

**Attachment A – Draft Budget**

**Consumers Coalition High Level Budget**  
**Overview of Budget Estimate\***

<b>Fees</b>	<b>Hours</b>	<b>Rate/Hour</b>	<b>Total</b>
Byron Williams	378 - 543	\$285.00	\$107,730.00- \$154,755.00
Katrine Dilay (Public Interest Law Centre Legal Team)	126 -181	\$100.00	\$12,600.00- \$18,100.00
William Harper	430	\$225.00	\$96,750.00
Wayne Simpson**	120	\$175.00	\$21,000.00
Janice Compton** (University of Manitoba Team)	68	\$150.00	\$10,200.00
METSCO	410 - 460	\$240.00- \$260.00	\$98,400.00- \$119,600.00
Morrison Park*** (shared with MIPUG)	22 - 23 days	\$3,000.00 - \$5,000.00/day	\$45,000.00- \$62,500.00
Doug Gotham (Exchange rates as of June 2/17 at 2:15pm)	100 - 320	\$134.97 CAD ((\$100 USD)	\$13,497.00- \$43,190.40 CAD ((\$10,000.00- \$32,000.00 USD)
Consumer Panel			\$2,000.00-\$5,000.00
Consumer Engagement****		TBD	\$11,000.00
<b>Fees Total</b>			<b>\$418,177.00- \$542,095.40</b>

**Disbursements**

Meals, travel and accommodations:

Pelino Colaiacovo (Morrison Park Advisors)	\$1,800.00
METSCO	\$1,800.00
William Harper (contingent on the provision of expert evidence)	\$1,800.00
Douglas Gotham (contingent on the provision of expert evidence)	\$1,800.00

DRAFT BUDGET OF THE CONSUMERS COALITION  
MANITOBA HYDRO 2017/18 & 2018/19 GENERAL RATE APPLICATION

PILC Legal Team travel to Toronto	\$3,000.00
Focus Groups travel costs ****	\$1,500.00
<u>Miscellaneous:</u>	
Photo copying, transcripts and materials (including disbursements charged by experts)	\$3,000.00
Costs associated with focus groups****	\$2,500.00
Administration fee for Morrison Park Advisors	\$4,500.00- \$6,250.00
<b>Disbursements Total</b>	<b>\$21,700.00- \$23,450.00</b>
<b>Total Fees and Disbursements</b>	<b>\$439,877.00- \$565,545.40</b>
Plus contingency of 5%	\$21,993.85– \$28,277.27
<b>Total (including contingency)</b>	<b><u>\$461,870.85- \$593,822.67</u></b>

\* This document consists of high-level and highly contingent estimates, which could vary materially.

\*\* These costs may be shared with other Interveners.

\*\*\* As discussed in more detail later in this document, we propose that the costs associated with retaining Morrison Park Advisors be split in half between the Consumers Coalition and the Manitoba Industrial Power Users Group.

\*\*\*\* The costs associated with the focus groups will not be billed unless a report is filed and accepted as evidence.



DRAFT BUDGET OF THE CONSUMERS COALITION  
 MANITOBA HYDRO 2017/18 & 2018/19 GENERAL RATE APPLICATION

			62.5-101 hours at \$100/hour = \$6,250.00- \$10,100.00
	<b>- Attendance at hearing</b>	144-210*	108-157.5 hours at \$285/hour = \$30,780.00- \$44,887.50  36-52.5 hours at \$100/hour = \$3,600.00-\$5,250.00
	<b>- Preparing written and oral final arguments</b>	60	45 hours at \$285/hour = \$12,825.00  15 hours at \$100/hour = \$1,500.00
<b>Total</b>		<b>504-724</b>	<b>\$120,330.00 - \$172,855.00</b>

\*This estimate assumes 6 hours per hearing day spent in the hearing room.

