

RÉGIE DE L'ÉNERGIE DOSSIER R-4011-2017

RÉPONSES DE L'AQCIE/CIFQ À L'ENGAGEMENT

E-1 Transcript, Vol 14, p. 145

Request:

Fournir le document de l'AUC à l'effet que le Dr Lowry a reçu un bonus de 80 000 \$ pour sa participation à leur dossier.

Réponse de l'AQCIE/CIFQ :

In the first Alberta Utilities Commission ("AUC") generic hearing on MRI, PEG submitted a gas utility productivity study on behalf of the Consumers' Coalition of Alberta ("CCA") and also commented on other MRI design issues. Paragraph 67 of the attached AUC order, Attachment AQCIE E-1, shows that the CCA was awarded its full fees plus a bonus of 20%. The relevant quote is provided below.

The Commission finds from its review of the CCA cost submission and a review of the evidence, testimony and argument of the CCA in the PBR proceeding that the hours claimed by Wachowich & Company, PEG, and Regulatory Services Inc. are commensurate with the work performed and appear to be directly and necessarily related to the proceeding. The Commission considers that the participation of the CCA was effective and of assistance to the Commission. Further, the claims for professional fees were in accordance with the *Scale of Costs*. In Section 3 of this decision the Commission allowed a 20 per cent premium above the *Scale of Costs* on fees incurred by all parties.

The resulting bonus can be calculated by reviewing Appendix A to the AUC's order, which is included as the final two pages of the attachment. It shows that PEG was awarded \$515,353.50 including the bonus and \$429,461.25 without it. The difference between those numbers is \$85,892.25.

To the extent that the AUC sought to penalize PEG for having a gas study that the AUC did not rely upon, PEG's expenses were reduced by the amount of the data expense that PEG claimed. This amount was approximately \$8,000.

Please also note that Dr. Lowry was an influential witness in the proceeding, taking several positions that the AUC ultimately embraced. For example, the commission acknowledged that a revenue per customer index should ideally be calibrated using a PMF study with a customer growth scale index. The 0.96% energy distributor PMF trend that the AUC ultimately acknowledged was similar to the 1.32% gas industry PMF trend that Dr. Lowry reported.