

**Order No. 97/17**

**AWARD OF COSTS TO MANITOBA INDUSTRIAL POWER USERS GROUP  
(MIPUG)/INTERGROUP  
FOR THEIR INTERVENTION IN THE  
MANITOBA HYDRO COST OF SERVICE METHODOLOGY REVIEW  
2015/16**

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**September 14, 2017**

**BEFORE: Marilyn Kapitany, B.Sc., (Hon), M.Sc., Acting Chair  
Hugh Grant, Ph.D., Member  
Larry Ring, Q.C., Member**

## 1.0 Executive Summary

By this Order, the Public Utilities Board (Board) approves an award of costs of \$272,710.94 to the Major Industrial Power Users Group (MIPUG) / Intergroup for their intervention in the Board's review of Manitoba Hydro's Cost of Service Methodology.

## 2.0 Application

MIPUG / Intergroup filed with the Board an Application for an Award of Costs on May 11, 2017.

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 the Board may award costs to be paid to an Intervener who has:

1. made a significant contribution that is relevant to the proceeding and contributed 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 in the outcome of the proceedings in order to avoid a duplication of intervention;
3. insufficient financial resources to present the case adequately without an award of costs; and
4. a substantial interest in the outcome of the proceeding, and represents the interests of a substantial number of the ratepayers.

The Board approved Intervener status to MIPUG / Intergroup in Procedural Order 26/16 dated February 26, 2016. In the same Order, the Board requested all approved interveners to file a budget proposal with the Board by March 1, 2016. On April 8, 2016, the Board acknowledged a proposal requesting a budget of approximately \$248,263.80. On September 20, 2016 the Board approved an overall budget increase for interveners of no more than 15% above original budget allocations to accommodate changes in the scope of work in the Cost of Service review process. The amended budget proposal was

\$285,503.37. MIPUG / Intergroup's final funding request was for \$272,710.94.

In Board Order 26/16 (Cost of Service Procedural Order) the Board approved interim invoicing from interveners for the duration of the Cost of Service Hearing. All interim invoices were subject to a 25% holdback. Based on a statement of accounts, the total holdback amount owing to MIPUG / Intergroup is \$68,177.73.

MIPUG / Intergroup's request for reimbursement of costs was supported by statements of accounts as summarized below:

	<b>TOTALS</b>
<b>Legal</b>	
Hacault	\$81,043.88
<b>Consultants</b>	
Bowman	\$113,146.95
Davis	\$68,110.61
Senyk	\$1060.50
Najmidinov	\$53.03
Blouw	\$2,174.03
Okwumabua	\$662.81
Braun	\$4,177.95
Gordon	\$129.15
<b>Sub Total</b>	<b>\$189,515.03</b>
<b>Total Disbursements</b>	
	\$2,152.03
<b>Sub Total</b>	<b>\$2,152.03</b>
<b>TOTAL COSTS</b>	
	<b>\$272,710.94</b>

### **3.0 Manitoba Hydro's Comments**

On May 26, 2017 Manitoba Hydro (MH) provided its comments on the MIPUG / Intergroup's Cost Application. Manitoba Hydro has objected to the application for costs.

MH disagreed with MIPUG's requested amount of \$272,710.94, noting that it is higher than \$229,276 plus 15% approved overage. However, MH is comparing the requested amount (\$272,710.94) inclusive of taxes to the approved amount (\$263,667.40) exclusive of taxes. Additionally, MH continues to disagree with MIPUG receiving a cost award as their participation in regulatory proceedings is "for the sole purpose of protecting their own business interests, which is a consideration in granting a cost award pursuant to Section 44 i) of the PUB's Rules of Practice and Procedures."

### **4.0 Board Findings**

The Board has reviewed the cost application by MIPUG / Intergroup, as well as the comments provided by Manitoba Hydro. The Board finds that the MIPUG/ Intergroup meets all of the requirements for a cost award. The Board further finds that the costs incurred by the MIPUG / Intergroup are reasonable and the Board is prepared to accept them as filed in the Application for Costs.

Board decisions may be appealed in accordance with the provisions of Section 58 of The Public Utilities Board Act, or reviewed in accordance with Section 36 of the Board's Rules of Practice and Procedure. The Board's Rules may be viewed on Board's website at [www.pubmanitoba.ca](http://www.pubmanitoba.ca).

**5.0 IT IS THEREFORE ORDERED THAT:**

1. The Application of MIPUG / Intergroup for an award of costs BE AND IS HEREBY APPROVED in the total amount of \$272,710.94.
2. Manitoba Hydro is to pay to MIPUG / Intergroup the holdback amount of \$68,177.73
3. Costs be payable by Manitoba Hydro to the MIPUG / Intergroup within 15 days of the date of this Order.

THE PUBLIC UTILITIES BOARD

"Marilyn Kapitany, B.Sc. (Hon), M.Sc."  
Acting Chair

"Darren Christle, MPA, B.A., CCLP., P.Log., MCIT"  
Secretary

Certified a true copy of Order No. 97/17  
issued by The Public Utilities Board

*Darren Christle*

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Secretary