**William Harper**

<b>Relevant Issues (see Attachment B)</b>	<b>Activity</b>	<b>Time (Hours)</b>	<b>Cost (x \$225/hr)</b>
1, 5, 10, 11, 13, 15 and oversight of expert team	- <b>Preparation for hearing:</b> Review Evidence, Initial Issue Identification, Client Briefing, Assist Public Interest Law Centre with Work Plan	40	\$9,000.00
“”	- <b>Preparation for hearing:</b> Interim Rate Request – Submission Support	50	\$11,250.00
“”	- <b>Preparation for hearing:</b> Preparation for, attendance at and support for written submissions following the Rate Design and Bill Affordability Workshop	20	\$4,500.00
“”	- <b>Discovery:</b> Information Request #1 – General Rate Application	50	\$11,250.00
“”	- <b>Discovery:</b> Review Information Request Responses & Information Request #2 – General Rate Application	50	\$11,250.00
“”	- <b>Preparation of evidence:</b> Possible Econalysis Consulting Service Evidence <sup>(1)</sup> (Contingency)	80	\$18,000.00
“”	- <b>Discovery:</b> Review Intervener Evidence, Prepare Information Requests	35 <sup>(2)</sup>	\$7,875.00
“”	- <b>Preparation for hearing:</b> Cross-Examination Support	50	\$11,250.00
“”	- <b>Preparation for hearing:</b> Econalysis Consulting Service Witness Preparation & Appearance (Contingency)	25	\$5,625.00
“”	- <b>Preparation of written and oral final argument:</b> Final Submission Support	30	\$6,750.00
<b>Total</b>		<b>430</b>	<b>\$96,750.00</b>

Notes: (1) Current discussions suggest that evidence may be required regarding specific issues (e.g. Cost of Service Study Implementation and Rate Design Proposals). A contingency provision is made here.

(2) Based on 4-5 other interveners filing evidence.

**Wayne Simpson (University of Manitoba)**

Relevant Issues (see Attachment B)	Activity	Time (Hours)	Cost (x \$175/hr)
2	<ul style="list-style-type: none"> <li>- <b>Preparation of evidence:</b> Literature review on regional impact analysis, methodology and analysis of impact on Manitoba Hydro rate increases on Manitoba economy and vulnerable rate classes</li> <li>- <b>Discovery:</b> Draft Information Requests</li> <li>- <b>Preparation of evidence:</b> Draft report</li> <li>- <b>Discovery:</b> Response to report</li> <li>- <b>Preparation and attendance at oral hearing:</b> Public Utilities Board testimony including prep and follow-up</li> </ul>	18   2 6 2 12	\$7,000.00
12	<ul style="list-style-type: none"> <li>- <b>Preparation of evidence:</b> Literature review on energy poverty: problems and options, analysis of options</li> <li>- <b>Discovery:</b> Draft Information Requests</li> <li>- <b>Preparation of evidence:</b> Draft report</li> <li>- <b>Discovery:</b> Response to report</li> <li>- <b>Preparation and attendance at oral hearing:</b> Public Utilities Board testimony incl. prep and follow-up</li> </ul>	24  4 10 4 8	\$8,750.00
17	<ul style="list-style-type: none"> <li>- <b>Preparation of evidence:</b> Review of past assessments and outstanding issues, review Tab 7 Electric Load Forecast, Demand Side Management &amp; Energy Supply, App 7.1 2016 Load Forecast, Review of Tab 4 Financial Targets &amp; Uncertainty Analysis</li> <li>- <b>Preparation and attendance at oral hearing:</b> Public Utilities Board testimony (assumes joint or no testimony)</li> </ul>	30	\$5,250.00
<b>Total</b>		<b>120</b>	<b>\$21,000.00</b>

