



**ORDER NUMBER  
F-13-21**

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

and

Shannon Estates Utility Ltd.  
Levelized Rate Application  
For the Shannon Estates Thermal Energy System

**BEFORE:**

T. A. Loski, Panel Chair  
K. A. Keilty, Commissioner  
B. A. Magnan, Commissioner

on March 30, 2021

**ORDER**

**WHEREAS:**

- A. On June 30, 2020, Shannon Estates Utility Ltd. (SEUL) filed an application with the British Columbia Utilities Commission (BCUC) for approval of rates for the Shannon Estates Thermal Energy System (SETES) for a ten-year period, effective January 1, 2021 (Application). In the Application, SEUL also requested approval for the continuation of the Regulatory Deferral Account and the Revenue Deficiency/Surplus Deferral Account, as well as approval to establish an Unplanned Sustainment Capital and Maintenance Deferral Account, an Energy Costs Deferral Account, and associated rate riders that recover from, or distribute to, customers of the SETES;
- B. The regulatory process, established by Order G-186-20, included among other things, two rounds of information requests, responses from SEUL, and final and reply arguments from parties;
- C. The following interveners registered in the proceeding:
  - British Columbia Old Age Pensioners' Organization et al. (BCOAPO); and
  - EPS-5056 Hudson & Adera Strata (EPS-5056);
- D. On February 2, 2021, by Decision and Order G-36-21, the BCUC made various determinations on the Application, including granting approval of levelized rates for the SETES;
- E. The following participants filed Participant Assistance/Cost Award (PACA) applications with the BCUC with respect to their participation in the proceeding:

Date	Participant	Application
November 23, 2020	EPS-5056	\$24,049.06
December 7, 2020	BCOAPO	\$10,753.67

- F. On February 23, 2021, in accordance with Section 14 of the BCUC's PACA Guidelines approved by Order G-97-17, the BCUC sought comment from SEUL on the PACA applications;
- G. On March 8, 2021, SEUL provided its comments on the PACA applications;
- H. EPS-5056 and BCOAPO provided responses to SEUL's comments by letters dated March 12, 2021 and March 18, 2021, respectively; and
- I. The BCUC has reviewed the PACA applications and the comments made by SEUL, EPS-5056 and BCOAPO in accordance with the criteria and rates set out in the PACA Guidelines attached to BCUC Order G-97-17, and makes the following determinations.

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

- 1. Funding is awarded to the following interveners in the listed amounts for their respective participation in SEUL's Levelized Rates Application proceeding:

Participant	Award
EPS-5056	\$24,049.06
BCOAPO	\$5,376.84

- 2. For the reasons outlined in Appendix A to this order, a partial cost award is approved for the BCOAPO.
- 3. SEUL is directed to reimburse the above-noted participants for the awarded amount in a timely manner.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 30<sup>th</sup> day of March 2021.

BY ORDER

*Original signed by:*

T. A. Loski  
Commissioner

Attachment

Shannon Estates Utility Ltd.  
Levelized Rate Application  
For the Shannon Estates Thermal Energy System

**REASONS FOR DECISION**

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## 1.0 Background

Shannon Estates Utility Ltd. (SEUL) filed an application with the British Columbia Utilities Commission (BCUC) for approval of rates for the Shannon Estates Thermal Energy System (SETES) for a ten-year period, effective January 1, 2021 (Application). In the Application, SEUL also requested approval for the continuation of the Regulatory Deferral Account and the Revenue Deficiency/Surplus Deferral Account, as well as approval to establish an Unplanned Sustainment Capital and Maintenance Deferral Account, an Energy Costs Deferral Account, and associated rate riders that recover from, or distribute to, customers of the SETES. The following parties registered as interveners in this proceeding:

- British Columbia Old Age Pensioners' Organization et al. (BCOAPO); and
- EPS-5056 Hudson & Adera Strata (EPS-5056).

The regulatory process for review of the Applications was established by BCUC orders and included among other things, two rounds of information requests (IRs), and written final and reply arguments. On February 2, 2021, by Order G-36-21, the BCUC issued its decision on SEUL's Application.

Following the filing of SEUL's reply argument on November 5, 2020, the following participants filed Participant Assistance/Cost Award (PACA) applications with the BCUC with respect to their respective participation in the proceeding:

Date	Participant	Application
November 23, 2020	EPS-5056	\$24,049.06
December 7, 2020	BCOAPO	\$10,753.67

Subsequent to the PACA application filings SEUL was afforded the opportunity to comment on the PACA requests. It responded with comments on March 8, 2021, with replies to its comments submitted by EPS-5056 and BCOAPO on March 12, 2021 and March 18, 2021, respectively.

## 2.0 Criteria

Section 118(1) 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."

