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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER F-25-10**

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IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 196, Chapter 473

and

Applications for Participant Assistance/Cost Awards
regarding the British Columbia Hydro and Power Authority
Large General Service Rate Application

BEFORE: A.A. Rhodes, Panel Chair
M.R. Harle, Commissioner
R.J. Milbourne, Commissioner

August 27, 2010

O R D E R

WHEREAS:

- A. On October 16, 2009, British Columbia Hydro and Power Authority (BC Hydro) filed its Large General Service Rate Application (Application) under sections 58-61 of the *Utilities Commission Act* seeking orders establishing new energy rates for customers who take or would take service under Rate Schedules (RS) 1200, 1201, 1210, 1211 – General Service (35 kW and Over); and
- B. By Commission Order G-125-09 dated October 19, 2009, the Commission established a regulatory timetable to review the Application. The preliminary regulatory timetable included dates for a Workshop, a Procedural Conference, two rounds of Information Requests (IRs) to the applicant BC Hydro and one round of IRs on Intervener Evidence; and
- C. Following the Procedural Conference held on December 8, 2009, the Commission issued Order G-156-09 and determined that the regulatory review of the Application should proceed as an Oral Public Hearing to commence on March 29, 2009; and
- D. On February 1, 2010, the Commercial Energy Consumers of British Columbia (CEC) and the British Columbia Sustainable Energy Association and Sierra Club of British Columbia *et al.* (BCSEA) filed evidence in regard to the Application; and
- E. By letter dated February 15, 2010, BC Hydro sought an order to vary Order G-156-09 to allow for a Negotiated Settlement Process (NSP). Following a reconsideration process determined in accordance to Commission Letter L-13-10, the Commission issued Order G-31-10 which varied Order G-156-09 to allow the regulatory review of the Application to proceed as an NSP; and
- F. An NSP was held on March 29, March 30, March 31, April 7, April 13, April 16 and April 19, 2010. A Negotiated Settlement Agreement was reached among the participants except for one party, the BCSEA; and
- G. By Order G-110-10 dated June 29, 2010, the Commission approved the Negotiated Settlement Agreement; and
- H. On July 6, 2010, the BCSEA filed an application for Participant Assistance/Cost Award (PACA) for its participation in the proceeding; and

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- I. On July 13, 2010, the British Columbia Old Age Pensioners *et al.* (BCOAPO) filed an application for PACA for its participation in the proceeding; and
- J. On July 20, 2010 the CEC filed an application for PACA for its participation in the proceeding; and
- J. On July 27, 2010, the Joint Industry Electricity Steering committee (JIESC) filed an application for PACA for its participation in the proceeding; and
- I. By letter dated August 11, 2010, BC Hydro commented to the Commission that according to BC Hydro's observation, all participants based their funding requests on seven proceeding days, but the BCOAPO and the BCSEA applications use a ratio of preparation days to proceeding days of three to one instead of the typical ratio of up to two days of preparation per proceeding day; and
- J. The Commission has reviewed the applications for cost awards having regard to the criteria and rates as set out in Order G-72-07 and has concluded that, after making a number of changes to the amounts of funding requested for in the Reasons for Decision that are set out in Appendix A to this Order, certain cost awards should be approved for participants in the proceeding.

NOW THEREFORE the Commission orders as follows:

- 1. Pursuant to section 118(1) of the *Utilities Commission Act*, the Commission awards funds to the following for their participation in the proceeding:

	Application	Award
BCOAPO	\$66,855.46	\$52,743.46
CEC	\$96,976.72	\$96,976.72
BCSEA	\$119,897.41	\$106,991.68
JIESC	\$54,568.50	\$54,568.50
Total	\$338,298.09	\$311,280.36

- 2. BC Hydro is directed to reimburse the Applicants for the awarded amounts in a timely manner.

DATED at the City of Vancouver, in the Province of British Columbia, this 27th day of August 2010.

