

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, BC V6Z 2N3 CANADA
web site: <http://www.bcuc.com>



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER F-27-13**

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

An Application for Participant Assistance/Cost Award
Regarding the Pacific Northern Gas Ltd.
Application for Approval of the Amendments to the Agreement for Sale
of its Interest in Pacific Trail Pipelines Limited Partnership

BEFORE: L.F. Kelsey, Commissioner

October 3, 2013

O R D E R

WHEREAS:

- A. On February 15, 2011, Pacific Northern Gas Ltd. (PNG) applied to the British Columbia Utilities Commission (Commission) for approval under section 52 of the *Utilities Commission Act* (UCA) to sell its 50 percent interest in Pacific Trail Pipelines Limited Partnership (PTP). The Commission approved the sale by Order G-35-11, dated February 25, 2011. The approval was based on the acquisition agreement, dated February 4, 2011 (Acquisition Agreement);
- B. On June 7, 2013, PNG applied to the Commission under section 52 of the UCA for approval of the agreement (Amending Agreement) to amend certain rights and obligations in the Acquisition Agreement (Application);
- C. By Order G-98-13 dated June 14, 2013, the Commission established a public written hearing process for the review of the Application and a Regulatory Timetable. British Columbia Pensioners' and Seniors' Organization et al. (BCPSO) is the only Intervener that registered in the proceeding;
- D. By Order G-116-13 dated August 1, 2013, the Commission approved the Amending Agreement as filed;
- E. On August 8, 2013, BCPSO filed an application for Participant Assistance/Cost Award (PACA) in the amount of \$4,448.71 (BCPSO PACA Application);
- F. By email dated August 9, 2013, PNG advised the Commission that it reviewed the BCPSO PACA Application and considered it to be reasonable;

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** F-27-13

2

- G. The Commission has considered the BCPSO PACA Application in the context of the PACA Guidelines attached as Appendix A to Commission Order G-72-07.

NOW THEREFORE pursuant to section 118(1) of the *Utilities Commission Act*, the Commission orders as follows:

1. The British Columbia Utilities Commission awards funds in the amount of \$3,792.46 to the British Columbia Pensioners' and Seniors' Organization et al., with respect to its participation in the Pacific Northern Gas Ltd. application for approval of the amendments to the agreement for sale of its interest in Pacific Trail Pipelines Limited Partnership. The reasons for the partial award are provided in Appendix A to this Order.
2. Pacific Northern Gas Ltd. is directed to reimburse British Columbia Pensioners' and Seniors' Organization et al. for the amounts awarded in a timely manner.

DATED at the City of Vancouver, in the Province of British Columbia, this 3rd day of October, 2013.

BY ORDER

Original Signed By:

L.F. Kelsey
Commissioner

Attachment

An Application for Participant Assistance/Cost Award
Regarding the Pacific Northern Gas Ltd. Application for Approval of the Amendments
to the Agreement for Sale of its Interest in Pacific Trail Pipelines Limited Partnership

REASONS FOR DECISION

1.0 INTRODUCTION

On June 7, 2013, Pacific Northern Gas Ltd. (PNG) applied to the British Columbia Utilities Commission (Commission) under section 52 of the *Utilities Commission Act* for approval of amendments to the agreement for sale of its interest in Pacific Trail Pipelines Limited Partnership (Application). By Order G-116-13 dated August 1, 2013, the Commission approved the Application, as filed.

On August 8, 2013, the Commission received an application from British Columbia Pensioners' and Seniors' Organization et al. (BCPSO) for a PACA award in the amount of \$4,448.71, with respect to their participation in the review of the Application. By email dated August 9, 2013, PNG advised the Commission that it reviewed the BCPSO PACA Application and considered it to be reasonable.

2.0 BCPSO PACA Application

The Commission has reviewed the BCPSO PACA Application against the PACA Guidelines attached as Appendix A to Order G-72-07. Section 1 of the PACA Guidelines outlines the criteria considered by the Commission in determining a Participant's entitlement to a full or partial award. The Commission comments here on criteria ii. and iii. in the context of the BCPSO PACA Application.

Criteria ii: Has the Participant contributed to a better understanding of the issues by the Commission?

The Commission notes that the BCPSO Information Requests are limited to five topics and a total of fourteen questions. In addition, the BCPSO Comments contained in its Final Argument are less than two pages in length and limited in scope. Accordingly, while the Commission acknowledges that the Participant has spent professional time reviewing the application, BCPSO did not contribute in a material way to a better understanding of the issues by the Commission.

Criteria iii: Are the costs incurred by the Participant for the purposes of participating in the proceeding fair and reasonable?

The BCPSO PACA Application requests funding for two days of counsel fees and one day of consultant fees. All rates are within the PACA Guidelines Maximum Daily Fee. Taking the factors identified above in the discussion of criteria ii. into account, the Commission considers that some reduction in the cost award is appropriate in order to ensure that the costs are fair and reasonable. Ultimately, the cost award will be borne by the ratepayers of PNG being ordered to pay them. Therefore, the Commission seeks to ensure that the ratepayers of PNG have received value for any cost award it makes.

The Commission understands the time that is required in order to read and understand an application, in addition to drafting and reviewing both Information Requests and Final Arguments. The Commission considers two and half days to participate in this proceeding to be reasonable, comprised of the following:

Read and understand the nine page Application and attached agreements, review BCUC Information Requests	1.25 days
Prepare BCPSO Information Requests, review PNG responses to Information Requests, prepare Final Argument	1.25 day
Total	2.5 days

Given that the Application was largely contractual in nature, the Commission considers that a half day reduction in consultant fees, rather than counsel fees, is reasonable. The table below calculates the partial award, excluding a half day of consultant fees.

BCPSO PACA Application	\$ 4,448.71
Consultant Fee per Day	\$ 1,250.00
Consultant Fee per Half Day	\$ 625.00
5% GST on Half Day Consultant Fee	\$ 31.25
Total Reduction	\$ 656.25
Partial Award	\$ 3,792.46

The Commission directs PNG to reimburse BCPSO for the partial award of \$3,792.46, inclusive of expenses and applicable taxes.