



**AltaLink Management Ltd.
2017-2018 General Tariff Application
Negotiated Settlement Agreement Revenue Sharing**

Costs Award

December 11, 2019

Alberta Utilities Commission

Decision 24913-D01-2019

AltaLink Management Ltd.

2017-2018 General Tariff Application

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Calgary, Alberta

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1 Introduction

1. In this decision, the Alberta Utilities Commission considers applications by AltaLink Management Ltd. and by the Consumers' Coalition of Alberta (CCA) for approval and payment of their costs of participation in Proceeding 24694¹ (the original proceeding).

2. The following table sets out the costs claimed and the amounts awarded:

Claimant	Total Fees Claimed	Total Disbursements Claimed	Total GST Claimed	Total Amount Claimed	Total Fees Awarded	Total Disbursements Awarded	Total GST Awarded	Total Amount Awarded
AltaLink								
Borden Ladner Gervais LLP	\$3,150.00	\$0.00	\$0.00	\$3,150.00	\$3,150.00	\$0.00	\$0.00	\$3,150.00
CCA								
Wachowich & Company LLP	\$2,345.00	\$0.00	\$117.25	\$2,462.25	\$2,345.00	\$0.00	\$117.25	\$2,462.25
Bema Enterprises Ltd.	\$10,660.50	\$0.00	\$533.03	\$11,193.53	\$8,184.50	\$0.00	\$409.23	\$8,593.73
Total	\$13,005.50	\$0.00	\$650.28	\$13,655.78	\$10,529.50	\$0.00	\$526.48	\$11,055.98
Total amount claimed by parties				\$16,805.78	Total amount awarded to parties			\$14,205.98

3. The Commission has awarded full costs to AltaLink and reduced costs to the CCA for the reasons set out below.

4. The original proceeding was convened by the Commission to consider an application from AltaLink for approval to refund cost savings resulting from AltaLink's 2017-2018 General Tariff Application Negotiated Settlement Agreement (NSA). The proceeding consisted of information requests (IRs), responses to IRs, written argument and reply argument. The close of record for the original proceeding was August 21, 2019, and the Commission issued Decision 24694-D01-2019,² on September 26, 2019.

5. AltaLink and the CCA submitted their costs claim applications on September 20, 2019, within the 30-day timeline permitted by the Commission's rules. The Commission assigned Proceeding 24913 and applications 24913-A001 and 24913-A002 to the respective costs claim

¹ Proceeding 24694: AltaLink Management Ltd. 2017-2018 General Tariff Application Negotiated Settlement Agreement Revenue Sharing.

² Decision 24694-D01-2019: AltaLink Management Ltd. 2017-2018 General Tariff Application Negotiated Settlement Agreement Revenue Sharing, Proceeding 24694, September 26, 2019.

applications. On September 24, 2019, the CCA filed an updated application to correct an error in the disbursements claimed for Wachowich & Company LLP.

6. Also on September 24, 2019, AltaLink filed comments on the CCA's costs claim application. AltaLink opposed the CCA's costs claim in its entirety, arguing that the CCA agreed to the NSA and that the CCA's intervention was not required for a routine compliance filing. On October 3, 2019, the CCA filed its response, noting that its participation was reasonable and responsible and that the Commission permitted its participation in the original proceeding.

7. The Commission considers the close of record for this proceeding to be October 3, 2019, the date reply comments were received.

2 Commission findings

8. The Commission's authority to award costs for participation in a utility rates proceeding is found in Section 21 of the *Alberta Utilities Commission Act*. When considering an application by an eligible participant for approval and payment of costs incurred in connection with a utility rates proceeding, the Commission is also guided by the factors set out in Section 11 of Rule 022: *Rules on Costs in Utility Rate Proceedings*. These factors include whether the costs claimed are reasonable and directly and necessarily related to the original proceeding, and whether the participants acted responsibly and contributed to a better understanding of the issues before the Commission. Appendix A of Rule 022 prescribes a Scale of Costs applicable to all costs claimed.

2.1 AltaLink Management Ltd.

9. The following table summarizes AltaLink's costs claim:

Claimant	Hours			Fees	Disbursements	GST	Total
	Preparation	Attendance	Argument				
AltaLink							
Borden Ladner Gervais LLP	0.00	0.00	9.00	\$3,150.00	\$0.00	\$0.00	\$3,150.00

10. The Commission finds that AltaLink acted responsibly in the original proceeding and contributed to the Commission's understanding of the relevant issues.

2.1.1 Borden Ladner Gervais LLP

11. AltaLink was represented by Borden Ladner Gervais in the original proceeding. The fees claimed by AltaLink for the legal services provided by Randall Block Q.C. relate to providing advice on procedural matters and regulatory strategy and reviewing written argument and reply argument.

12. The Commission finds that the services performed by Borden Ladner Gervais were directly and necessarily related to AltaLink's participation in the original proceeding, and that the fees, which were claimed in accordance with the Scale of Costs for those services, are reasonable. Accordingly, the Commission approves AltaLink's claim for legal fees for Borden Ladner Gervais in the amount of \$3,150.00.

2.1.2 Total awarded to AltaLink

13. For the reasons provided above, the Commission approves AltaLink's claim for recovery of costs in the total amount of \$3,150.00.

