



AltaGas Utilities Inc.

**Application Requesting a Load Balance Deferral Account and
Rate Rider L for Compliance with AUC Rule 028**

Costs Award

January 31, 2014

The Alberta Utilities Commission

Decision 2014-025: AltaGas Utilities Inc.

Application Requesting a Load Balance Deferral Account and Rate Rider L for Compliance with
AUC Rule 028

Costs Award

Application No. 1609986

Proceeding ID No. 2877

January 31, 2014

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The Alberta Utilities Commission

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1 Introduction

1. AltaGas Utilities Inc. (AltaGas) filed an application with the Alberta Utilities Commission (the AUC of the Commission) requesting approval to establish a load balancing deferral account (LBDA) and associated rate rider, Rate Rider L (Rider L). AltaGas requested that the LBDA and Rider L take effect in time to correspond with the implementation of its natural gas settlement system on November 1, 2013.
2. On August 12, 2013, the Commission issued a notice of AltaGas's application. Any party who wished to intervene in this proceeding was required to submit a statement of intent to participate (SIP) to the Commission by August 19, 2013. SIPs were received from several parties including the Consumers' Coalition of Alberta (CCA).
3. By letter dated August 22, 2013, the Commission established a written process and schedule, with reply argument due on September 23, 2013. The Commission considered close of record of the proceeding was September 23, 2013.
4. On October 31, 2013, the Commission issued Decision [2013-395](#)¹ approving AltaGas's request to establish a load balancing deferral account and associated Rate Rider L, effective October 31, 2013.
5. On October 16, 2013, the CCA submitted its costs claim application related to the proceeding on AltaGas's request for a load balancing deferral account and the associated Rate Rider L.
6. On October 24, 2013, the Commission circulated a summary of the costs being claimed to interested parties. Parties were advised that any comments regarding figures listed in the summary, or the merits of the total costs claimed, were to be filed by November 7, 2013. No comments were received from parties on the summary of costs.
7. The Commission considers the close of record for this costs proceeding to be November 7, 2013.

2 The Commission's authority to award costs

8. When assessing costs claims pursuant to Section 21 of the *Alberta Utilities Commission*

¹ Decision 2013-395: Application Requesting a Load Balancing Deferral Account and Rate Rider L for Compliance with AUC Rule 028, Application No. 1609829, Proceeding ID No. 2772, October 31, 2013.

Act, S.A. 2007 c. A-37.2, the Commission applies AUC [Rule 022](#): *Rules on Intervener Costs in Utility Rate Proceedings* (Rule 022). AUC Rule 022 also prescribes a *Scale of Costs* applicable to all costs claimed.

9. In exercising its discretion to award costs, the Commission will in accordance with Section 11 of Rule 022, consider whether an eligible participant's costs are reasonable and directly and necessarily related to the proceeding; and whether the eligible participant acted responsibly in the proceeding and contributed to a better understanding of the issues before the Commission. To the extent reasonably possible, the Commission will be mindful of a participant's willingness to co-operate with the Commission and other participants to promote an efficient and cost-effective proceeding.

10. As the costs of a utility proceeding are generally passed on to customers, it is the Commission's duty to ensure that the customers receive fair value for a party's contribution. The Commission only approves those costs that are reasonable and directly and necessarily related to the party's participation in the proceeding.

3 Commission findings

3.1 The Consumers' Coalition of Alberta

11. The CCA submitted a costs claim totalling \$4,865.70. The claim is comprised of legal fees for Wachowich & Company in the amount of \$770.00 and GST of \$38.50; and consulting fees for Regulatory Services Inc. in the amount of \$3,864.00 and GST of \$193.20.

12. The Commission has considered the costs claim submitted by the CCA bearing in mind the principles specified in the Commission's *Scale of Costs*, as set out in Appendix A to Rule 022. The Commission finds that the hours incurred are reasonable given the tasks described in the costs claim for legal services provided by Wachowich & Company for 1.30 hours of preparation, and 0.90 hours of argument and reply argument. The costs incurred by Wachowich & Company are in accordance with the Commission's *Scale of Costs*. The Commission approves legal fees in the total amount of \$808.50, which is comprised of \$770.00 in fees and \$38.50 in GST.

13. Regulatory Services Inc. claimed 16.80 hours for consulting services, which included: review of the application, preparation of information requests, review of information responses, and preparation of argument and reply argument. The Commission finds that the hours incurred are reasonable given the tasks described in the costs claim for consultant services. In addition, the Commission finds that the costs incurred are in accordance with the Commission's *Scale of Costs*. The Commission approves consulting fees in the total amount of \$4,057.20, which is comprised of \$3,864.00 in fees and \$193.20 in GST.

14. Accordingly, the Commission approves CCA's costs in the total amount of \$4,865.70 for legal and consulting fees.

4 GST

15. In accordance with the Commission's treatment of GST on cost awards, AltaGas is required to pay only that portion of GST paid by interveners that may not be recoverable

through the GST credit mechanism. Accordingly, the Commission approves the eligible GST in the amount of \$231.70.

16. The Commission emphasizes that its treatment of the GST claim in no way relieves participants or their consultants from their GST obligations pursuant to the *Excise Tax Act*, R.S.C. 1985, c. E-15.

5 Order

17. It is hereby ordered that:

- (1) AltaGas Utilities Inc. shall pay intervener costs to the Consumers' Coalition of Alberta in the amount of \$4,865.70.

Dated on January 31, 2014.

The Alberta Utilities Commission

(Original signed by)

Mark Kolesar
Vice-Chair