



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

**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER F-8-10**

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**

**Applications for Participant Assistance/Cost Awards  
in an Inquiry into British Columbia's Electricity Transmission Infrastructure  
and Capacity Needs for the Next 30 Years**

**BEFORE:**

L.A. O'Hara, Commissioner and Panel Chair  
A.W.K. Anderson, Commissioner  
D.A. Cote, Commissioner  
M.R. Harle, Commissioner  
R.K. Ravelli, Commissioner

March 11, 2010

**O R D E R**

**WHEREAS:**

- A. Section 5(4) of the *Utilities Commission Act* (UCA or Act) provides that the British Columbia Utilities Commission (Commission) must conduct an inquiry (Inquiry) to make determinations with respect to British Columbia's infrastructure and capacity needs for electricity transmission for the period ending 20 years after the day the Inquiry begins, or a different period if so specified by terms of reference issued by the Minister; and
- B. On December 11, 2008, the Minister responsible for administration of the Hydro and Power Authority Act (Minister) issued Terms of Reference for the Inquiry which identify that the general purpose of the Inquiry is for the Commission to make determinations with respect to British Columbia's electricity transmission infrastructure and capacity needs for a 30-year period commencing from the date the Inquiry begins; and
- C. By letter dated June 26, 2009 (Exhibit A-15), the Commission established a schedule for reviewing interim Participant Assistance/Cost Award (PACA) applications for funding up to the June 24, 2009 Procedural Conference. Additionally, in its letter, the Commission asked Participants requesting PACA for the remainder of the Inquiry, and those who had not already submitted interim requests, to file their budgets by August 14, 2009; and
- D. On August 17, 2009 and September 21, 2009, the Commission issued Orders F-20-09 and F-26-09 respectively, awarding interim funds pursuant to section 118(1) of the UCA; and
- E. By letter dated October 2, 2009 (Exhibit A-28), amended by Exhibit A-29, the Commission provided information to Participants on PACA funding for the remainder of the Section 5 Inquiry whereby a bi-monthly approval process was outlined and organized into a number of Interim Funding Periods; and
- F. Following a letter dated December 15, 2009 from the Minister of Energy, Mines and Petroleum Resources (Exhibit A-35), the Inquiry Panel issued Order G-167-09 (Exhibit A-37) suspending the Inquiry until May 31, 2009 and rescinding the schedule for Interim PACA beyond Period 3; and

**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER F-8-10**

2

- G. By the December 15, 2009 deadline established for Interim Funding Period 3 (in Exhibit A-28), the Commission had received two applications requesting a total of \$5,462.40 pursuant to section 118 of the Act for PACA funding for Interim Period 3; and
- H. On January 12, 2010, in light of the suspension of the Inquiry, the Commission issued a letter to Inquiry Participants inviting other Participants who might have wished to submit a PACA application for Interim period Number 3, but who had not done so by the December 15, 2009 deadline to do so by January 29, 2010; and
- I. The Commission received nine applications requesting, pursuant to section 118 of the Act, a total of \$199,858.10 for PACA funding from the following Participants:

<b>Participant</b>	<b>Application</b>
BC Sustainable Energy Association et al. (BCSEA)	\$ 5,508.47
Carrier Sekani Tribal Council et al. (CSTC)	\$ 7,488.63
Commercial Energy Consumers Association of BC (CEC)	\$ 22,198.31
Gitanyow Hereditary Chiefs	\$ 2,815.31
Independent Power Producers Association of BC (IPPBC)	\$ 35,490.00
Joint Industry Electricity Steering Committee (JIESC)	\$ 28,427.00
Seqeltkemoc (Shuswap-Arrow Lakes Division) (Lakes Division)	\$ 21,578.91
Nlaka'pamux Nation Tribal Council et al. (NNTC)	\$ 72,166.65
Stó:lo Tribal Council	\$ 4,184.82
<b>Total Application</b>	<b>\$199,858.10</b>

Some of the applications received are for periods prior to and including period 3; and

- J. The Commission has reviewed the applications with regard to the criteria and rates set out in the Guidelines in Commission Order G-72-07, and has concluded that, after adjusting the amounts of funding requested as set out in the Reasons for Decision attached as Appendix A to this Order, certain cost awards should be approved for Participants in the Inquiry.

