

**THE PROVINCE OF ALBERTA**

***PUBLIC UTILITIES BOARD ACT***

**ALBERTA ENERGY AND UTILITIES BOARD**

IN THE MATTER OF  
AltaGas Utilities Inc. 2001 / 2002  
Routine GCRR Negotiated Settlement

**UTILITY COST ORDER 2002-24**

Application No. 1245443  
Cost File No. 8000-1245443 (01)  
File No. 5268-41

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On October 4, 2001 AltaGas Utilities Inc. (AUI) submitted an application to the Alberta Energy and Utilities Board (Board) for approval of a proposed winter period Gas Cost recovery Rate to be effective November 1, 2001. AUI advised the Board that it undertook to get general consensus for its proposed GCRR from its customer groups that have commonly participated in the determination of its previous GCRRs. For this purpose, AUI provided interested parties with the information submitted in the application and obtained consensus from those parties to the proposed GCRR. On October 30, 2001 the Board issued Order U2001-259 with respect to the application. On November 7, 2001 the Board issued an amendment to that order.

The Board's authority to award costs for hearings that concluded after August 1, 2001 is derived from section 68 of the *Public Utilities Board Act*, 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.
- (2) 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.

The Board circulated a summary of costs claimed to interested parties on February 25, 2002. The Board received no comments with respect to any of the costs claimed.

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 AUI, 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, AUI 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 \$103.72, as shown in column (d) of Schedule "A". Such GST allowed by the Board may also be charged against the AUI 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) AltaGas Utilities Inc. shall pay intervener costs in the amount of \$5,979.00, as set out in column (e) of Schedule "A".
- 2) AltaGas Utilities Inc.'s external costs in the amount of \$3,230.80, as set out in column (e) of Schedule "A", are approved.
- 3) AltaGas Utilities Inc. shall record in its Hearing Cost Reserve Account the allowed external applicant and intervener costs in the amount of \$9,209.80, as set out in column (e) of Schedule "A".

MADE at the City of Calgary, in the Province of Alberta, this 11<sup>th</sup> day of April, 2002.

**ALBERTA ENERGY AND UTILITIES BOARD**

*Original Signed by Thomas McGee*

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**Thomas McGee**

AltaGas Utilities Inc.  
Application No.: 1245443

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)	Total Fees, Disbursements and GST Awarded (e)
<b>Applicant</b>					
<b>AltaGas Utilities Inc.</b>					
AltaGas Utilities Inc.	\$3,230.80	\$0.00	\$3,230.80	\$0.00	\$3,230.80
<b>Sub-Total</b>	<b>\$3,230.80</b>	<b>\$0.00</b>	<b>\$3,230.80</b>	<b>\$0.00</b>	<b>\$3,230.80</b>
<b>Interveners</b>					
<b>Alberta Urban Municipalities Association</b>					
Robert L. Bruggeman Regulatory Consulting	\$787.50	\$23.63	\$811.13	\$23.63	\$811.13
<b>Sub-Total</b>	<b>\$787.50</b>	<b>\$23.63</b>	<b>\$811.13</b>	<b>\$23.63</b>	<b>\$811.13</b>
<b>Municipal and Gas Co-op Interveners</b>					
Campbell Ryder Consulting Group Ltd.	\$2,669.43	\$80.09	\$2,749.52	\$80.09	\$2,749.52
<b>Sub-Total</b>	<b>\$2,669.43</b>	<b>\$80.09</b>	<b>\$2,749.52</b>	<b>\$80.09</b>	<b>\$2,749.52</b>
<b>Consumers' Coalition of Alberta</b>					
Professional Regulatory Services, Inc.	\$1,127.94	\$78.96	\$1,206.90	\$78.96	\$1,206.90
Wachowich and Company	\$735.00	\$51.45	\$786.45	\$51.45	\$786.45
<b>Sub-Total</b>	<b>\$1,862.94</b>	<b>\$130.41</b>	<b>\$1,993.35</b>	<b>\$0.00</b>	<b>\$1,993.35</b>
<b>Energy Users of Alberta</b>					
Unryn & Associates Ltd.	\$425.00	\$0.00	\$425.00	\$0.00	\$425.00
<b>Sub-Total</b>	<b>\$425.00</b>	<b>\$0.00</b>	<b>\$425.00</b>	<b>\$0.00</b>	<b>\$425.00</b>
<b>Total Interveners' Costs</b>	<b>\$5,744.87</b>	<b>\$234.13</b>	<b>\$5,979.00</b>	<b>\$103.72</b>	<b>\$5,979.00</b>
<b>Total Costs</b>	<b>\$8,975.67</b>	<b>\$234.13</b>	<b>\$9,209.80</b>	<b>\$103.72</b>	<b>\$9,209.80</b>