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**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER F-33-14**

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

An Application for Participant Assistance/Cost Award  
in the Application by FortisBC Inc.  
for Advanced Metering Infrastructure Enabled Billing Options for Customers

**BEFORE:** L. F. Kelsey, Commissioner  
D. M. Morton, Commissioner  
N. E. MacMurchy, Commissioner  
December 3, 2014

**O R D E R**

**WHEREAS:**

- A. On July 18, 2014, FortisBC Inc. (FBC) applied to the British Columbia Utilities Commission (Commission) for approval of Advanced Metering Infrastructure Enabled Billing Options (Proceeding) pursuant to sections 59-61 of the *Utilities Commission Act*;
- B. By Order G-110-14, the Commission established the regulatory timetable for review of the Application, which included one round of information requests and responses, then final submissions from FBC and interveners, followed by a reply submission from FBC on October 14, 2014;
- C. Between October 31 and November 13, 2014, the Commission received applications for Participant Assistance/Cost Award (PACA) from the following Intervenors for their participation in the Proceeding:
  - BC Sustainable Energy Association and the Sierra Club of BC (BCSEA);
  - BC Old Age Pensioners' Organization *et al.* (BCOAPO);
  - Commercial Energy Consumers Association of BC (CEC);
- D. By letter dated November 25, 2014, FBC provided its comments on the PACA applications and states that it had no comments on the amounts submitted by the interveners so long as the Commission has no concerns with the times identified or the amounts applied for; and

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- E. The Commission has reviewed the PACA applications in accordance with the criteria and rates set out in the PACA Guidelines to Commission Order G-72-07, and concludes that cost awards should be approved for participants in the proceeding, as set out in the Reasons for Decision that are attached as Appendix A to this Order.

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

1. The Commission awards funds of \$13,008.20 to the following for their participation in the proceeding:

	<b>Application (\$)</b>	<b>Award (\$)</b>
BCSEA	\$3,474.98	\$3,474.98
BCOAPO	\$4,188.72	\$4,188.72
CEC	\$7,653.19	\$5,344.50
<b>TOTAL</b>	<b>\$15,316.89</b>	<b>\$13,008.20</b>

2. FBC is directed to reimburse the participants for the amounts awarded in a timely manner.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 3<sup>rd</sup> day of December 2014.

BY ORDER

*Original signed by:*

L. F. Kelsey  
Commissioner

Attachment

**FORTISBC INC.**  
Application for Advanced Metering Infrastructure  
Enabled Billing Options

**REASONS FOR DECISION**

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**1.0 Introduction**

On November 7, 2014, the British Columbia Utilities Commission (Commission) issued Order G-169-14 and the accompanying Reasons for Decision on the FortisBC Inc. (FortisBC) application for Advanced Metering Infrastructure Enabled Billing Options for Customers (Application and Proceeding). The Commission received Participant Assistance/Cost Award (PACA) applications from three interveners that participated in the Proceeding.

Section 118(1) of the *Utilities Commission Act* (Act) 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. By Order G-72-07 dated July 5, 2007, the Commission issued its PACA Guidelines. PACA funding is intended to offset costs incurred by eligible Participants in a proceeding who might not otherwise be able to participate without assistance. In determining the amount of funding to be allowed, the Commission also considers the fact that the Participant's cost award will ultimately be borne by the ratepayers of the public utility being ordered to pay them. Therefore, the Commission also seeks to ensure that the ratepayers of the public utility have received value for any Participant cost award it makes.

Applications for PACA funding received from the following three Participants are assessed in these Reasons for Decision.

1. British Columbia Pensioners' and Seniors' Organization *et al.* (BCOAPO).
2. British Columbia Sustainable Energy Association and Sierra Club of BC (BCSEA).
3. Commercial Class Energy Consumers Association of British Columbia (CEC).

**2.0 PACA Guidelines**

The PACA Guidelines discuss the eligibility requirements and criteria used in assessing the amount of an award, the process for applying for a cost award and eligible costs and rates.

The first issue the Panel will consider is whether the Participant has a substantial interest in a substantial issue in the Proceeding. Provided the Participant meets the substantial interest in substantial issue criterion, the Commission Panel determines the entitlement to a full or partial award taking into account the criteria in section 1 of the PACA Guidelines including:

- i. 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. Has the Participant engaged in any conduct that tended to unnecessarily lengthen the proceeding?
- vi. Any other matters appropriate in the circumstances.

If appropriate, the Panel may consider the Participant's ability to participate in the proceeding without an award.

The PACA Guidelines set out eligible rates and costs. Specific allowance is made for disbursements such as direct expenses related to the Participant's participation in the Proceeding.

Section 4 of the PACA Guidelines specifies the maximum daily fee for professional services including legal, consultant and case managers. The Guidelines are clear that costs and awards be based on the lesser of the actual billing rates or the maximum daily fees specified based on qualification and be prorated for part days. Section 4 (d) describes factors that the Panel will consider in determining the level of award for consultants.

The Panel considers the criteria above, the information provided by the Participant with respect to any variances from the Participant's budget estimate and any variances from the initial staff estimates. The party being asked to pay, in this case FortisBC, is also given an opportunity to comment on the PACA funding applications. The Panel notes that, due to the limited scope of the hearing, a budget estimate was not requested of interveners, nor were estimates submitted by the three Interveners.

In these Reasons for Decision, the Panel has taken into account the scope of the Proceeding when assessing the PACA applications in the context of the PACA Guidelines.

