



**ORDER NUMBER
F-9-21**

IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

Catalyst Paper Corporation
Request to Reduce Rate Schedule 1893 Baselines
Participant Assistance/Cost Award Application

BEFORE:

B. A. Magnan, Commissioner

on February 4, 2021

ORDER

WHEREAS:

- A. On May 21, 2020, pursuant to sections 58 to 61, 89 and 90 of the *Utilities Commission Act* and section 15 of the *Administrative Tribunals Act*, Catalyst Paper Corporation (Catalyst) filed with the British Columbia Utilities Commission (BCUC) a request to reduce Rate Schedule (RS) 1893 Baselines at Catalyst (Application);
- B. By Order G-129A-20 dated June 10, 2020, the BCUC established a regulatory timetable for the review of the Application, which was amended by Orders G-152-20 and G-160-20. The regulatory process included intervenor registration and one round of BCUC and intervenor information requests (IR);
- C. By Orders G-207-20, G-228-20, G-240-20 and G-249-20, the regulatory timetable was further amended to include the submission of intervenor evidence, IRs on intervenor evidence and written final and reply arguments;
- D. BC Sustainable Energy Association (BCSEA) and British Columbia Hydro and Power Authority (BC Hydro) participated as intervenors in the proceeding;
- E. In Final Order G-315-20 with reasons for decision dated December 4, 2020, the BCUC issued its final determinations on the Application;
- F. BCSEA filed a Participant Assistance/Cost Award (PACA) application with the BCUC, with respect to its participation in the proceeding:

Date	Participant	Application
November 26, 2020	BCSEA	\$7,751.10

- G. By emailed correspondence dated December 23, 2020, Catalyst provided its comments on the PACA application stating its objections to its approval; and
- H. The BCUC has reviewed the PACA application in accordance with the criteria and rates set out in the PACA Guidelines, attached to BCUC Order G-97-17, and concludes that approval of the cost award is warranted.

NOW THEREFORE the BCUC orders as follows:

1. \$7,751.10 is awarded to BCSEA for its participation in the Catalyst Request to Reduce Rate Schedule 1893 Baselines proceeding.
2. Catalyst is directed to reimburse BCSEA for the award in a timely manner.

DATED at the City of Vancouver, in the Province of British Columbia, this 4th day of February 2021.

BY ORDER

Original signed by:

B. A. Magnan
Commissioner

Attachment

Catalyst Paper Corporation
Request to Reduce Rate Schedule 1893 Baselines
Participant Assistance/Cost Award Application

REASONS FOR DECISION

1.0 Introduction

1.1 Application and Approval Sought

By Order G-315-20 with accompanying reasons for decision dated December 4, 2020, the British Columbia Utilities Commission (BCUC) denied Catalyst Paper Corporation's (Catalyst) Request to Reduce Rate Schedule (RS) 1893 Baselines (Proceeding). On November 26, 2020, pursuant to Order G-97-17 which established the Participant Assistance/Cost Award Guidelines (PACA Guidelines), BC Sustainable Energy Association (BCSEA) filed with the BCUC an application for PACA funding (PACA Application) for the amount of \$7,751.10 with respect to its participation in the Proceeding.

Section 118 of the *Utilities Commission Act* (UCA) provides that "The Commission may order a participant in a proceeding before the commission to pay all or part of the costs of another participant in the proceeding."

1.2 Background

On November 26, 2020, BCSEA filed its PACA Application with the BCUC requesting a sum of \$7,751.10. The requested sum was based on 2.1 days of legal council fees at a rate of \$2,800/day and 0.6 days of professional consultant fees at a rate of \$1,850/day, exclusive of GST and PST.

In its PACA Application, BCSEA states that its participation led to a better understanding by the BCUC of the issues in the Proceeding. BCSEA submits it reviewed the filings in the proceeding, submitted one round of information requests (IR) to Catalyst, one round of IRs to the British Columbia Hydro and Power Authority (BC Hydro) and final argument.

1.3 PACA Guidelines

In its review of BCSEA's PACA Application, the Panel was guided by the PACA Guidelines as set out in Appendix A attached to BCUC Order G-97-17, which "sets out the procedure for considering applications for PACA funding and to provide guidance to participants on how to apply for PACA funding in Commission proceedings."¹

The Panel's review of cost award eligibility was informed by Section 3.1 of the PACA Guidelines, which outlines the criteria to determine participant eligibility for a cost award. The BCUC will consider whether the participant:

- (a) is directly or sufficiently affected by the BCUC's decision; or

¹ Order G-97-17, Participant Assistance/Cost Award Guidelines, Appendix A, p. 3

- (b) has experience, information, or expertise relevant to a matter before the BCUC that would contribute to the BCUC's decision-making

Section 3.2 of the PACA Guidelines describes the characteristics of a participant in a proceeding that would meet the eligibility criteria. If the participant is eligible for a cost award, the Panel considers the participants cost award in accordance with Section 4.3 of the PACA Guidelines:

- (a) Has the participant contributed to a better understanding by the Commission of the issues in the proceeding?
- (b) To what degree will the participant be affected by the outcome of the proceeding?
- (c) Are the costs incurred by the participant fair and reasonable?
- (d) Has the participant joined with other groups with similar interests to reduce costs?
- (e) Has the participant made reasonable efforts to avoid conduct that would unnecessarily lengthen the duration of the proceeding, such as ensuring participation was not unduly repetitive?
- (f) The funding day calculation for funding in accordance with Sections 4.1 and 4.2, if one is provided.
- (g) Any other matters which the Commission determines appropriate in the circumstances

2.0 BCSEA's PACA Application

In its PACA Application, BCSEA submits that it addressed the principal issues in the Proceeding such as the background and context of the application, details of Catalyst's RS 1893 request and its relationship with Tariff Supplement 74, BC Hydro's interpretation of intended operation of RS 1893, RS 1823 and RS 1823A, and implications of the application for BC Hydro's Incremental Energy Rate (IER), among others. Furthermore, BCSEA states that its members are actual or potential customers of BC Hydro, and, as such, are actually or potentially directly affected by the outcome of the Proceeding.

In its PACA Application, BCSEA reasons that its incurred costs are fair and reasonable in that the hourly rates it has billed conform to the PACA Guidelines for legal counsel with more than 12 years experience and a consultant with more than 7 years of experience.² In order to reduce costs, BCSEA states that it made use of BC Hydro and BCUC staff IRs.

BCSEA concludes that it proactively promoted an efficient proceeding and that it does not have the ability to participate in BCUC proceedings without the benefit of PACA funding.

2.1 Catalyst's Comments on BCSEA's PACA Application

Pursuant to Section 14.2.4 of the PACA Guidelines, Catalyst was provided with a copy of the PACA Application as submitted by BCSEA and was provided the opportunity to comment on the cost award application.

On December 23, 2020, Catalyst filed a response with the BCUC stating its disagreement with the PACA Application and requested that the BCUC reject BCSEA's PACA Application. Catalyst submits that the Proceeding represented an extraordinary request related to the interactions of the various industrial rates as opposed to any broader principles with respect to BC Hydro tariffs. Furthermore, Catalyst states that it does not understand how the Proceeding applies to the broader concepts of energy efficiency as raised by BCSEA. Catalyst concludes that the question of ratepayer impact was adequately covered by the BCUC's line of inquiry and that BCSEA's involvement did not materially add to the process.

² Order G-97-17, PACA Guidelines, Appendix A, p. 10.

2.2 BCSEA's Reply Comments

On December 23, 2020, pursuant to Section 14.2.5 of the PACA Guidelines, BCSEA filed with the BCUC a reply to Catalyst's comments. In its reply, BCSEA submits that it has direct interest in BC Hydro rate designs and viewed Catalyst's application as seeking to materially extend the purpose of RS 1893 from encouraging the incremental use of energy above a customer's RS 1823 baseline load to enabling retention of load in the context of the economic impact of the COVID-19 pandemic.

BCSEA indicates that it submitted IRs regarding the duration and consequences of Catalyst's requested RS 1893 reductions of baselines and demand. As evidence of its effective line of questioning and participation in the proceeding, BCSEA cites the BCUC's decision that "the IER pilot was designed to incentivize TSR customers to consume energy above their historic baselines and the principles and criteria of the IER pilot do not support Catalyst's intended use of RS 1893 for economic restart of its Sites."³

3.0 Panel Determination

The Panel considered the criteria under Section 4.0 of the PACA Guidelines and finds that BCSEA actively participated in and contributed to a better understanding of the issues in the Proceeding. The Panel considers that BCSEA's contributions added materially to the understanding of the issues raised in this Proceeding. Additionally, the Panel recognizes that BCSEA's IRs were appropriate and instructive, which provided greater information with respect to the design and intention of RS 1893.

The BCUC's Rules of Practice and Procedure, Section 9.04, attached to Order G-15-19 states that "Persons requesting intervenor status must demonstrate to the satisfaction of the BCUC that they are directly or sufficiently affected by the BCUC's decision, or that they have experience, information or expertise relevant to a matter before the BCUC that would contribute to the BCUC's decision-making."⁴ As members of BCSEA are actual or potential ratepayers, the Panel acknowledged BCSEA's interest, and accepted their request to intervene in this Proceeding. While a definitive conclusion on the impact to ratepayers could not be determined during the Proceeding, the Panel recognizes that based on the design of RS 1893, approval of Catalyst's alternative RS 1893 baselines could have had a potential impact to ratepayers and considers that Catalyst's requested adjustment to RS 1893 Baselines had the potential to affect members of BCSEA.

The Panel accepts that the 2.1 funding days for legal counsel at a rate of \$2,800/day and 0.6 days of consultant fees at a rate of \$1,850/day incurred by BCSEA are reasonable and proportionate with the regulatory timetable and BCSEA's participation in the Proceeding and that the applicable daily rates are in accordance with the criteria and rates as set out in the PACA Guidelines⁵.

For these reasons, the Panel approves BCSEA's PACA Application and awards BCSEA the full amount of \$7,751.10.

³ Order G-315-20, Appendix A, p. 5.

⁴ Order G-15-19, BCUC Rules of Practice and Procedure, p. 5.

⁵ Order G-97-17, PACA Guidelines, Appendix A, p. 10.