**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER F-8-10**

**NOW THEREFORE** the Commission orders as follows:

1. Pursuant to section 118(1) of the Act, and subject to paragraph 2 of this Order, the Commission awards funds to the following for their participation in the Inquiry:

<b>Participant</b>	<b>Awarded</b>
BC Sustainable Energy Association et al. (BCSEA)	\$ 5,508.47
Carrier Sekani Tribal Council et al. (CSTC)	\$ 7,488.63
Commercial Energy Consumers Association of BC (CEC)	\$ 22,198.31
Gitanyow Hereditary Chiefs	\$ 2,811.25
Independent Power Producers Association of BC (IPPBC)	\$ 35,490.00
Joint Industry Electricity Steering Committee (JIESC)	\$ 28,427.00
Seqeltkmc (Shuswap-Arrow Lakes Division) (Lakes Division)	\$ 21,578.91
Nlaka'pamux Nation Tribal Council et al. (NNTC)	\$ 51,350.00
Stó:lo Tribal Council	\$ 4,184.82
<b>Total Award</b>	<b>\$179,037.39</b>

2. If BC Hydro, the British Columbia Transmission Corporation, and FortisBC Inc. (the Utilities) or any one of them, have material concerns about the level or value of expenditures for Period 3 of one or more of the PACA applicants, they are to file a letter of comment with the Commission within ten (10) days of this Order, and to provide a copy of the letter to the affected PACA applicant. The PACA applicant will have ten (10) days from the date of the filing of the letter of comment to file a reply with the Commission. In the event that a letter of comment is received, the PACA applicant's interim award is subject to further order of the Inquiry Panel.
3. In the absence of the filing of a letter of comment by the Utilities, or any one of them, BC Hydro is directed to pay the Participant the amount of the Participant's award in a timely manner.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 12<sup>th</sup> day of March 2010.

BY ORDER

*Original signed by:*

Liisa A. O'Hara  
Panel Chair/Commissioner

Attachment

**Inquiry into British Columbia's Long-Term Transmission Infrastructure  
Participant Assistance/Cost Award Applications**

**PERIOD 3 INTERIM AWARDS**

**REASONS FOR DECISION**

---

On October 2, 2009, the Commission issued a letter (Exhibit A-28) providing information to Participants on Participant Assistance/Cost Award (PACA) funding for the remainder of the Section 5 Inquiry. The letter outlines a bi-monthly approval process for interim PACA applications and organizes the process into a number of periods as shown below:

Period Number	Period Start	Period End	PACA Application Filing Date
1	Inquiry Start	June 24, 2009	July 3, 2009
2	June 24, 2009	September 30, 2009	October 15, 2009
3	October 1, 2009	November 30, 2009	December 15, 2009
4	December 1, 2009	January 31, 2010	February 15, 2010
5	February 1, 2010	March 31, 2010	April 15, 2010
6	April 1, 2010	May 31, 2010	June 15, 2010
7	June 1, 2010	Inquiry End	To be determined

\* Note: Original table in Exhibit A-28 incorrectly showed some dates as 2009 when in fact they were supposed to read 2010. A corrected table was published in Exhibit A-29 and is reproduced, in part, above.

Following a letter dated December 15, 2009 from the Minister of Energy, Mines and Petroleum Resources (Exhibit A-35), the Inquiry Panel issued Order G-167-09 (Exhibit A-37) suspending the Inquiry until May 31, 2009 and rescinding the schedule for Interim PACA beyond Period 3.

By the December 15, 2009 deadline for submissions for Interim Period 3, the Inquiry Panel had received applications for Interim PACA funding for Period 3 from the Hwiltsum First Nation and the Toquaht Nation. Awards were provided for those two applications under Order F-34-09. On January 12, 2010, the Commission sent a letter stating that:

“Due to the suspension of the Inquiry there will not be a subsequent bi-monthly award cycle as contemplated by Exhibits A-28 and A-29. Consequently, the Inquiry Panel has determined that other parties who may have wished to submit an application for a cost award for Interim PACA Period Number 3, but did not do so by the December 15, 2009 deadline, will be allowed to do so until January 29, 2010.”

The Commission received PACA applications from the following Transmission Inquiry Participants and for the amounts shown below.

Participant	Application
BC Sustainable Energy Association et al. (BCSEA)	\$ 5,508.47
Carrier Sekani Tribal Council et al. (CSTC)	\$ 7,488.63
Commercial Energy Consumers Association of BC (CEC)	\$ 22,198.31
Gitanyow Hereditary Chiefs	\$ 2,815.31
Independent Power Producers Association of BC (IPPBC)	\$ 35,490.00
Joint Industry Electricity Steering Committee (JIESC)	\$ 28,427.00
Seqeltkmc (Shuswap-Arrow Lakes Division) (Lakes Division)	\$ 21,578.91
Nlaka'pamux Nation Tribal Council et al. (NNTC)	\$ 72,166.65
Stó:lō Tribal Council (STC)	\$ 4,184.82
<b>Total Awards applied for</b>	<b>\$199,858.10</b>

Although the Commission's January 12, 2010 letter invited Participants to submit applications for Interim Period 3 expenses, some of the participants have applied for expenses that are prior to Interim period 3. The Inquiry Panel considers such applications to be consistent with the scheme initially set out for providing interim funding.

Therefore, it is useful to revisit the parameters established by the Panel for the preceding funding periods.

### **Previous Funding Parameters**

#### Interim Period 1: Inquiry Start to June 24, 2009

Order F-20-09 established the following parameters for Period 1:

The Commission determined that maximum daily costs for legal counsel and consultants are based on an eight-hour day and were to be prorated for part days.