2.2 Consumers' Coalition of Alberta

14. The following table summarizes the CCA's costs claim:

Claimant	Hours			Fees	Disbursements	GST	Total
	Preparation	Attendance	Argument				
CCA							
Wachowich & Company LLP	4.70	0.00	2.00	\$2,345.00	\$0.00	\$117.25	\$2,462.25
Bema Enterprises Ltd.	28.40	0.00	27.95	\$10,660.50	\$0.00	\$533.03	\$11,193.53
Total	33.10	0.00	29.95	\$13,005.50	\$0.00	\$650.28	\$13,655.78

15. The Commission finds that the CCA generally acted responsibly in the original proceeding and contributed to the Commission's understanding of the relevant issues. However, the Commission is unable to approve the full amount of the costs claimed in respect of the services performed by Bema Enterprises Ltd. for the reasons set out below.

2.2.1 Wachowich & Company LLP

16. The CCA was represented by Wachowich & Company in the original proceeding. The fees claimed by the CCA for the legal services provided by James Wachowich Q.C. relate to reviewing information from the CCA's consultants, reviewing IRs, reviewing submissions on the need for further process and reviewing written argument.

17. The Commission finds that the services performed by Wachowich & Company were directly and necessarily related to the CCA's participation in the original proceeding and that the fees, which were claimed in accordance with the Scale of Costs for those services, are reasonable. Accordingly, the Commission approves the CCA's claim for legal fees for Wachowich & Company in the amount of \$2,345.00 and GST of \$117.25 for a total of \$2,462.25.

2.2.2 Bema Enterprises Ltd.

18. Bema was retained by the CCA to perform consulting services in the original proceeding. The fees claimed by the CCA for the consulting services provided by Dustin Madsen, Dan Levson and Angela Chau relate to reviewing the application, drafting IRs, assessing responses to IRs, preparing submissions on the need for further process, drafting the CCA's argument and analyzing AltaLink's reply argument.

19. The Commission notes that parties to the original proceeding were invited to provide IRs to AltaLink and to provide final written argument. The Commission finds that it is reasonable for the CCA to apply for costs and that the CCA contributed to the Commission's understanding of the relevant issues.

20. While the Commission finds that the services performed by Bema were directly and necessarily related to the CCA's participation in the original proceeding, it finds that the number

of hours claimed for these services was excessive and therefore unreasonable, for the following reasons. Bema claimed a total of 26.05 hours³ for the preparation of the CCA's argument.⁴ The argument briefly addressed three issues: (i) inclusion of STIP costs above target, (ii) inclusion of safety bonuses of \$0.3M, and (iii) AltaLink's calculation of Rule 023 interest. The Commission finds that the number of hours claimed by Bema for the argument is not proportional to the number or significance of the issues raised and addressed in the CCA's argument or to the value to the Commission of the argument in the proceeding.

21. The Commission therefore finds that a 50 per cent reduction to the hours claimed by Bema for argument is warranted and approves a total of 43.33 hours⁵ for the consulting services provided by Bema to the CCA. Accordingly, the Commission approves the CCA's claim for consulting fees for Bema in the amount of \$8,184.50 and GST of \$409.23 for a total of \$8,593.73.

2.2.3 Total awarded to the CCA

22. For the reasons provided above, the Commission approves the CCA's claim for recovery of costs in the total amount of \$11,055.98. This amount is composed of legal fees of \$2,345.00, consulting fees of \$8,184.50 and GST of \$526.48.

23. The Commission notes that the original proceeding was a routine compliance filing arising from a unanimous and ultimately Commission-approved NSA encompassing all issues in AltaLink's 2017-2018 General Tariff Application (Proceeding 21341⁶) save and except for one. In future such cases, the Commission expects that interveners would limit the scope of their participation to material issues not addressed in the NSA or to matters that the intervenor does not think were fully canvassed in the NSA which require further consideration by the Commission.

3 Order

24. It is hereby ordered that:

- (1) AltaLink Management Ltd. shall pay external costs in the total amount of \$3,150.00.
- (2) AltaLink Management Ltd. shall record in its Hearing Cost Reserve account approved external costs in the amount of \$3,150.00.

³ Exhibit 24913-X0007, PDF page 20 (Mr. Levson's time entries for 8-10-2019 through 8-15-2019 totaling 1.65 hours), PDF page 22 (Mr. Madsen's time entries for 8-07-2019 through 8-13-2019, totaling 6.30 hours) and PDF page 24 (Ms. Chau's time entries for 8-07-2019 through 8-12-2019 totaling 18.10 hours).

⁴ Exhibit 24694-X0023.

⁵ The total number of hours claimed by Bema was 56.35, including 26.05 hours for the preparation of argument. A reduction of 50 per cent for the preparation of argument results in a reduction of 26.05×0.5 or 13.25 hours, which in turn results in a total number of $56.35 - 13.25 = 43.33$ hours.

⁶ Proceeding 21341, AltaLink Management Ltd., 2017-2018 General Tariff Application Negotiated Settlement Agreement.

- (3) AltaLink Management Ltd. shall pay intervener costs to the Consumers' Coalition of Alberta in the total amount of \$11,055.98.
- (4) AltaLink Management Ltd. shall record in its Hearing Cost Reserve account approved intervener costs in the amount of \$11,055.98.

Dated on December 11, 2019.

Alberta Utilities Commission

(original signed by)

Kristi Sebalj
Commission Member