M A N I T O B A ) Order No. 149/04 )
THE PUBLIC UTILITIES BOARD ACT ) December 6, 2004

BEFORE: Graham F. J. Lane, B.A., C.A., Chairman Monica Girouard, C.G.A., Member Mario J. Santos, B.A., LL.B, Member

APPLICATION BY THE CONSUMERS' ASSOCIATION OF CANADA (MANITOBA) INC. AND MANITOBA SOCIETY OF SENIORS FOR AN AWARD OF COSTS FOR PARTICIPATING IN THE 2004/05 COST OF GAS APPLICATION OF CENTRA GAS MANITOBA INC.

## Background

A public hearing was held in the City of Winnipeg, commencing September 8, 2004 to consider issues arising out of an application by Centra Gas Manitoba Inc. ("Centra") regarding the 2004/05 Cost of Gas Application. The Consumers' Association of Canada (Manitoba) Inc. and Manitoba Society of Seniors (the "Applicant" or "CAC/MSOS") were granted intervenor status to present a joint intervention.

## Application by CAC/MSOS

By letter dated October 20, 2004 the Applicant, through its Counsel, filed with the Board the appropriate hearing and summary sheets detailing the claim for costs. The total claim for costs is \$78,916.34 comprised of professional fees (legal, accounting and consultant) of \$65,661.36, disbursements of \$4,781.75 and GST of \$7,406.94.

In commenting on the nature of its intervention, CAC/MSOS noted that the hearing was lengthy and more complex than past cost of gas hearings, and involved six full days of evidence and one day of argument. The Applicant noted that it made a major contribution to the hearing, by addressing ten major issues. The Applicant also noted that it had been scrupulous in its direction of the work of its consultants, and indicated that the account related to the consultant was reasonable. CAC/MSOS noted that its cost application was less than the budget it had initially provided to the Board, and that it had made a concerted effort to reduce the cost of its intervention. The Applicant advised that its special efforts to cut costs included its use of junior counsel, and fee reductions with respect to its expert witness and Senior Counsel.

The Applicant submitted that there was no duplication of effort with respect to the involvement of the other intervenors. The Applicant also noted its lack of financial resources, and its substantial interest in the outcome of the proceedings. The Applicant asked that the Order as to costs to be rendered as soon as possible.

Centra responded to the request for costs by the Applicant by way of a letter dated November 3, 2004, indicating that it accepted the quantum of costs as being consistent with costs sought in previous Cost of Gas Applications. Centra noted its concerns with regards to certain of the travel costs.

By way of letter dated November 8, 2004, CAC/MSOS responded to Centra's comments, and provided details and support for the travel expenses (incurred in connection with Senior Counsel's trip to Toronto to meet with CAC/MSOS' expert witness). Subsequently, by a letter dated November 18, 2004, Centra questioned the need for CAC/MSOS' Senior Counsel to travel to Toronto to meet with the consultant, and noted that \$467.29 of the expenses rendered remained unexplained. Bay way of a letter dated November 23, 2004, CAC/MSOS responded providing additional invoice detail, while maintaining a necessity for the Toronto meeting.

## Board Comments

The Board has reviewed the submissions of the Applicant and the comments provided by Centra Gas. The Board notes that the subject matter of the hearing had significant implications for Centra's ratepayers.

With respect to this Application for costs, the Board finds that the Applicant has both demonstrated financial need and a substantial interest in the proceeding. Furthermore, the Board finds that the Applicant did represent CAC/MSOS' interests in a responsible manner, and both respected the public hearing process and co-operated with the other parties to the hearing.

- 4 -

The Board is appreciative of the cost control approach taken by the Applicant.

The Board will approve all of the costs submitted on behalf of the Applicant, for payment by Centra within fifteen (15) days from the date of this Order.

## IT IS THEREFORE ORDERED THAT:

- 1. The Consumers' Association of Canada (Manitoba) Inc. and Manitoba Society of Seniors' application for an award of costs BE AND IS HEREBY APPROVED in the amount of \$78,916.34; and
- 2. These costs shall be paid by Centra Gas Manitoba Inc. within 15 days of the date of this Order.

THE PUBLIC UTILITIES BOARD

"GRAHAM F. J. LANE, C.A." Chairman

"H. M. SINGH" Acting Secretary

Certified a true copy of Order No. 149/04 issued by The Public Utilities Board

Acting Secretary