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# ORDER NUMBER F-31-22

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

and

Pacific Northern Gas Ltd.
2022 Revenue Requirements Application
for the PNG-West Division
Participant Assistance/Cost Award Application

#### **BEFORE:**

A. K. Fung, KC, Panel Chair A. C. Dennier, Commissioner B. A. Magnan, Commissioner

on December 1, 2022

## **ORDER**

## WHEREAS:

- A. On November 30, 2021, Pacific Northern Gas Ltd. (PNG) filed its 2022 Revenue Requirements Application (RRA) with the British Columbia Utilities Commission (BCUC) for the West Division (PNG-West) pursuant to sections 58 to 61 of the *Utilities Commission Act* (UCA);
- B. By Orders G-378-21, G-57-22, and G-169-22, the BCUC established a written public hearing process and a regulatory timetable, which included BCUC and intervener information requests (IR) No. 1 and 2, BCUC IR No. 3 on Shared Corporate Services Costs, responses to IRs, and written final and reply argument;
- C. British Columbia Old Age Pensioners' Organization, Active Support Against Poverty, Council of Senior Citizen's Organizations of BC, Disability Alliance BC, and Tenant Resource and Advisory Center, known collectively as BCOAPO et al. (BCOAPO) and Residential Consumer Intervener Association (RCIA) participated as interveners in the proceeding;
- D. On March 7, 2022, PNG filed its amended 2022 RRA for PNG-West;
- E. By Order G-281-22 and the decision issued concurrently dated October 11, 2022, the BCUC approved, among other things, the 2022 permanent delivery rate changes for PNG-West;
- F. The following participants filed Participant Assistance/Cost Award (PACA) applications with the BCUC with respect to their participation in the proceeding:

PACA Order with Reasons 1 of 2

| Date             | Participant | Application |  |  |
|------------------|-------------|-------------|--|--|
| August 18, 2022  | RCIA        | \$32,529.00 |  |  |
| October 03, 2022 | ВСОАРО      | \$24,052.18 |  |  |

- G. By email dated October 20, 2022, PNG provided its comments on the PACA applications, stating that it finds the fees and expenses to be reasonable; and
- H. The BCUC has reviewed the PACA applications in accordance with the criteria and rates set out in the PACA Guidelines, attached to BCUC Order G-97-17, and determines the following cost awards should be approved.

**NOW THEREFORE** pursuant to section 118(1) of the UCA and for the reasons set out in Appendix A to this order, the BCUC orders as follows:

1. Funding is awarded to the following interveners in the listed amounts below for their participation in the PNG 2022 RRA proceeding for PNG-West:

| Participant | Application | Award       |  |
|-------------|-------------|-------------|--|
| RCIA        | \$32,529.00 | \$31,846.50 |  |
| ВСОАРО      | \$24,052.18 | \$24,052.18 |  |

2. PNG is directed to reimburse the above-noted participants for the awarded amounts in a timely manner.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 1st day of December 2022.

BY ORDER

Original signed by:

A. K. Fung, KC Commissioner

Attachment

PACA Order with Reasons 2 of 2

# Pacific Northern Gas Ltd. 2022 Revenue Requirements Application for the PNG-West Division Participant Assistance/Cost Award Application

## **REASONS FOR DECISION**

#### 1.0 Introduction

On November 30, 2021, Pacific Northern Gas Ltd. (PNG) filed its 2022 Revenue Requirements Application (RRA) with the British Columbia Utilities Commission (BCUC) for the West Division (PNG-West) pursuant to sections 58 to 61 of the *Utilities Commission Act* (UCA) seeking, among other things, approval to amend its delivery rates on a permanent basis, effective January 1, 2022 (2022 RRA).

By Orders G-378-21, G-57-22, and G-169-22, the BCUC established a regulatory timetable and a written public hearing process for the review of the 2022 RRA. The timetable included intervener registration, filing an amended 2022 RRA, BCUC and intervener information requests (IR) No. 1 and 2, BCUC IR No. 3 on Shared Corporate Services Costs, responses to IRs, as well as written final and reply arguments.

Two parties, British Columbia Old Age Pensioner's Organization, Active Support Against Poverty, Council of Senior Citizen's Organizations of BC, Disability Alliance BC, and Tenants Resource and Advisory Center, known collectively as BCOAPO et al. (BCOAPO) and Residential Consumer Intervener Association (RCIA) registered as interveners by January 31, 2022, in accordance with the regulatory timetable and both parties participated in the proceeding.

