

MANITOBA) Order No. 122/07
)
THE PUBLIC UTILITIES BOARD ACT) September 25, 2007

BEFORE: Graham Lane, C.A., Chairman
Leonard Evans, LL.D., Member
Eric Jorgensen, Member

AWARD OF COSTS: CONSUMERS' ASSOCIATION OF
CANADA (MANITOBA) INC./MANITOBA SOCIETY OF
SENIORS (INTERVENTION IN CENTRA GAS
MANITOBA INC.'S 2007/08 AND 2008/09
GENERAL RATE APPLICATION)

Introduction

By this Order, the Public Utilities Board (Board) approves an award of costs of \$181,757.98 in favour of the Consumers' Association of Canada (Manitoba) Inc. and the Manitoba Society of Seniors (CAC/MSOS), with respect to CAC/MSOS' participation in the Board's proceeding for Centra Gas Manitoba Inc.'s (Centra) 2007/08 and 2008/09 General Rate Application.

Application

The Board held a public hearing regarding Centra's application at the Board's offices in Winnipeg, beginning on June 5, 2007 and concluding on June 20, 2007.

Pursuant to Section 56 of *The Public Utilities Board Act*, the Board has jurisdiction to award costs of, and incidental to, any proceeding. The Board's Rules of Practice and Procedure (Rules) stipulate four criteria for determining whether costs should be awarded, that being whether an Intervener:

1. made a significant contribution relevant to the proceeding and contributing to a better understanding by all parties of the issues before the Board;
2. participated in the hearing in a responsible manner and cooperated with other Interveners with common objectives to avoid a duplication of intervention;

3. had insufficient financial resources to present the case adequately without an award of costs; and
4. had a substantial interest in the outcome of the proceeding, and represented the interests of a substantial number of MH's customers.

CAC/MSOS applied for an award of costs of \$195,900.12, comprised of:

Legal	Fees		\$80,252.60
	Disbursements		<u>11,769.14</u>
	Total legal		<u>92,021.74</u>
Consulting	Fees: Dr. R. Higgins	\$10,684.80	
	Mr. M. Stauft	26,330.40	
	Mr. G. Matwichuk	<u>63,918.00</u>	100,933.20
	Disbursements		<u>2,945.18</u>
	Total Consulting		<u>103,878.38</u>
GRAND TOTAL			<u><u>\$195,900.12</u></u>

In support of an application, CAC/MSOS noted that its claim was relatively close to its original budget of \$192,936.00.

CAC/MSOS opined that there had been no duplication of its effort with those of the other interveners. With respect to the use of consultants, CAC/MSOS submitted that in a concerted effort to restrain regulatory costs it provided clear direction guiding their involvement to achieve efficiency and effectiveness.

Centra's Comment

Centra raised no objection to an award of costs to CAC/MSOS. However, Centra raised a concern with the presentation of the claim, suggesting that it was not properly organized nor submitted in a manner conducive to verification.

Centra recommended that in future, CAC/MSOS' supporting documentation should be properly referenced to the claimed costs.

Board Findings

Cost awards are at the Board's discretion, and the Board makes cost awards on the basis of long-established criteria that require applicants have a material interest in the proceeding, lack the financial resources necessary to participate in the absence of a cost award, and participate responsibly.

CAC/MSOS is well known to the Board, and the Board accepts that CAC/MSOS not only had a material interest in the outcome of the proceeding, but also participated responsibly while being a non-profit organization lacking the ability to participate effectively without a cost award.

The Board finds that the matters raised and commented on by CAC/MSOS during the hearing were germane to the matters at hand.

With respect to the claim submitted by CAC/MSOS, the Board had two concerns. The first echoed the issue raised by Centra in its response, namely the organization of the claim and an inability to easily reconcile supporting vouchers to amounts submitted.

Secondly, the Board was concerned with the proposed billing rates, which in some cases exceeded the rates the Board provides its own legal counsel and advisors. The Board has raised this issue previously with CAC/MSOS and other interveners, and has not changed its view. The Board notes that its allowed maximum rates have increased over those provided in previous years.

Accordingly, the claim has been adjusted to reflect consistency with the rates allowed:

Legal	Fees		\$74,882.28
	Disbursements		<u>11,734.19</u>
	Total legal		<u>86,616.47</u>
Consulting	Fees: Dr. R. Higgins	\$9,412.80	
	Mr. M. Stauff	24,355.62	
	Mr. G. Matwichuk	<u>59,124.15</u>	92,892.57
	Disbursements		<u>2,248.94</u>
	Total Consulting		<u>95,141.51</u>
GRAND TOTAL			<u>\$181,757.98</u>

In summary, the Board will meet the majority of the proposed award, after deductions to reduce compensation with respect to some of the hourly rates applied for by CAC/MSOS, and some minor adjustments to disbursements to reflect Board policy.

This said, the Board is appreciative of CAC/MSOS' involvement in the recently concluded proceeding.

IT IS THEREFORE ORDERED THAT:

1. The application of the Consumers' Association of Canada (Manitoba) Inc./Manitoba Society of Seniors' for an award of costs BE AND IS HEREBY APPROVED in the total amount of \$181,757.98; and
2. Costs be payable by Centra Gas Manitoba Inc. within 30 days of the date of this Order.

THE PUBLIC UTILITIES BOARD

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

"G. GAUDREAU, CMA"
Secretary

Certified a true copy of
Order No. 122/07 issued by
The Public Utilities Board

Secretary