCO Gas Limited (formerly Canadian Western Natural Gas Company Limited)	\$4,100.61	\$0.00	\$4,100.61	\$0.00	\$4,100.61
Interveners					
Alberta Irrigation Projects Association	\$1,650.00	\$0.00	\$1,650.00	\$0.00	\$1,650.00
City of Calgary	\$1,632.50	\$48.98	\$1,681.48	\$20.99	\$1,653.49
Consumers' Coalition of Alberta	\$1,958.90	\$57.47	\$2,016.37	\$57.47	\$2,016.37
Federation of Alberta Gas Co-ops	\$702.78	\$0.00	\$702.78	\$0.00	\$702.78
Municipal Interveners	\$3,004.62	\$90.14	\$3,094.76	\$38.63	\$3,043.25
Total Interveners' Costs	\$8,948.80	\$196.59	\$9,145.39	\$117.10	\$9,065.90
Total Costs	\$13,049.41	\$196.59	\$13,246.00	\$117.10	\$13,166.51