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July 14, 2017

VIA EMAIL

Public Utilities Board of Manitoba  
400 – 330 Portage Avenue  
Winnipeg, MB R3C 0C4

Attention: **Darren Christle**

Dear Sir:

Re: **Budget Estimate for General Service Small and General Service Medium Representative (“GSS/GSM”) 2018/2019 General Rate Application (“2018 GRA”)**  
Our File: **17118**

In accordance with Order No. 70/17, GSS/GSM is submitting the proposed budget for legal fees and expert/consultant fees with respect to Manitoba Hydro’s 2017/18 and 2018/19 General Rate Application (“GRA”).

### ***Collaboration / Non-Duplication***

Prior to preparing this budget proposal, GSS/GSM has had the opportunity to liaise with several of the Interveners to discuss collaboration and scope of intervention. In that regard, I confirm that on behalf of the GSS/GSM I have conferred with other interveners (and will continue to do so) in order to avoid duplication and in order to seek further efficiencies on a continuing basis throughout the GRA.

### ***Legal Fees Estimate***

The legal work will be done by me. Given that my Manitoba Call Year is 2002, in accordance with the Board fee schedule my hourly rate for this GRA would stand at \$240/hr. However, as you will note from the below, I am proposing that my rate for this GRA be \$175/hr. I am proposing this rate in order to keep the costs of the GSS/GSM intervention down and to ensure that the Board has the full benefit of the evidence in support of GSS/GSM. In that regard, GSS/GSM is of the view that in the context of this particular GRA, it is of the utmost importance that the Board has before it the best evidence available reflecting the various, unique and necessary perspectives of all the intervening parties.

This budget estimate is based on 24 hearing days and 2 days for workshops/technical conferences. As is always the case, this budget estimate is highly contingent on the actual

number of hearing days and the scope of the expert evidence provided. Both of these are likely to change during the course of this GRA hearing.

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<b>DISCOVERY</b>	<b>Rate</b>	<b>Expected Hours</b>	<b>Fees Estimate</b>
<p><b>Related Tasks:</b></p> <p>Prepare and meet with PUB, Manitoba Hydro and Intervener counsel; Initial review of 2018 GRA materials; Review of prior Board Orders; Review of materials from prior GRAs; Review transcripts; Review and respond to general correspondence; Liaise with PUB and other counsel; Meet with Interveners to coordinate intervention; Prepare for and attend Pre-hearing Conference; Prepare budget estimate; Liaise with stakeholders; Liaise with experts/consultants; Review materials and correspondence; Review MFRs; Receipt and review re Rate Design Workshop; Receipt, review and attend Bill Affordability Workshops; Receipt, review and attend in workshop re Sustaining Capital; Further liaise with expert/consultant; Liaise with and meet with clients; Further review of MFRs; Further review of Application; Review Draft IRs; Assist and finalize Round 1 and Round 2 IRs;</p>	<b>\$175</b>	<b>60</b>	<b>\$10,500.00</b>
<b>PREPARATION OF EVIDENCE</b>			
<p><b>Related Tasks:</b></p> <p>Review IR Responses; Further liaise with expert/consultant; Review transcripts; Report to clients seek further instructions; Liaise with other interveners re preparation of evidence and scope of intervention on issues; Liaise with and provide instructions to expert/consultant; Liaise with expert/consultant re preparation of evidence; Receipt, review and respond to IRs on Intervener evidence; Assist with preparation of IRs on Intervener evidence;</p>	<b>\$175</b>	<b>100</b>	<b>\$17,500.00</b>

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<b>PREPARE/ATTEND ORAL HEARINGS</b>			
<p><b>Related Tasks:</b></p> <p>Prepare for <i>voir dire</i> and/or cross-examinations; Review transcripts; Prepare expert/consultant for evidence; Attend oral hearing;</p> <p>(Based on three (3) weeks @ four (4) days in December 2017 and three (3) weeks @ four (4) days in January, 2018. Twenty-four (24) hearing days @ 15 hours per day for preparation and attendance)</p>	\$175	360	\$63,000.00
<b>PREPARE WRITTEN/ORAL ARGUMENT</b>			
<p><b>Related Tasks:</b></p> <p>Review transcripts; Prepare written submission on concurrent evidence; Prepare oral submission; Attend submission and deliver oral submissions</p>	\$175	30 – 50	\$5,250.00 - \$8,750.00
<b>Total Expected Fees</b>		550 - 570	\$96,250.00 - \$99,750.00
<b>Disbursements:</b> Photocopies, courier, telephone calls, miscellaneous			\$1,500.00 - \$3000.00
<b>Total Legal Fees and Disbursements (exclusive of applicable taxes)</b>			\$97,750.00 - \$102,750.00
<p><b>CONTINGENCY</b></p> <p>Based on:</p> <ul style="list-style-type: none"> <li>• One (1) extra hearing week @ four (4) days;</li> <li>• Two (2) IR refusals motion @ two (2) days; and,</li> <li>• CSI Motion @ one-half (1/2) day.</li> </ul>	\$175	97.5	\$17,062.50

LITIGATION COUNSEL

<ul style="list-style-type: none"> <li>6.5 days @ 15 hours for preparation and attendance.</li> </ul>			
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***Expert Evidence Estimate***

As noted in the Intervener Request Form and as further advised during the Pre-hearing Conference, GSS/GSM is proposing to use the firm London Economics International (“LEI”) to provide expert/consultant services for this GRA. I am enclosing with this letter a copy LEI’s budget proposal and a copy of Mr. AJ Goulding’s *curriculum vitae* for the Board’s consideration.

It is important to note that in addition to providing expert/consultant services to the GSS/GSM customer class intervener, LEI’s proposal also includes budgeting to provide expert/consultant services to other intervening parties which also require assistance with respect some of their stakeholders/client base. It is submitted that providing this additional expert/consulting service is not only to the benefit of these other intervening parties, but to the Board and the GRA process as a whole.

Finally, while I acknowledge that LEI’s proposal includes rates that are above what is suggested by Board policy, I note the following: (a) LEI’s proposal includes rates at a significant reduction; (b) my legal services are purposely being provided at significantly reduced rate; (c) as noted in Order No. 70/17 the Board is currently reviewing its policies and rules respecting interveners. Presumably, this will include a review of acceptable rates for such expertise; and, (d) in accordance with its inherent discretion to do so, the Board has previously approved LEI to provide expert/consultant services - notably in the recent Cost of Service Methodology Review.

I wish to thank the Board in advance for considering this proposed budget.

Yours truly,

**HILL SOKALSKI WALSH OLSON LLP**

Per:



Christian Monnin\*  
CM/jm

*\* services provided by Christian Monnin Law Corporation*