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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER F-17-07**

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

and

**Applications for Participant Assistance/Cost Award Funding
in an Application by British Columbia Hydro and Power Authority
for a Certificate of Public Convenience and Necessity
for the Revelstoke Unit 5 Project**

BEFORE: R.H. Hobbs, Chair
A.J. Pullman, Commissioner August 22, 2007

O R D E R

WHEREAS:

- A. On June 27, 2007, the British Columbia Public Interest Advocacy Centre submitted an application for Participant/Cost Award ("PACA") funding on behalf of the British Columbia Old Age Pensioners' Organization et al. ("BCOAPO") for their participation in the proceeding (the "Proceeding") to review the application by British Columbia Hydro and Power Authority ("BC Hydro") for a Certificate of Public Convenience and Necessity for the Revelstoke Unit 5 Project; and
- B. On July 10, 2007, the Independent Power Producers Association of British Columbia ("IPPBC") submitted an application for PACA funding for its participation in the Proceeding; and
- C. The Commission, by Decision and Order No. C-8-07 dated July 12, 2007, responded to the BC Hydro application for the Revelstoke Unit 5 Project; and
- D. By letter dated August 3, 2007, BC Hydro stated it supports the BCOAPO funding request, that IPPBC provided value to the Proceeding, and that it leaves it to the Commission's discretion as to the level of cost awards to be made; and

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** F-17-07

2

- E. The Commission Panel has reviewed the PACA applications with regard to the criteria and rates set out in the Guidelines in Commission Order No. G-15-04 and has concluded that, after changing the amount of funding requested for 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:

	<u>Application</u>	<u>Award</u>
BCOAPO	\$4,800.00	\$4,800.00
IPPBC	<u>\$16,021.50</u>	<u>\$9,849.20</u>
TOTAL	<u>\$20,831.50</u>	<u>\$14,649.20</u>

2. BC Hydro is directed to reimburse the above noted participants for the total amounts awarded in a timely manner.

DATED at the City of Vancouver, in the Province of British Columbia, this 12th day of September 2007.

BY ORDER

Original signed by

Robert H. Hobbs
Chair

Attachment

**British Columbia Hydro and Power Authority
Certificate of Public Convenience and Necessity Application
Revelstoke Unit 5 Project**

Participant Assistance/Cost Award Applications

REASONS FOR DECISION

1.0 INTRODUCTION

The Commission issued its Decision and Order No. C-8-07 dated July 12, 2007 in response to the British Columbia Hydro and Power Authority (“BC Hydro”) Application for a Certificate of Public Convenience and Necessity for the Revelstoke Unit 5 Project.

As set out in the Order that accompanies these Reasons for Decision, the Commission received two applications pursuant to Section 118 of the Utilities Commission Act for Participant Assistance/Cost Award (“PACA”) funding for the Revelstoke Unit 5 proceeding.

Section 118 provides that the Commission Panel may make cost awards for participation in a proceeding. The Commission’s PACA Guidelines that were in effect at the time of the Revelstoke Unit 5 Application, are set out in Appendix A to Order No. G-15-04, and state:

“In determining an award of all or any portion of a Participant’s costs, the Commission panel will consider the following:

- i. Does the Participant represent a substantial interest in the proceeding and will the Participant be affected by the outcome?
- ii. Has the Participant contributed to a better understanding of the issues by the Commission?
- iii. Are the costs incurred by the Participant for the purposes of participating in the proceeding fair and reasonable?
- iv. Has the Participant joined with other groups with similar interests to reduce costs?
- v. Any other matters appropriate in the circumstances.

If the Commission panel considers it to be an appropriate consideration in a proceeding, the Commission panel may consider the Participant's ability to participate in the proceeding without an award."

The Commission Panel for the proceeding established a PACA funding cap of \$25,000 for the proceeding. Participants who filed PACA budgets were informed of the PACA funding cap.

The PACA Guidelines as set out in Appendix A to Commission Order No. G-15-04 are applicable to this proceeding. By Order No. G-72-07 dated July 5, 2007, the Commission revised the PACA Guidelines, however, after the commencement of this proceeding. The PACA cost awards requested in the applications total \$20,821.50.

The Commission received PACA applications from the British Columbia Old Age Pensioners' Organization *et al.* ("BCOAPO") dated June 27, 2007 and the Independent Power Producers Association of British Columbia ("IPPBC") dated July 10, 2007.

The BCOAPO is awarded the amount of \$4,800.00 requested in their application.

The Commission Panel determines that the IPPBC request should be reduced, and awards the IPPBC the amount of \$9,849.20.

The PACA Guidelines state: "In determining an award of all or any portion of a Participant's costs, the Commission panel will consider the following: ... Has the Participant contributed to a better understanding of the issues by the Commission?"

By letter dated August 3, 2007, BC Hydro in response to the Commission letter dated July 17, 2007 stated:

"IPPBC provided value to the proceeding in understanding the contribution that the Revelstoke 5 capacity will have for incorporating intermittent and green energy into BC Hydro's system needs. However, the introduction of new evidence in their written Final Submission (IPPBC Final Argument dated June 5, 2007) increased the level of effort required by BC Hydro in its Reply Submission."

The Commission Panel accepts BC Hydro's submissions. Moreover, the request for PACA awards should be considered in the context of the application for a project with undisputed favourable economics; as was

recognized by IPPBC in their submissions, Revelstoke Unit 5 can be acquired at a very small cost to the ratepayers. Further, the Commission Panel is of the view that the issues raised by IPPBC did contribute to a better understanding of some but not all issues, including submissions regarding the calculation of the UCC. Therefore, the Commission Panel is of the view that in the circumstances of this application the IPPBC should have been more selective in its pursuit of issues. As a result, the IPPBC is awarded an amount based on four proceeding days.

The Commission Panel considers the consultant Mr. Weimer's contribution to the proceeding was more consistent with that of a case manager than a consultant and warrants a reduced award at a rate based on a per diem of \$500 rather than the requested per diem of \$1,200.