On October 11, 2022, the BCUC approved, among other things, the 2022 permanent delivery rate changes for PNG-West.<sup>1</sup>

The BCUC received applications for Participant Assistance/Cost Award (PACA) funding from both interveners with respect to their participation in the proceeding.

# 1.1 Regulatory and Legislative Framework

Section 118(1) of the UCA provides that the BCUC may order a participant in a proceeding before the BCUC to pay all or part of the costs of another participant in the proceeding.

As a proceeding that commenced prior to June 30, 2022, the BCUC's Participant Assistance/Cost Award Guidelines (PACA Guidelines) apply to this proceeding.<sup>2</sup>

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

<sup>&</sup>lt;sup>1</sup> Order G-281-22 dated October 11, 2022.

<sup>&</sup>lt;sup>2</sup> Order G-178-22 dated June 30, 2022, Directive 2.

Section 3.0 of the PACA Guidelines relates to participant eligibility for a cost award. If the participant is eligible for a cost award, the Panel 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.

# 1.2 PACA Applications

RCIA and BCOAPO filed their PACA applications with the BCUC with respect to their participation in the proceeding on August 18, 2022, and October 3, 2022, respectively. The following table summarizes the cost award sought by each intervener in its respective PACA application:

| Participant | Application |  |
|-------------|-------------|--|
| RCIA        | \$32,529.00 |  |
| ВСОАРО      | \$24,052.18 |  |

Pursuant to section 14 of the PACA Guidelines, PNG was afforded the opportunity to comment on the interveners' PACA applications, and by email dated October 20, 2022, PNG stated that it finds the fees and expenses to be reasonable.

The Panel has reviewed the PACA applications in accordance with the criteria and rates set out in the PACA Guidelines, and concludes that the cost award should be approved in full for BCOAPO, and that a partial cost award should be approved for RCIA. These reasons for decision explain the Panel's decision with respect to the adjustment to the funding award for RCIA.

## 2.0 RCIA

RCIA seeks a cost award of \$32,529.00 in its PACA Application, which includes:<sup>3</sup>

- 11.2 days for consultant Mr. Ryall;
- 6.6 days for consultant Mr. Mason; and
- 0.6 days for legal counsel Mr. Cass.

<sup>&</sup>lt;sup>3</sup> RCIA PACA Application dated August 18, 2022, pp. 5–9.

RCIA included in its PACA application a breakdown of time spent on the proceeding for all professionals noted above.<sup>4</sup> Mr. Mason's time breakdown includes 4 hours described as "PACA Submission".<sup>5</sup>

Subsequently, RCIA also provided signed memorandums from each professional noted above to support the daily rates claimed.<sup>6</sup>

#### Panel Determination

The Panel, having considered the criteria in the PACA Guidelines, finds that RCIA is eligible for PACA funding and contributed to a better understanding of the issues raised in this proceeding. However, the Panel notes that RCIA's supporting timesheet for consultant, Mr. Mason includes 4 hours of time spent preparing its PACA submission. The Panel considers it is not reasonable for the cost award to include these costs, as they relate to matters of billing. Therefore, the Panel awards RCIA with \$31,846.50, inclusive of taxes, which is based on a reduction of 4 hours billed by Mr. Mason as a consultant. The award is calculated as follows:

| RCIA                     | Daily Rate | Days             | Subtotal    | GST        | Total       |
|--------------------------|------------|------------------|-------------|------------|-------------|
| Mr. Ryall - Consultant   | \$1,850    | 11.2             | \$20,720.00 | \$1,036.00 | \$21,756.00 |
| Mr. Mason - Consultant   | \$1,300    | 6.1 <sup>7</sup> | \$7,930.00  | \$396.50   | \$8,326.50  |
| Ms. Cass - Legal Counsel | \$2,800    | 0.6              | \$1,680.00  | \$84.00    | \$1,764.00  |
| Total Award              |            |                  |             |            | \$31,846.50 |

<sup>&</sup>lt;sup>4</sup> RCIA PACA Application dated August 18, 2022, Attachment "PNG W 2022 RRA - RCIA Time Entries".

<sup>&</sup>lt;sup>5</sup> RCIA PACA Application dated August 18, 2022, Attachment "PNG W 2022 RRA - RCIA Time Entries", rows 29–31.

<sup>&</sup>lt;sup>6</sup> RCIA PACA Supporting Memorandums dated November 8, 2022 and November 12, 2022.

<sup>&</sup>lt;sup>7</sup> 6.1 days is calculated as 6.6 days less 4 hours or 0.5 days (4 hours / 8 hours), as the maximum daily fees are based on an 8 hour day in accordance with Section 7.2 of the PACA Guidelines.