**Janice Compton (University of Manitoba)**

Relevant Issues (see Attachment B)	Activity	Time (Hours)	Cost (x \$150/hr)
2	<ul style="list-style-type: none"> <li>- <b>Preparation of evidence:</b> Literature review on regional impact analysis, methodology and analysis of impact on Manitoba Hydro rate increases on Manitoba economy and vulnerable rate classes</li> <li>- <b>Discovery:</b> Draft Information Requests</li> <li>- <b>Preparation of evidence:</b> Draft report</li> <li>- <b>Discovery:</b> Response to report</li> <li>- <b>Preparation and attendance at oral hearing:</b> Public Utilities Board testimony including prep and follow-up</li> </ul>	<p style="text-align: right;">36</p> <p style="text-align: right;">4</p> <p style="text-align: right;">12</p> <p style="text-align: right;">4</p> <p style="text-align: right;">12</p>	<p style="text-align: right;">\$10,200.00</p>
<b>Total</b>		<b>68</b>	<b>\$10,200.00</b>

**METSCO**

<b>Relevant Issues (see Attachment B)</b>	<b>Activity</b>	<b>Time (Hours)</b>	<b>Cost (x \$240/hr - \$260/hr)</b>
9	<ul style="list-style-type: none"> <li>- <b>Preparation for hearing:</b> Assist in the development of the overall case theory, prepare briefings for the Consumers' Coalition</li> <li>- <b>Discovery:</b> Develop Information Requests</li> <li>- <b>Preparation for hearing:</b> Assist in the identification of required additional expertise</li> <li>- <b>Preparation for hearing:</b> Provide briefings to other experts as required</li> <li>- <b>Preparation for hearing:</b> Preparation for and attendance at the Technical Conference on Sustaining Capital</li> </ul>	135	\$28,800.00 - \$31,200.00
9	<ul style="list-style-type: none"> <li>- <b>Preparation of evidence:</b> Prepare critical analysis of Manitoba Hydro's sustaining capital expenditures</li> <li>- <b>Preparation of evidence:</b> written evidence</li> <li>- <b>Discovery:</b> Drafting supplemental Information Requests</li> <li>- <b>Discovery:</b> Preparing responses to Information Requests</li> <li>- <b>Preparation for and attending oral hearing</b></li> </ul>	240	\$57,600.00 - \$62,400.00
8	<ul style="list-style-type: none"> <li>- <b>Preparation of evidence:</b> Examination of major new capital</li> <li>- <b>Preparation for and attending oral hearing</b></li> </ul>	50-100	\$12,000.00 - \$26,000.00
<b>Total</b>		<b>410 - 460</b>	<b>\$98,400.00 - \$119,600.00</b>

We note that given the nature of the estimate provided by METSCO, we were unable to further divide the hours between the categories identified by the Public Utilities Board in Order 70/17.

We also note that we have included a range of hourly rate for METSCO. \$260/hour reflects METSCO's hourly rate in its estimate, while \$240/hour reflects the Public Utilities Board rate structure. We would respectfully request that the Public Utilities Board approve the rate of \$260/hour, given that this more accurately represents market value and that we expect significant value added to the process.



**Morrison Park Advisors (Pelino Colaiacovo)**

Relevant Issues (see Attachment B)	Activity	Time (Days)	Cost (\$3,000.00 - \$5,000.00/ day)
3, 4 and 17	- <b>Preparation of evidence:</b> Review of application, evidence, historical information - <b>Preparation of evidence:</b> Model, on a very limited basis, the potential impact on Manitoba Hydro of further unplanned capital expenditures, and compare the same to other possible risks	2	\$6,000.00 - \$10,000.00
“”	- <b>Preparation of evidence:</b> Research and benchmarking of alternatives - <b>Preparation of evidence:</b> Research and compare the debt management strategies of comparable utilities, particularly with respect to the issue of shorter term to maturity - <b>Preparation of evidence:</b> Model, on a very limited basis, the varying impacts on customer rates over time of different financial targets, strategies, debt management plans and risks, including the use of different rate implementation strategies (i.e., higher earlier, steady increases, use of “emergency” increases, etc.); and consider the impact of these various scenarios on access to capital and the Province of Manitoba	5	\$15,000.00 - \$25,000.00
“”	- <b>Discovery:</b> Preparation of Information Requests	1	\$3,000.00 - \$5,000.00
“”	- <b>Discovery:</b> Review responses to Information Requests	2	\$6,000.00 - \$10,000.00
“”	- <b>Preparation of evidence:</b> Preparation of a Report to the Board	7-9	\$21,000.00 - \$45,000.00
“”	- <b>Discovery:</b> Respond to Information Requests, if necessary	1+	\$3,000.00 - \$5,000.00
“”	- <b>Preparation for and attendance at oral hearing:</b> Appearance before the Board, if necessary	2	\$6,000.00 - \$10,000.00
<b>Total</b>			<b>In the range of \$90,000 - \$125,000</b>
<b>Total for the Coalition</b>			<b>\$45,000.00- \$62,500.00</b>

