



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

**Application for Administration of a Province-wide Load Balancing
Deferral Account**

Cost Awards

May 16, 2014



The Alberta Utilities Commission

Decision 2014-137: ATCO Gas, a division of ATCO Gas and Pipelines Ltd.

Application for Administration of a Province-wide Load Balancing Deferral Account
Cost Awards

Application No. 1610440

Proceeding No. 3150

May 16, 2014

Published by

Alberta Utilities Commission
Fifth Avenue Place, 4th Floor, 425 - 1 Street SW
Calgary, Alberta
T2P 3L8

Telephone: (403) 592-8845

Fax: (403) 592-4406

Web site: www.auc.ab.ca

Contents

1	Introduction.....	1
2	The Commission’s authority to award costs	1
3	Commission findings.....	2
	3.1 Consumers’ Coalition of Alberta	2
4	GST.....	2
5	Order	3

1 Introduction

1. ATCO Gas (AG), a division of ATCO Gas and Pipelines Ltd., filed an application with the Alberta Utilities Commission (AUC or Commission) requesting approval to administer the north and south load balancing deferral accounts (LBDA) as a single province-wide LBDA; and to close the north and south LBDAs.

2. The Commission dealt with the application by way of a written proceeding. On April 3, 2014, the Commission issued Decision [2014-078](#),¹ approving AG's request to administer its north and south load balancing deferral accounts as a single province-wide LBDA.

3. In a March 28, 2014 letter to interested parties, the Commission circulated, a summary of costs being claimed. Parties were advised that any comments regarding the figures listed in the summary, or the merits of the total costs claimed, were to be filed by April 11, 2014. No comments were received from parties.

4. Accordingly, the Commission considers the proceeding to have closed on April 11, 2014.

2 The Commission's authority to award costs

5. When assessing a cost claim pursuant to Section 21 of the *Alberta Utilities Commission Act*, RSA 2007. c. A-37.2, the Commission applies [AUC: Rule 022, Rules on Intervener Costs in Utility Rate Proceedings](#) (AUC Rule 022). Appendix A of AUC Rule 022 also prescribes a *Scale of Costs* applicable to all costs claimed.

6. In exercising its discretion to award costs, the Commission will, in accordance with Section 11 of AUC Rule 022, consider whether an eligible participant acted responsibly and contributed to a better understanding of the issues before the Commission, and whether the costs claimed are reasonable and directly and necessarily related to the proceeding. The Commission considers these factors in light of the scope and nature of the issues in question. 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.

7. As the costs of a utility proceeding are generally passed on to customers, it is the Commission's duty to ensure that customers receive fair value for a party's contribution. The

¹ Decision 2014-078: ATCO Gas, a division of ATCO Gas and Pipelines Ltd. Application for Administration of a Province-wide Load Balancing Deferral Account, Application No. 161022, Proceeding No. 3005, April 3, 2014.

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 Consumers' Coalition of Alberta

8. The Consumers' Coalition of Alberta (CCA) submitted a cost claim in the total amount of \$9,624.09. The claim is comprised of legal fees for Wachowich & Company in the amount of \$787.50 and GST of \$39.38; and consulting fees for Regulatory Services Inc. in the amount of \$8,356.50, disbursements of \$21.80 for photocopying and GST of \$418.92.

9. The Commission has considered the cost 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 AUC Rule 022. The Commission finds that the hours incurred are reasonable given the tasks described in the cost claim for legal services provided by Wachowich & Company for one hour of preparation in the proceeding, and 1.25 hours for preparation of argument and reply argument. The costs incurred by Wachowich & Company are in accordance with the Commission's *Scale of Costs*. The Commission approves costs for Wachowich & Company in the total amount of \$826.88; which is comprised of \$787.50 in fees and \$39.38 in GST.

10. Regulatory Services Inc. claimed 30.95 hours for consulting services, which included: review of the application, review of past AUC decisions, preparation of information requests, testing the carrying cost model assumptions, review of information responses, and assisting with the preparation of argument and reply argument. The Commission finds that the hours incurred are reasonable given the tasks described in the cost claim for consulting services.

11. The Commission notes that the hourly rate provided in Regulatory Services Inc.'s invoices was \$250.00 per hour; and not the \$270.00 hourly rate included in the summary of the professional fees claimed. The Commission finds that the \$250.00 per hour fee invoiced is in accordance with the Commission's *Scale of Costs*. Accordingly, the Commission reduces the costs claimed to 30.95 hours at \$250.00 per hour, as reflected in the supporting invoices of Regulatory Services Inc. Therefore, the Commission approves costs for Regulatory Services Inc. in the total amount of \$8,147.27; which is comprised of \$7,737.50 in fees, \$21.80 in disbursements and \$387.97 in GST.

12. Accordingly, the Commission approves CCA's costs in the total amount of \$8,974.15 for legal and consulting fees.

4 GST

13. In accordance with the Commission's treatment of the GST on cost awards, AG is required to pay only that portion of the 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 \$427.35.

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

5 Order

It is hereby ordered that:

1. ATCO Gas and Pipelines Ltd. shall pay intervener costs to the Consumers' Coalition of Alberta, in the amount of \$8,974.15.

Dated on May 16, 2014.

The Alberta Utilities Commission

(Original signed by)

Kay Holgate
Commission Member