The PACA Guidelines as set out in Appendix A attached to BCUC Order G-97-17 dated June 15, 2017, set out the eligibility requirements and criteria used in assessing cost awards, including the process for applying for a cost award, eligible costs and rates.

In its review of the PACA applications, the Panel is guided by the PACA Guidelines as set out in Appendix A attached to BCUC Order G-97-17, which set out the eligibility requirements and criteria used in assessing cost awards, including the process for applying for a cost award, eligible costs and rates.

Section 3.1 of the PACA Guidelines outlines the considerations 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

- (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 general characteristics of a participant in a proceeding that would meet the eligibility criterion.

If the participant is eligible for a cost award, the Panel then considers the following in determining the amount of a participant's cost award in accordance with section 4.3 of the PACA Guidelines:

- (a) Has the participant contributed to a better understanding by the BCUC 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 BCUC determines appropriate in the circumstances.

Sections 7.0 through 13.0 of the PACA Guidelines outline the types of eligible costs that can be awarded to participants including, among other things, professional fees, foregone earnings, childcare expenses, disbursements, tax costs and other costs.

With respect to disbursements and other costs, section 10.1 states, "[d]isbursements directly related to the participant's participation in the proceeding may be allowed." Section 13.1 of the PACA Guidelines provides an overarching inclusion of "other costs the Commission deems reasonable and justified."

### **3.0 Review**

The Panel, in its review of EPS-5056's and BCOAPO's PACA applications, was guided by the PACA Guidelines.

EPS-5056 represents a group of owner/residents of Shannon Estates that are directly affected by the Application. The BCOAPO's interest in this proceeding stem from its members, a group of community organizations that that work for and represent the interests of residential ratepayers as well as low- and fixed-income residents of BC. In addition, the BCOAPO has experience and expertise relevant to matters before the BCUC. Therefore, the Panel is satisfied that both the EPS-5056 and BCOAPO meet the criteria of being eligible for a cost award.

Having concluded that the EPS-5056 and BCOAPO are eligible for PACA funding, the next step is to determine the amount of the award to which each is entitled.

The considerations listed in section 4 of the PACA Guidelines, and referenced above, are useful guidance in this part of our analysis, to determine the amount of the award the participants are entitled to. Rather than addressing each consideration separately (because not all are relevant), we address the following considerations, which are the most relevant in this proceeding:

- a. Has the participant contributed to a better understanding by the BCUC of the issues in the proceeding?

- b. Are the costs incurred by the participant fair and reasonable?

The table below summarizes the number of PACA funding days requested by each intervener in the PACA applications.

Participant	Legal	Consulting	Total
EPS-5056	3.71	6.55	10.26
BCOAPO	2.60	1.75	4.35

### 3.1 EPS-5056

With respect to EPS-5056's PACA application, the Panel considers the criteria in the PACA Guidelines and acknowledges that EPS-5056 actively participated in the proceeding. The Panel considers the EPS-5056 made a significant contribution to the Panel's understanding of the key issues in the proceeding. The Panel considers the funding days request is commensurate with the contribution made by EPS-5056 in the proceeding. In consideration of the PACA Guidelines, the Panel considers that EPS-5056's total PACA costs are fair and reasonable.

**For these reasons, the Panel awards EPS-5056 the full award of \$24,049.06 inclusive of applicable taxes, based on 10.26 funding days, as applied for its participation in this proceeding.**

### 3.2 BCOAPO

With respect to BCOAPO's PACA application, the Panel considers the criteria in the PACA Guidelines and acknowledges that BCOAPO actively participated in the proceeding. The Panel considers that BCOAPO contributed to a better understanding of some issues raised in this proceeding, however, the Panel considers the number of funding days requested by the BCOAPO is excessive relative to its contribution. In the Panel's view, BCOAPO's questions, analysis and arguments did not make a significant contribution to the Panel's understanding of certain key issues in the proceeding including the appropriateness of the Year-1 rate increase, the length of levelization period, the balance of risks between the utility and ratepayers and the allocation of the rate increase between the fixed and variable rate components.

In consideration of the PACA Guidelines, whether the participant has contributed to a better understanding of the issues raised in the proceeding and whether the costs incurred are fair and reasonable, **the Panel finds the number of funding days sought by the BCOAPO is excessive and a downwards adjustment by 50 percent to the amount is warranted.**

Participant	Legal		Consulting		Total	
	Original	Revised	Original	Revised	Original	Revised
EPS-5056	3.71	3.71	6.55	6.55	10.26	10.26
BCOAPO	2.60	1.30	1.75	0.88	4.35	2.18

Accordingly, the Panel awards participant costs of \$24,049.06 and \$5,376.84, inclusive of applicable taxes, to EPS-5056 and BCOAPO respectively.