



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

2014 Transmission Service Charge (Rider T)

Costs Award

June 10, 2014



The Alberta Utilities Commission

Decision 2014-165: ATCO Gas, a division of ATCO Gas and Pipelines Ltd. (ATCO Gas)
2014 Transmission Service Charge (Rider T)

Costs Award

Application No.1610454

Proceeding No.3158

June 10, 2014

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The Alberta Utilities Commission

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1 Introduction

1. ATCO Gas, a division of ATCO Gas and Pipelines Ltd. (ATCO Gas) filed an application with the Alberta Utilities Commission (the AUC or the Commission) on January 7, 2014, requesting approval for a change to the transmission service charge (Rider T) for AG North and AG South effective March 1, 2014. The application contemplated a separate transmission service charge for ATCO Gas North and ATCO Gas South.
2. The Commission issued a notice of application to interested parties on January 8, 2014. Statements of intent to participate (SIPs) were to be filed with the AUC by January 22, 2014. The AUC received only one SIP from the Consumers' Coalition of Alberta (CCA).
3. The SIP filed by the CCA requested an opportunity to test the application through a process of written information requests (IRs) before commenting on whether it objects to the application.
4. On January 23, 2014, the Commission sent out a letter to registered parties that established a written process and schedule that allowed for information requests, argument and reply argument.
5. All arguments and reply arguments were filed by the expected deadline of February 20, 2014.
6. In a February 24, 2014 letter, the Commission informed registered parties that, through the procedural processes of information requests and responses, the issue of the adoption of a province-wide Rider T had been raised and was being considered by the Commission. Given that this issue was not originally contemplated in the ATCO Gas application, the Commission wanted to provide parties who had not previously registered in Proceeding No. 3011 the opportunity to register and comment on the issue of the adoption of a province-wide service charge.
7. The Commission also asked AG in this letter, to provide proposed revised province-wide Rider T rates with an effective date of April 1, 2014 by March 5, 2014.
8. No additional comments were received by the Commission on the issue of a province-wide Rider T rate. The Commission considers the close of record for this proceeding to be March 5, 2014.
9. On April 4, 2014, the CCA submitted a costs application and Application No.1610454 was assigned to it under costs Proceeding No. 3158.
10. On April 7, 2014, 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 claimed, were to be filed by April 21, 2014. No comments were received from parties on the summary of costs claimed.

11. The Commission considers the close of record for costs proceeding to be April 21, 2014.

2 The Commission's authority to award costs

12. When assessing costs claims pursuant to Section 21 of the *Alberta Utilities Commission Act* SA 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.

13. In exercising its discretion to award costs, the Commission will, in accordance with Section 11 of AUC 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.

14. 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 Consumers' Coalition of Alberta

15. The CCA submitted a costs claim in the total amount of \$11,496.35. The claim is comprised of legal fees for Wachowich & Company in the amount of \$700.00 and GST of \$35.00; and consulting fees for Regulatory Services Inc. in the amount of \$10,206.00, disbursements of \$42.90 for photocopying and GST of \$512.45.

16. 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 AUC 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 one hour of preparatory work in the proceeding, and one hour 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 \$735.00; which is comprised of \$700.00 in fees and \$35.00 in GST.

17. Regulatory Services Inc. claimed 37.80 hours for consulting services, which included: review of the application, preparation of information requests, review of information responses, and assisting with the drafting and review of 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 \$10,761.35, which is comprised of \$10,206.00 in fees; disbursement of \$42.90 and GST of \$512.45.

18. Accordingly, the Commission approves CCA's costs and disbursements in the total amount of \$10,948.90 for legal and consulting fees and GST of \$547.45 .

4 GST

19. In accordance with the Commission's treatment of GST on costs awards, ATCO Gas 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 \$547.45.

20. 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

21. It is hereby ordered that:

- (1) ATCO Gas shall pay intervener costs to the Consumers' Coalition of Alberta, in the amount of \$11,496.35. Payment shall be made to Wachowich & Co.
Attention: James A. Wachowich, 888, 10310 Jasper Avenue, Edmonton, Alberta,
T5J 2W4.

Dated on June 10, 2014.

The Alberta Utilities Commission

(original signed by)

Mark Kolesar
Vice Chair