### **3.0 Determination of final awards**

#### **3.1 FortisBC comments on the PACA applications**

By letter dated November 25, 2014, FortisBC provided comments on the PACA applications received by the Commission from BCOAPO, BCSEA, and CEC. In this letter FortisBC states "so long as the Commission has no concerns with the times identified or the amounts applied for, [FortisBC] has no comments on the amounts submitted."

#### **3.2 Eligibility**

The Panel recognizes all three PACA applicants as registered interveners in the Proceeding. Both BCOAPO and CEC have satisfied the Panel that they represent the interests of ratepayers in the FortisBC service area and have a substantial interest in a substantial issue in the Proceeding. Whether BCSEA represents rate payer interests is the subject of another proceeding. However, in the decision on this Application, the Panel considers that providing customers with more accurate and timely billing information will help facilitate a change in customer awareness and may contribute to a culture of conservation and a change in attitudes towards energy use in the province. It is on this basis that the Panel accepts BCSEA as an intervener in this Proceeding and accepts that BCSEA has a substantial interest in a substantial issue in this Proceeding. The Panel therefore confirms that the PACA applicants all meet this PACA eligibility requirement.

### 3.3 Maximum total participant days

In assessing PACA awards in this Proceeding, the Panel will first determine a reasonable basis for arriving at an award based on contributions from legal counsel, case managers and consultants or any combination thereof (based on an eight hour work day) per Participant.

The scope of the Proceeding was very narrow; one minor tariff change, minor modifications to several rate schedules, the potential for very modest cost savings and the financial treatment of those costs/savings. The changes applied for would not disadvantage customers compared to their current service and cost circumstances. The Application contained only ten pages. That said, the completeness of the Application required considerable clarification of facts and issues by the Commission and interveners by way of information requests before a full and accurate understanding of the background and impact of the requested changes were fully understood.

The submissions by interveners contained, for the most part, clarification of both existing billing and related service arrangements and proposed arrangements.

**In consideration of these facts and circumstances the Panel determines that a Participant's maximum award will be based on up to three professional days in total per Participant, for any combination of legal, case manager and consultant days (based on an eight hour work day).**

The three professional days in total are arrived at on the basis of one half day to read and understand the Application, one day to consider and prepare information requests and read responses, one half day to consider the Applicant's submission and prepare the Participants submission and one day of support from a consultant or case manager.

### 3.4 PACA awards

The following table sets out the amounts claimed for PACA funding by the interveners in the Proceeding:

Intervener	Amount applied for
BCOAPO	\$4,188.72
BCSEA	\$3,474.98
CEC	\$7,653.19

The Panel has considered the PACA applications received in the context of the criteria outlined in section 1 of the PACA Guidelines as described below.

- i. Will the Participant be affected by the outcome?

The Panel is persuaded that all three Participants that applied for a cost award meet the PACA requirements concerning the effect of the outcome on them.

- ii. Has the Participant contributed to a better understanding of the issues by the Commission?

The Panel is satisfied that the Participants have contributed in some way 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?

The Panel is satisfied that the costs incurred for the purposes of participating in the Proceeding are fair and reasonable for two of the three Participants that applied for a cost award.

- iv. Has the Participant joined with other groups with similar interests to reduce costs?

This may have been the case however there is no evidence to so demonstrate.

- v. Has the Participant engaged in conduct that tended to unnecessarily lengthen the Proceeding?

Generally, the Panel is satisfied that the Participants did not unnecessarily lengthen the Proceeding. However, having reviewed the information requests of all interveners in considerable detail, the Panel notes that there were information requests that were outside the scope of the Proceeding, pursued unnecessary information and ignored facts that were contained in the Application.

- vii. Any other matters appropriate in the circumstances.

The Panel does not consider there are other matters to be addressed here.

The Panel notes that the rates for all fees claimed for legal, case manager and consultant services are in accordance with the PACA Guidelines and considers them appropriate given the qualifications of the resources employed.

### 3.5 BOAPO and BCSEA

BCOAPO submitted its PACA application for a total of \$4,188.72 based on 2 days of legal services, 0.63 days of consultant services and \$1.84 in expenses. BCSEA submitted its PACA application for a total of \$3474.98 based on 1.6 days of legal services and 3.8 hours (or under one half day) of case manager services.

**The Panel directs FortisBC to reimburse the BCPSO and BCSEA for the full applied-for PACA amounts of \$4,188.72 and \$3,474.98, respectively, inclusive of expenses and applicable taxes.**

### 3.6 CEC

CEC submitted its PACA application for a total of \$7,653.19 based on 2.25 days of legal services and 2.375 days of consultant services, totaling 4.625 days. This claim exceeds the maximum award of three professional days in total per Participant, for any combination of legal, case manager and consultant days (based on an eight hour work day) the Panel considers reasonable for this Proceeding. As noted above the Panel reviewed the information requests of all interveners in considerable detail and noted that a number of CEC's information requests were out of scope, and/or of questionable value considering the decisions to be made. Examples include CEC information request nos. 1.1, 1.2, 1.3, 1.3.1, 1.4, 1.5, 2.1, 4.8, 6.1, and 10.2. The information requests and submissions of CEC while helpful to the Panel were not considered by the Panel to be of any more value than the information requests and submissions of either BCOAPO or BCSEA.

Having previously determined that the maximum award will be three professional days in total per participant which includes one day of support from a consultant, the Panel determines that the PACA award for CEC be made on the following basis:

Counsel 2 days @ \$1,800/day:      \$3,600.00 plus GST of \$180 and PST of \$252 for a total of \$4,032.00.  
Consultant 1 day @ \$1,250/day:      \$1,250.00 plus GST of \$62.50 for a total of \$1,312.50.

The Panel directs FortisBC to reimburse the CEC for a PACA amount of \$5,344.50, inclusive of applicable taxes.