



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

Irrigation Rate Adjustment Application  
Compliance Filing to Decision 2013-430

Costs Award

July 16, 2014



**The Alberta Utilities Commission**

Decision 2014-211: ATCO Gas, a division of ATCO Gas and ATCO Pipelines Ltd.

Irrigation Rate Adjustment Compliance Filing to Decision 2013-460

Costs Award

Application No.1610493

Proceeding No.3184

July 16, 2014

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## **1 Background and Introduction**

1. ATCO Gas, a division of ATCO Gas and Pipelines Ltd.(ATCO Gas) filed an application (compliance application) with the Alberta Utilities Commission (the Commission or the AUC) on January 31, 2014, requesting approval for adjusted rates for its irrigation rate group effective as of May 1, 2014, pursuant to directions issued in Decision [2013-460](#)<sup>1</sup>.
2. On December 19, 2013 the Commission issued Decision 2013-460 which approved the 2014 proposed rates for all rate groups, with the exception of the Irrigation Group. In the decision, the Commission directed ATCO Gas to file an application no later than January 31, 2014 for an adjustment to the proposed irrigation rate, such that the estimated increase in the total bill in 2014 does not exceed 10 per cent for the irrigation class. Pursuant to the Commission's direction, ATCO Pipelines submitted the compliance application.
3. In a February 4, 2014 letter, the Commission issued a notice of application requiring any interested party who wished to intervene in the compliance application proceeding to submit a statement of intent to participate (SIP) with the Commission by February 19, 2014.
4. On February 19, 2014, the Commission received SIPs from the Office of the Utilities Consumer Advocate (UCA) and the Consumers' Coalition of Alberta (CCA). The Commission established a minimal written process schedule for the compliance application proceeding which would provide for information requests, information responses, argument and reply argument. On March 19, 2014, both the CCA and the UCA indicated that they did not object to the application and consequently would not be submitting written argument.
5. On March 20, 2014, ATCO Gas submitted its argument and in a correspondence dated March 27, 2014, ATCO Gas indicated that it would not be filing any reply argument.
6. The Commission considers the record for the compliance application proceeding to have closed on March 27, 2014.

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<sup>1</sup> Decision 2013-460:ATCO Gas and Pipelines Ltd.,2014 Annual PBR Rate Adjustment Filing, Application No.10609915, Proceeding NO.2826, December 19, 2013.

7. On April 14, the Commission issued [Decision 2014-102](#)<sup>2</sup> in relation to the compliance application.

8. On April 14, 2014, the CCA filed its costs claim application in relation to the compliance application proceeding. The Commission assigned Application No.1610494 and Proceeding No.3184 to the costs application.

9. On April 28, 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 costs claimed, were to be filed by May 12, 2014. The Commission did not receive any comments in regards to the CCA's costs claim.

10. The Commission considers the close of record for this costs proceeding to be May 12, 2014.

## **2 Commission's authority to award costs**

11. When assessing a costs 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.

12. 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.

13. 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. As such, 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**

14. The CCA submitted a costs claim totalling \$2,252.57. The claim is comprised of consulting fees for Regulatory Services Inc. in the amount of \$2,133.00, disbursements of \$12.30 and GST of \$107.27.

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<sup>2</sup> Decision 2014-102: ATCO Gas, 2014 Performance Based Regulation Application – Compliance Filing Adjustment to Proposed Irrigation Rate, Application No.1610293, Proceeding No. 3053, April 14, 2014.

15. Regulatory Services Inc. claimed 7.9 hours for consulting services. The time recorded by Regulatory Services Inc. included amounts attributed to the review of application materials and Information Responses, as well as a significant amount of time (3.0 hours) dedicated to email correspondence with counsel for the CCA. The Commission relies on the CCA's evidence that the time recorded on account of email correspondence was relevant to, and necessary for, the CCA's examination of the issues.

16. The Commission finds that the hours claimed for the provision of consulting services are reasonable given the tasks described in the costs claim and given the nature of the compliance application. The consulting fees claimed are in accordance with the *Scale of Costs* set out in Rule 022. The Commission approves consulting costs in the total amount of \$2,252.57 which is comprised of \$2,133.00 in fees, disbursements of \$12.30 and GST of \$107.27.

#### **4 GST**

17. In accordance with the Commission's treatment of GST on cost awards, ATCO Gas is required to pay only that portion of GST paid by the CCA that may not be recoverable through the GST credit mechanism. Accordingly, the Commission approves GST in the amount of \$107.27.

18. 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**

19. It is hereby ordered that

- (1) ATCO Gas shall pay intervener costs to the Consumers' Coalition of Alberta in the amount of \$2, 252.57.

Dated on July 16, 2014

#### **The Alberta Utilities Commission**

*(Original signed by)*

Neil Jamieson  
Commission Member