



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER F-7-15**

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, BC V6Z 2N3 CANADA
web site: <http://www.bcuc.com>

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

Application for Participant Assistance/Cost Awards
in the Pacific Northern Gas Ltd. Application for Approval of
an Assignment and Amendment of a Firm and Interruptible Gas Transportation Service Agreement

BEFORE: L. F. Kelsey, Commissioner
N. E. MacMurchy, Commissioner April 17, 2015
I. F. MacPhail, Commissioner

ORDER

WHEREAS:

- A. By Order G-72-07 dated July 5, 2007, the British Columbia Utilities Commission (Commission) approved Participant Assistance/Cost Award (PACA) Guidelines, included as Appendix A to the Order. Pursuant to the PACA Guidelines, an application for a cost award must be made by filing a written application with the Commission within thirty days following the last day of a proceeding;
- B. On December 12, 2014, Pacific Northern Gas Ltd. (PNG) filed with the Commission an application for approval under section 58 of the *Utilities Commission Act* for:
- (i) assignment of the Existing Firm and Interruptible Gas Transportation Service Agreement (GTSA) all in accordance with the Assignment, Novation and Amendment Agreement among PNG, LNG Partners, LLC, Douglas Channel LNG Assets Partnership and EDF Trading Limited (EDFT) dated December 12, 2014 as filed with the application;
 - (ii) certain amendments to the Existing GTSA in accordance with the Firm and Interruptible Gas Transportation Service Agreement between PNG and EDFT dated December 12, 2014, as attached as Schedule A to the Assignment, Novation and Amendment Agreement and as filed with the application (EDFT GTSA); and
 - (iii) acceptance of the EDFT GTSA as PNG Tariff Supplement No. 30 and cancellation of Tariff Supplement No. 29 for the Existing GTSA;

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- C. By Order G-206-14 dated December 19, 2014, the Commission established a regulatory timetable for the review of the Application which included the establishment and scope of a Streamlined Review Process for review of the application;
- D. The Streamlined Review Process was held on January 19, 2015 and the Commission issued Order G-5-15 on January 20, 2015, approving the Application;
- E. On February 5, 2015, the Commission received a PACA application from the British Columbia Old Age Pensioners Organization *et al.* (BCOAPO), a registered intervener in the proceeding;
- F. Pursuant to the PACA Guidelines, PNG was provided an opportunity to comment on the PACA application from BCOAPO. By email dated February 11, 2015, PNG noted that it found the fees and expenses to be reasonable; and
- G. The Panel considered the PACA application in the context of the PACA Guidelines.

NOW THEREFORE pursuant to section 118(1) of the *Utilities Commission Act* and for the reasons set out in the Reasons for Decision attached as Appendix A to this order, the British Columbia Utilities Commission orders as follows:

1. The British Columbia Old Age Pensioners Organization *et al.* is awarded \$5,033.17 of the requested amount of \$6,291.07, with respect to its participation in the process for the application by Pacific Northern Gas Ltd. for Approval of the Assignment and Amendment of a Firm and Interruptible Gas Transportation Services Agreement.
2. Pacific Northern Gas Ltd. is directed to reimburse the British Columbia Old Age Pensioners Organization *et al.* for the amount that has been awarded in a timely manner.

DATED at the City of Vancouver, in the Province of British Columbia, this 20th day of April 2015.

BY ORDER

L. F. Kelsey
Commissioner

Attachment

Pacific Northern Gas Ltd.
Application for the Assignment and Amendment
of a Firm and Interruptible Gas Transportation Service Agreement
Participant Assistance/Cost Award

REASONS FOR DECISION

1.0 INTRODUCTION

On December 12, 2014, Pacific Northern Gas Ltd. (PNG) filed an application (Application) for approval of an assignment of the Existing Firm and Interruptible Gas Transportation Service Agreement (GTSA), certain amendments to the existing GTSA, and acceptance of the amended GTSA as PNG Tariff Supplement No. 30 and cancellation of Tariff Supplement No. 29 for the existing GTSA.

By Order G-206-14 dated December 19, 2014, the British Columbia Utilities Commission (Commission) established a regulatory timetable for the review of the Application, which included the establishment and the scope of a Streamlined Review Process (SRP) for review of the Application. The order limited the scope of the SRP to the impact on PNG and its ratepayers from PNG's request for the assignment of the existing GTSA; certain amendments to the existing GTSA; and the acceptance of the EDF Trading Limited GTSA as PNG Tariff Supplement No. 30 and the cancellation of Supplement No. 29 for the existing GTSA. The regulatory timetable provided for one round of information requests.

The SRP was held on January 19, 2015. At the commencement of the proceeding, the Panel Chair reminded all participants of the scope of the SRP and requested that participants not stray into areas that are not related to the decision to be made by the Panel.

On January 20, 2015, the Commission issued Order G-5-15 approving the Application.

On February 5, 2015, the Commission received a Participant Assistance/Cost Award (PACA) application from the British Columbia Old Age Pensioners Organization *et al.* (BCOAPO) in the amount of \$6,291.07.

2.0 COMMISSION DISCUSSION

The Panel finds that BCOAPO had a "substantial interest" in the proceeding. The Panel reviewed the PACA application with regard for the criteria and rates set out in the PACA Guidelines attached to Commission Order G-72-07 and is satisfied that BCOAPO should receive a participant assistance cost award.

With regard to the scope of inquiry pursued by BCOAPO, the Panel notes, based on a review of the individual information requests, that more than two-thirds of these requests could be considered out-of-scope. While the Panel recognizes that the exact number of out-of-scope requests is subjective, the Panel is concerned with the large number of information requests considered to be out-of-scope. The PACA claim by BCOAPO did not describe in detail the amount of time spent on each element of the proceeding including information requests.

However, the Panel has considered the cost of additional time incurred by both the Intervener and the Applicant with respect to out-of-scope information requests. The costs related to this additional time are inevitably borne by the ratepayers.

The Panel finds that the PACA funding approval should reflect that a significant number of the information requests explored topics that were beyond the established scope of the proceeding as set out in Order G-206-14. For this reason, **the Panel determines that the counsel and consultant fees that can be recovered should be reduced by 20 percent (\$1,150.00 plus applicable taxes), and that the adjusted amount of \$5,033.17 be approved.**