

THE PROVINCE OF ALBERTA

PUBLIC UTILITIES BOARD ACT

ALBERTA ENERGY AND UTILITIES BOARD

IN THE MATTER of a Gas Cost Recovery
Rate Adjustment for the 2001/2002 Winter
Period for ATCO Gas Limited (North), a
Division of ATCO Gas and Pipelines Ltd.

UTILITY COST ORDER 2002-27

Application Number: 1251306
Cost File Number: 8000-1251306 (01)
Board File Number: 5627-45

By letter dated December 12, 2001, ATCO Gas Limited (North) (AGN), a Division of ATCO Gas and Pipelines Ltd., filed an application (the Application) with the Alberta Energy and Utilities Board (the Board) for approval to increase its Gas Cost Recovery Rate (GCRR) for the 2001/2002 winter period. A winter period includes the months of November through March.

On December 14, 2001 the Board issued Order U2001-448.

Prior to circulating the Summary of Costs to interested parties, the Board had received one cost claim from the Consumers' Coalition of Alberta. On March 19, 2002 the Summary of Costs was circulated to interested parties and advised that any comments to the summary must be submitted to the Board by no later than April 2, 2002. One additional claim from the Federation of Alberta Gas Co-ops Ltd. and Gas Alberta Inc. was received. On April 5, 2002 the Applicant was asked to provide any comments with respect to the additional claim by April 8, 2002. No comments were provided by the Applicant.

The Board's authority to award costs 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.

When assessing a cost claim pursuant to section 68, the Board is directed by Part 4 of its Rules of Practice and is guided by the principles and policies expressed in Guide 31B, *Guidelines for Utility Cost Claims*. 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.

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 AGN, 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, AGN 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 \$135.75 as shown in column (d) of Schedule "A". Such GST allowed by the Board may also be charged against the AGN's 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 Electric Limited shall pay intervener costs in the amount of \$12,519.44, as set out in column (e) of Schedule "A".
- 2) ATCO Gas Limited (North) shall record in its Hearing Cost Reserve Account the allowed intervener costs in the amount of \$12,519.44 as set out in column (e) of Schedule "A".

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

ALBERTA ENERGY AND UTILITIES BOARD

Original signed by Thomas McGee

Thomas McGee

ATCO Gas Limited (North)

Application No.: 1251306

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)
Applicant					
ATCO Gas Limited (North)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Interveners					
Consumers' Coalition of Alberta					
Wachowich & Company	\$842.63	\$787.50	\$0.00	\$55.13	\$842.63
Professional Regulatory Services, Inc.	\$1,232.45	\$1,120.00	\$31.82	\$80.63	\$1,232.45
Sub-Total	\$2,075.08	\$1,907.50	\$31.82	\$135.75	\$2,075.07
Federation of Alberta Gas Co-ops Ltd. & Gas Alberta Inc.					
Campbell Ryder Consulting Group	\$11,112.83	\$9,487.50	\$956.87	\$0.00	\$10,444.37
Sub-Total	\$11,112.83	\$9,487.50	\$956.87	\$0.00	\$10,444.37
Total Intervener Costs	\$13,187.91	\$11,395.00	\$988.69	\$135.75	\$12,519.44
Total Costs	\$13,187.91	\$11,395.00	\$988.69	\$135.75	\$12,519.44