



ATCO Pipelines (A Division on ATCO Gas and Pipelines Ltd.)

2009-2010 Unaccounted for Gas and Fuel Rates –
Rider "D"

Cost Awards



ALBERTA UTILITIES COMMISSION

Utility Cost Order 2010-011: ATCO Pipelines (A Division of ATCO Gas and Pipelines Ltd.)

2009-2010 Unaccounted for Gas and Fuel Rates – Rider “D”

Application No. 1605370

Cost Application No. 1605600

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Calgary, Alberta

**ATCO Pipelines
2009-2010 Unaccounted for Gas and
Fuel Gas Rates – Rider “D”**

**Utility Cost Order 2010-011
Application No. 1605370
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1 INTRODUCTION

1. On August 18, 2009, ATCO Pipelines (AP), a division of ATCO Gas and Pipelines Ltd., filed an Application (the Application) with the Alberta Utilities Commission (AUC or Commission) respecting the determination of unaccounted for gas (UFG) and fuel gas (UFG/Fuel) charges (Rider “D”) for the North and South service territories for the 2009-2010 gas year. In the Application AP requested approval, effective November 1, 2009, of the applied for Rider “D” rates and Rate Schedule. AP also requested approval for the discontinuation of the requirement of AP to provide summer to summer calculations in future Rider “D” applications.

2. The Commission dealt with this Application by way of written proceeding. The Commission panel assigned to deal with the Application consisted of Ms. Carolyn Dahl Rees, Vice-Chair, and Mr. N. Allen Maydonik, Q.C., Commissioner.

3. On October 22, 2009, the Commission issued Decision [2009-171](#)¹ with respect to the Application.

4. On November 3, 2009, a summary of the costs being claimed was circulated to interested parties. 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 November 17, 2009. The Commission did not receive any comments. Accordingly, the Commission considers, for the purposes of this Cost Order, the cost process to have closed on November 17.

2 VIEWS OF THE COMMISSION – AUTHORITY TO AWARD COSTS

5. When assessing a cost claim pursuant to Section 21 of the *Alberta Utilities Commission Act* (AUC Act), the Commission applies Rule 022, *Rules on Intervener Costs in Utility Rate Proceedings* (Rule 022). Rule 022 was revised on September 30, 2008. As the filing of this Application with the Commission was on August 18, 2009, the Commission has assessed the costs claimed in accordance with the provisions of the current Rule 022.

6. In exercising its discretion to award costs, the Commission will, in accordance with section 11 of Rule 022, consider whether an eligible participant acted responsibly and contributed to a better understating 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.

¹ Decision 2009-171: ATCO Pipelines (A Division of ATCO Gas and Pipelines Ltd.) – 2009-2010 Unaccounted for Gas and Fuel Gas Rates – Rider “D” (Application No. 1605370) (Released: October 22, 2009)

7. In the Commission’s view, the responsibility to contribute positively to the process is inherent in the choice to intervene in a proceeding. The Commission expects that those who choose to participate will prepare and present a position that is reasonable in light of the issues arising in the proceeding and necessary for the determination of those issues. To the extent reasonably possible, the Commission will be mindful of participants’ willingness to co-operate with the Commission and other participants to promote an efficient and cost-effective proceeding.

8. 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 VIEWS OF THE COMMISSION – ASSESSMENT

9. The Consumers’ Coalition of Alberta (CCA) submitted a cost claim totaling \$3,192.64. The claim was comprised of consulting fees incurred by Regulatory Services Inc. in the amount of \$3,020.00, together with disbursements and GST of \$20.60 and \$152.04, respectively. The costs submitted by the CCA were allocated equally amongst APN and APS.

10. The Commission has considered the costs submitted by the CCA. The Commission finds that the participation of the CCA was, for the most part, effective and of assistance in reviewing the Application. The Commission also notes that the claims for professional fees and other claims were in accordance with the *Scale of Costs*. Accordingly, the Commission considers the claims for fees, disbursements and applicable GST for all participants to be reasonable in the total amount of \$3,192.64.

4 GST

11. In accordance with the Commission's treatment of the GST on cost awards, AP is required to pay only that portion of the GST paid by interveners that may not be recoverable through the GST credit mechanism. Accordingly where parties are eligible for a GST credit the Commission has reduced this particular portion of their claim. Eligible GST approved by the Commission amounts to \$152.04. The GST allowed by the Commission may also be charged against AP’s Hearing Cost Reserve Account.

12. 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:

1. ATCO Pipelines North shall pay intervener costs in the amount of \$1,596.32.

2. ATCO Pipelines South shall pay intervener costs in the amount of \$1,596.32.
3. ATCO Pipelines shall record in its Hearing Cost Reserve Account the allowed external applicant and intervener costs in the amount of \$3,192.64.

Dated in Calgary, Alberta on this 28th day of January, 2010.

ALBERTA UTILITIES COMMISSION

(Original signed by)

Carolyn Dahl Rees
Vice-Chair

(Original signed by)

N. Allen Maydonik Q.C.,
Commissioner