DRAFT BUDGET OF THE CONSUMERS COALITION  
MANITOBA HYDRO 2017/18 & 2018/19 GENERAL RATE APPLICATION

As indicated earlier in this document, the Consumers Coalition and the Manitoba Industrial Power Users Group propose to jointly retain Morrison Park Advisors to prepare expert evidence. We propose that the costs associated with retaining Morrison Park Advisors be split in half between the Consumers Coalition and the Manitoba Industrial Power Users Group.

## Douglas Gotham (Purdue University)

Relevant Issues (see Attachment B)	Activity	Time (Hours)	Cost (x \$100 USD/hr)
6 and 7	<ul style="list-style-type: none"> <li>- <b>Preparation for hearing:</b> Review Manitoba Hydro filings and related materials</li> <li>- <b>Discovery:</b> Assist in developing Information Requests</li> <li>- <b>Discovery:</b> Review of Information Request responses</li> <li>- <b>Preparation of evidence:</b> Load and price forecasts evaluation report</li> <li>- <b>Preparation for hearing:</b> General support to the Consumers Coalition</li> </ul>	120	\$12,000.00
6 and 7	<ul style="list-style-type: none"> <li>- <b>Preparation of evidence</b></li> <li>- <b>Discovery:</b> Respond to Information Requests regarding the evidence</li> <li>- <b>Discovery:</b> Review of intervener filings</li> <li>- <b>Preparation and attendance at oral hearing</b></li> <li>- <b>Preparation for hearing:</b> Coordination with Consumers Coalition</li> </ul>	200	\$20,000.00
<b>Total</b> (Exchange rates as of June 2/17 at 2:15pm)		<b>320</b>	<b>\$43,189.60</b> (\$32,000.00 US)

### Consumer Panel

Relevant Issues (see Attachment B)	Activity
12 and 13	<p>In collaboration with rural and Indigenous organizations, the Consumers Coalition proposes to organize a panel of consumers to testify before the Public Utilities Board during the hearing relating to the Manitoba Hydro General Rate Application. Consumers can provide evidence on lived experiences.</p> <p>Costs would include honorarium for consumer panel participants and travel and accommodation costs for any participants from outside of Winnipeg, as well as lunch for a meeting on the day of the consumer panel evidence.</p>
<b>Total</b>	<b>\$2,000.00-\$5,000.00</b>

We note that the costs in this estimate do not reflect the true costs of organizing a consumer panel, especially if individuals are invited from northern and remote areas. The Consumers Coalition would be seeking contributions from other organizations and stakeholders toward the costs of organizing the consumer panel.

### Consumer Engagement – Focus Groups

Relevant Issues (see Attachment B)	Activity	Time (Hours)	Cost
12	<b>Preparation of evidence:</b> Project Coordinator/Researcher - tool development (questionnaire) - participant recruitment and data collection - analysis - report writing - Research Assistant recruitment/coordination <b>Preparation for and attendance at hearing</b>	NA	\$11,000.00
	Travel costs: - this item reflects an estimate of the costs associated with conducting three focus groups outside of Winnipeg (flights, mileage, two nights in a hotel, vehicle rental, food per diem, etc). This is only an estimate as dates and locations for focus groups have yet to be determined.	NA	\$1,500.00
“”	Administrative costs: - meeting rooms - honorariums for participants - refreshments for focus group	NA	\$2,500.00
<b>Total</b>			<b>\$15,000.00</b>

This budget for consumer engagement is a tentative estimate based on only one quote and may vary materially.