



ATCO Gas South

**2015 Weather Deferral Account Rider "W" Application
Costs Award**

December 8, 2015

Alberta Utilities Commission

Decision 20808-D01-2015

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Published by

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Contents

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

1 Introduction

1. On May 25, 2015, ATCO Gas, a division of ATCO Gas and Pipelines Ltd. (ATCO Gas), filed an application with the Alberta Utilities Commission requesting approval of recovery rates established from the April 30, 2015 balance of its weather deferral account (WDA application) for ATCO Gas South, its south service area. The Commission assigned Proceeding 20466 to the WDA application.
2. On May 26, 2015, the Commission issued a notice of application that required interested parties to submit a statement of intent to participate (SIP) by June 8, 2015. The Commission received a SIP from the Consumers’ Coalition of Alberta (CCA).
3. By letter dated June 12, 2015, the Commission issued a process letter and determined that the WDA application would be conducted by way of a minimal written process, involving information requests (IRs), IR responses, argument and reply argument, as outlined in Commission Bulletin 2015-09.¹
4. The Commission considered the close of record for the WDA application to be August 7, 2015, following receipt of reply argument from ATCO Gas.
5. On August 20, 2015, the Commission issued Decision 20466-D01-2015² with respect to the WDA application.
6. On September 8, 2015, the CCA submitted a costs claim application with respect to costs incurred in relation to the WDA application. The Commission assigned Proceeding 20808 to deal with the costs claim application.
7. The Commission circulated a summary of the costs claimed to interested parties on September 10, 2015, and requested comments regarding the figures listed in the summary, or the merits of the costs claimed, by September 24, 2015. No comments were received with respect to the circulated summary of costs.
8. The Commission considers the close of record for this cost proceeding to be September 24, 2015.

¹ Bulletin 2015-09, Performance Standard for Processing Rate-Related Applications, March 26, 2015.

² Decision 20466-D01-2015, ATCO Gas South 2015 Weather Deferral Account Rider “W” Application, Proceeding 20466, August 20, 2015.

2 Commission's authority to award costs

9. 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.

10. 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. 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.

11. As the costs of a 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

12. The CCA submitted a costs claim for recovery of costs paid in the total amount of \$5,288.12. The costs claim requested approval of the following legal and consulting services:

- \$863.63 for Wachowich & Company, composed of legal fees of \$822.50 and GST of \$41.13; and
- \$4,424.49 for Regulatory Services Inc., composed of consulting fees of \$4,185.00, disbursements of \$28.80 and GST of \$210.69.

Wachowich & Company

13. The claim for Wachowich & Company relates to 2.35 hours of legal services performed by Mr. James Wachowich. The hours claimed include 1.10 hours for review of the application and drafting of IRs, and 1.25 hours for preparation of argument.

14. The Commission has assessed the costs claim for legal services provided by Wachowich & Company and finds that the tasks described and hours claimed are reasonable, directly and necessarily related to the proceeding and in accordance with the *Scale of Costs*. The Commission, therefore, approves the claim for legal services in the total amount of \$863.63, which is composed of \$822.50 in legal fees and GST of \$41.13.

Regulatory Services Inc.

15. The claim for Regulatory Services Inc. relates to 15.50 hours for consulting services performed by Mr. Jeffrey Jodoin. The hours claimed include 10.70 hours for review of the application, preparation of IRs, and review of IR responses; and 4.80 hours for drafting of the CCA's argument.

16. The Commission has assessed the costs claim for consulting services provided by Regulatory Services Inc. and finds that the tasks described and hours claimed are reasonable, directly and necessarily related to the proceeding and in accordance with the *Scale of Costs*. The Commission also finds the disbursements for photocopying to be reasonable and in accordance with the *Scale of Costs*.

17. The Commission, therefore, approves recovery of costs for Regulatory Services Inc. in the amount of \$4,424.49, which is composed of \$4,185.00 in consulting fees, \$28.80 in disbursement, and GST of \$210.69.

18. Accordingly, the Commission approves recovery of the CCA's costs claim in the total amount of \$5,288.12 which is composed of \$822.50 in legal fees, \$4,185.00 in consulting fees, \$28.80 in disbursement, and GST of \$251.82.

4 GST

19. 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 interveners that may not be recoverable through the GST credit mechanism. Accordingly, the Commission approves the eligible GST in the amount of \$251.82.

20. The Commission emphasizes that its treatment of the GST claimed 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

20. 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 \$5,288.12.

Dated on December 8, 2015.

Alberta Utilities Commission

(Original signed by)

Bill Lyttle
Commission Member