



ATCO Gas, a division of ATCO Gas and Pipelines Ltd.

**Z Factor Application for Recovery of 2016 Regional Municipality
of Wood Buffalo Wildfire Costs**

Costs Award

June 20, 2018

Alberta Utilities Commission

Decision 23487-D01-2018

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1 Introduction

1. In this decision, the Alberta Utilities Commission considers an application (the costs claim application) by the Consumers' Coalition of Alberta for approval and payment of its costs of participation in Proceeding 21608¹ (the original proceeding). The following table sets out the costs claimed and the amounts awarded:

Claimant	Total Fees Claimed	Total Disbursements Claimed	Total GST Claimed	Total Amount Claimed	Total Fees Awarded	Total Disbursements Awarded	Total GST Awarded	Total Amount Awarded
CCA								
Wachowich & Company	\$9,170.00	\$0.00	\$458.50	\$9,628.50	\$9,170.00	\$0.00	\$458.50	\$9,628.50
Regulatory Services Inc.	\$20,204.25	\$0.00	\$1,010.21	\$21,214.46	\$20,204.25	\$0.00	\$1,010.21	\$21,214.46
Total	\$29,374.25	\$0.00	\$1,468.71	\$30,842.96	\$29,374.25	\$0.00	\$1,468.71	\$30,842.96

2. The Commission has decided to approve the costs, as claimed, for the reasons provided below.

3. The original proceeding was convened by the Commission to consider an application by ATCO Gas, a division of ATCO Gas and Pipelines Ltd., requesting approval of its Z factor application to compensate it for the costs it incurred as a result of the Regional Municipality of Wood Buffalo wildfire. The original proceeding included information requests (IRs), IR responses, written evidence, argument and reply argument. The close of record for the original proceeding was May 24, 2018, and the Commission issued Decision 21608-D01-2018² on June 5, 2018.

4. The CCA submitted its costs claim application on April 6, 2018, before the 30 day timeline permitted by the Commission's rules. The Commission assigned Proceeding 23487 and Application 23487-A001 to the costs claim application.

5. No comments were filed with respect to the costs claim application and the Commission considers the close of record for this proceeding to be May 7, 2018, the deadline for filing comments.

¹ Proceeding 21608: ATCO Gas, a division of ATCO Gas and Pipelines Ltd. Z Factor Application for Recovery of 2016 Regional Municipality of Wood Buffalo Wildfire Costs.

² Decision 21608-D01-2018: ATCO Gas, a division of ATCO Gas and Pipelines Ltd. Z Factor Application for Recovery of 2016 Regional Municipality of Wood Buffalo Wildfire Costs, Proceeding 21608, June 5, 2018.

2 Commission findings

6. The Commission's authority to award costs for participation in a utility rates proceeding is found in Section 21 of the *Alberta Utilities Commission Act*. When considering a claim for costs for a utility rates proceeding, the Commission is also guided by the factors set out in Section 11 of Rule 022: *Rules on Costs in Utility Rate Proceedings* (Rule 022). These factors include, among other things, whether eligible participants' costs claims are reasonable and directly and necessarily related to the original proceeding, and whether the participants acted responsibly and contributed to a better understanding of the issues before the Commission. Appendix A of Rule 022 prescribes a Scale of Costs applicable to all costs claimed.

2.1 Consumers' Coalition of Alberta

7. The following table summarizes the CCA's costs claim:

Claimant	Hours			Fees	Disbursements	GST	Total
	Preparation	Attendance	Argument				
CCA							
Wachowich & Company	20.55	0.00	5.65	\$9,170.00	\$0.00	\$458.50	\$9,628.50
Regulatory Services Inc.	50.30	0.00	27.10	\$20,204.25	\$0.00	\$10,10.21	\$21,214.46
Total	70.85	0.00	32.75	\$29,374.25	\$0.00	\$1,468.71	\$30,842.96

8. The Commission finds that the CCA acted responsibly in the original proceeding and contributed to a better understanding of the relevant issues in the proceeding.

Wachowich & Company

9. The CCA was represented by Wachowich & Company in the original proceeding. The fees claimed by the CCA for the legal services provided by Mr. James Wachowich relate to reviewing the application, reviewing draft IRs, reviewing evidence, reviewing draft argument and reply argument and reviewing argument from other parties.

10. The Commission finds that the services performed by Wachowich & Company were directly and necessarily related to the CCA's participation in the original proceeding, and that the fees, which were claimed in accordance with the Scale of Costs for those services, are reasonable. Accordingly, the Commission approves the CCA's claim for legal fees for Wachowich & Company in the amount of \$9,170.00 and GST of \$458.50 for a total of \$9,628.50.

Regulatory Services Inc.

11. Regulatory Services Inc. was retained by the CCA to perform consulting services in the original proceeding. The fees claimed by the CCA for the consulting services provided by Mr. Don Popowich of DW Management Inc. and Mr. Jan Thygesen relate to reviewing the application, researching, drafting IRs, reviewing IR responses, drafting evidence, drafting argument and reply argument and reviewing argument from other parties.

12. The CCA advised that Mr. Thygesen coordinated resources to ensure effective and efficient utilization of resources, and explained that Mr. Popowich's participation was restricted

to assessing direct and indirect costs, operating and maintenance costs, supervisory incremental costs and loss of revenue issues.

13. The Commission notes that the CCA's attestation regarding cost recovery identifies CCA external resources whose cost recovery is endorsed by the CCA, and neither Mr. Popowich nor DW Management Inc. is listed. However, the Commission is also aware of the CCA's submission in Proceeding 23391 that this was an oversight:

AET is correct that "Mr. Popowich (sic) and DW Popowich Management Inc." are not on list of consultants filed by the CCA in late 2017. We can advise the AUC and AET this consultant was retained in 2017 but not added to the list due to an oversight by the undersigned as CCA counsel. The CCA thanks ATCO for noting this oversight and will undertake to update the CCA list of consultants. In any event, the CCA does not believe that the oversight of not having a consultant listed should have cost disallowance implications.³

14. The Commission finds that the services performed by Regulatory Services Inc. were directly and necessarily related to the CCA's participation in the original proceeding, and that the fees, which were claimed in accordance with the Scale of Costs for those services, are reasonable. Accordingly, the Commission approves the CCA's claim for consulting fees for Regulatory Services Inc. in the amount of \$20,204.25 and GST of \$1,010.21 for a total of \$21,214.46.

15. The Commission reminds the CCA to update its attestation to include Mr. Popowich and DW Management Inc. in future cost claim applications.

Total amount awarded

16. For the reasons provided above, the Commission approves the CCA's claim for recovery of costs in the total amount of \$30,842.96. This amount is composed of legal fees of \$9,170.00, consulting fees of \$20,204.25 and GST of \$1,468.71.

³ Exhibit 23391-X0026, paragraph 8.

3 Order

17. It is hereby ordered that:

- 1) ATCO Gas and Pipelines Ltd. (ATCO Gas) shall pay intervener costs to the Consumers' Coalition of Alberta in the amount of \$30,842.96.
- 2) ATCO Gas and Pipelines Ltd. (ATCO Gas) shall record in its Deferred AUC and Intervener Costs account approved intervener costs in the amount of \$30,842.96.

Dated on June 20, 2018.

Alberta Utilities Commission

(original signed by)

Mark Kolesar
Vice-Chair