BY ORDER

Original signed by:

A.A. Rhodes
Panel Chair

Attachment



IN THE MATTER OF

**APPLICATIONS FOR PARTICIPANT ASSISTANCE/COST AWARDS
REGARDING THE
BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
LARGE GENERAL SERVICE RATE APPLICATION**

REASONS FOR DECISION

August 27, 2010

BEFORE:

A.A. Rhodes, Panel Chair
M.R. Harle, Commissioner
R.J. Milbourne, Commissioner

On October 16, 2009, British Columbia Hydro and Power Authority (BC Hydro) filed an application with the British Columbia Utilities Commission (Commission) to amend the rates for customers in its Large General Service class and to divide that class into two classes. The purpose of the application was to better encourage energy conservation.

The matter was initially scheduled to proceed by way of an Oral Public Hearing but eventually proceeded by way of a Negotiated Settlement Process, which concluded on April 19, 2010. The Commission Panel approved the Negotiated Settlement Agreement reached by the parties, BC Sustainable Energy Association and the Sierra Club of BC dissenting, on June 29, 2010 by Order G-110-10.

The review proceeding occupied seven days, calculated as follows:

November 6, 2009	Workshop	0.5 day
December 8, 2009	Procedural Conference	0.5 day
March 23/24, 2010	Meeting with Facilitator	0.5 day
March 29, 2010	NSP	1.0 day
March 30, 2010	NSP	1.0 day
March 31, 2010	NSP	0.5 day
April 7, 2010	NSP	0.5 day
April 13, 2010	NSP	1.0 day
April 16, 2010	NSP	1.0 day
April 19, 2010	NSP	0.5 day

The Commission Panel has reviewed the requests for Participant Assistance/Cost Award (PACA) funding made by the following Interveners for their participation in the Negotiated Settlement Process for BC Hydro's Large General Service Rate Design:

- British Columbia Old Age Pensioners' Organization et al. (BCOAPO)
- Commercial Energy Consumers of British Columbia (CEC)
- British Columbia Sustainable Energy Association and the Sierra Club of British Columbia (BCSEA)
- Joint Industry Electricity Steering Committee (JIESC)

The requests for PACA funding were in the following amounts

BCOAPO	\$66,855.46
CEC	\$96,976.72
BCSEA	\$119,897.41
JIESC	\$54,568.50

Section 118 of the *Utilities Commission Act* provides that the Commission may order a participant in a proceeding, in this case, BC Hydro, to pay the costs of another participant in the proceeding, in this case, the Interveners noted above.

The Commission's PACA Guidelines are set out in Appendix A to Commission Order G-72-07. The only guideline which was not followed by the BCOAPO and BCSEA was the guideline on cost awards for preparation days, which "are typically on a ratio of up to 2 days per proceeding day." The Guidelines also provide that the above ratio may be adjusted by the Commission Panel, provided adequate justification is given for the deviation by the participant.

The PACA funding requests were submitted to BC Hydro for comment on July 29, 2010. BC Hydro provided its comments by letter dated August 11, 2010. It noted that some of the requests used a ratio of 3:1 preparation days:proceeding days as opposed to the 2:1 ratio set out in the Guidelines.

The BCOAPO did not provide justification for this deviation. The BCSEA submitted justification for its consultants' time and legal counsel's time. The Commission Panel accepts the justification for the consultants' time provided by the BCSEA. The Commission Panel is of the view that the justification for the legal counsel time is inadequate, in part because the additional funding requested for time spent on responses to Information Requests in February when the expert/consultant also spent 282 hours or 35.25 days in February appears high in the circumstances.

Accordingly, the Commission Panel approves cost awards for the participants on the basis of the usual ratio of 2:1 preparation days:proceeding days, with the exception of the BCSEA account for its consultants, which is approved as submitted.

Following this determination, the following amendments and awards will apply:

	APPLIED FOR	ADJUSTMENT	AWARD
BCSEA	\$119,894.09	\$12,902.40 (11,520* GST and PST)	\$106,991.68
BCOAPO	\$66,855.46	\$14,112.00 (12,600*GST and PST)	\$52,743.46
CEC	\$96,976.72	\$0	\$96,976.72
JIESC	\$54,568.50	\$0	\$54,568.50
TOTAL	\$338,294.77	\$27,014.40	\$311,280.36