Based on 1.5 workshop days and 1.5 procedural conference days, a total of 3 proceeding days was allowed for the period ending June 24, 2009. The Commission Panel further found that for the Procedural Conference days a ratio of two preparation days for each proceeding day is reasonable, resulting in a total provision of 4.5 days for the preparation for and attendance at the two Procedural Conferences. Because the workshops required less preparation, the Commission Panel allowed up to 2.5 days for the preparation for and attendance at the two workshops. In total, this equals seven days as maximum that could attract funding for the initial period.

Allowing maximum rates of \$1,800/day for counsel, \$1,250/day for a consultant and \$500/day for a case manager, resulted in a potential maximum award of \$24,850 (\$12,600+\$8,750+\$3,500) plus a reasonable allowance for expenses. The maximum award provided by Order F-20-09 was \$27,909.78.

#### Interim Period 2: (June 24-September 30)

Order F-32-09 established the following parameters:

"Individual Period 2 PACA applications have been adjusted to reflect the maximums:

- six (6) allowed proceeding and preparation days for one consultant; and
- eight (8) allowed proceeding and preparation days for one counsel.

In some instances, the Inquiry Panel has also allowed two days for funding of a case manager at a maximum rate of \$500 per day. In addition to this general adjustment, the Inquiry Panel has determined that the maximum consultant rate that will be allowed is \$1,250/day because no expert witness duties or preparation of technical evidence was required. In determining the rate awarded for counsel, the Inquiry Panel has considered the rate requested in the application and the years of call of the counsel in conjunction with the PACA guidelines."

Order F-32-09 also adjusted individual Period 2 PACA applications to allow, where applied for, travel expenses for one counsel, one consultant, and one case manager to the third Procedural Conference, and other relevant expenses as supported by receipts.

Allowing maximum rates of \$1,800/day for counsel, \$1,250/day for a consultant and up to two days at \$500/day for a case manager, resulted in a potential maximum award of \$22,900 (\$14,400+\$7,500+\$1,000) plus a reasonable allowance for expenses. The maximum award provided by Order F-32-09 was \$25,039.21.

#### Interim Period 3:

Interim Period 3 was for the period from October 1, 2009 to November 30, and applications for Period 3 were due by December 15, 2009. There were no proceeding days during interim period 3 but two funding awards were made by Order

F-34-09, for approximately \$2,700 each for approximately 2 days of counsel time only. Although no specific number of proceeding days was allowed, in granting awards the Panel implicitly accepted that parties could have done preparatory work in anticipation of the workshops, regional sessions and procedural conference that were scheduled and then cancelled due to the suspension of the Inquiry.

### Approved Awards

Adding the maximum awards in the previous periods would result in the cumulative maximum award shown in the following table:

Interim Period	Maximum Award
1	\$24,850
2	\$22,900
3	\$ 3,600
<b>Total</b>	<b>\$51,350</b>

(Assuming 2 days at the maximum rate for counsel for period 3 and without including anything for expenses.)

The award to the PACA application on behalf of the Gitanyow Hereditary Chiefs included GST on disbursements, which has not been allowed, and resulted in a minor adjustment.

With respect to the application on behalf of the NNTC, the Panel has reduced the award from the requested amount of \$72,166.65 for several reasons. First, rates for counsel were in several instances greater than the maximum rate allowed under the Guidelines. Adjusting for the maximum rates allowed in the Guidelines results in a reduction of just over \$13,000. Second, no invoices or explanation was provided for approximately \$4,800 of disbursements, including over \$2,000 for copies and approximately \$2,400 of disbursements categorized as legal fees. Although the Commission may approve minor disbursements without receipts if they appear reasonable, in this instance the Panel has not allowed the claims for disbursements because of magnitude of the disbursements coupled with the lack of any explanation or receipts. Reducing the requested award for the adjustment to the rates for counsel and the disallowance of the claim for disbursements would reduce the award to a maximum of approximately \$54,000.

In addition, the Inquiry Panel has determined that, it will provide awards to the following participants consistent with previous funding parameters, and that consequently it will limit awards to a maximum of \$51,350. Since it has determined that is not allowing the NNTC's claim for disbursements, the award for the NNTC is \$51,350.

Therefore the Inquiry Panel approves the awards in the amounts shown in the table below.

Participant	Awarded
BC Sustainable Energy Association et al. ("BCSEA")	\$ 5,508.47
Carrier Sekani Tribal Council et al. ("CSTC")	\$ 7,488.63
Commercial Energy Consumers Association of BC ("CEC")	\$ 22,198.31
Gitanyow Hereditary Chiefs	\$ 2,811.25
Independent Power Producers Association of BC ("IPPBC")	\$ 35,490.00
Joint Industry Electricity Steering Committee ("JIESC")	\$ 28,427.00
Seqeltkemc (Shuswap-Arrow Lakes Division) ("Lakes Division")	\$ 21,578.91
Nlaka'pamux Nation Tribal Council et al. ("NNTC")	\$ 51,350.00
Stó:lo Tribal Council	\$ 4,184.82
<b>Total Award</b>	<b>\$179,037.39</b>