



**Alberta Electric System Operator, AltaLink Management Ltd.
and ATCO Electric Ltd.**

Jasper Interconnection Project

Costs Award

August 30, 2018

Alberta Utilities Commission

Decision 23391-D01-2018

Alberta Electric System Operator, AltaLink Management Ltd. and ATCO Electric Ltd.

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Contents

1	Introduction	1
2	The Commission’s authority to award costs and intervener eligibility	2
3	The Jasper Environmental Association	5
3.1	The JEA’s cost claim	5
3.1.1	Comments from ATCO Electric	5
3.1.2	Reply from the JEA	6
3.2	Commission findings	7
3.2.1	The JEA’s independent evidence.....	7
3.2.2	Carscallen LLP.....	13
3.2.3	Bema Enterprises Ltd.....	14
3.2.4	Insitu Power Corporation.....	16
3.2.5	Honorarium.....	17
4	Consumers’ Coalition of Alberta	17
4.1	Comments from ATCO Electric	17
4.2	Reply from the CCA	18
4.3	Commission findings	18
4.3.1	Wachowich & Company.....	19
4.3.2	Regulatory Services Inc.	19
5	Municipality of Jasper	20
5.1	Comments from ATCO Electric	20
5.2	Reply from the Municipality of Jasper	20
5.3	Commission findings	20
6	Order	22

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1 Introduction

1. In this decision the Alberta Utilities Commission considers applications by the Jasper Environmental Association, the Consumers' Coalition of Alberta and the Municipality of Jasper for approval and payment of their costs of participation in Proceeding 22125¹ (the original proceeding). The costs claimed and costs awarded are set out in the following table:

Claimant	Total Fees Claimed	Total Disbursements Claimed	Total GST Claimed	Total Amount Claimed	Total Fees Awarded	Total Disbursements Awarded	Total GST Awarded	Total Amount Awarded
JEA								
Carscallen LLP	\$121,962.00	\$4,061.40	\$6,301.18	\$132,324.58	\$96,377.00	\$4,061.40	\$5,021.93	\$105,460.33
Bema Enterprises Ltd.	\$314,216.00	\$507.16	\$15,731.62	\$330,454.78	\$125,686.40	\$507.16	\$6,305.14	\$132,498.70
Insitu Power Company	\$31,455.00	\$0.00	\$1,572.75	\$33,027.75	\$18,873.00	\$0.00	\$943.65	\$19,816.65
Honorarium	\$800.00	\$1,920.04	\$68.80	\$2,788.84	\$800.00	\$1,920.04	\$68.80	\$2,788.84
Total	\$468,433.00	\$6,488.60	\$23,674.35	\$498,595.95	\$241,736.40	\$6,488.60	\$12,339.52	\$260,564.52
CCA								
Wachowich & Company	\$17,255.00	\$4,096.18	\$1,066.83	\$22,418.01	\$3,451.00	4096.18	362.83	\$7,910.01
Regulatory Services Inc.	\$17,333.75	\$0.00	\$866.69	\$18,200.44	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$34,588.75	\$4,096.18	\$1,933.51	\$40,618.44	\$3,451.00	\$4,096.18	\$362.83	\$7,910.01
Municipality of Jasper								
Gowlings WLG (Canada) LLP	\$45,801.00	\$566.88	\$2,318.39	\$48,686.27	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$45,801.00	\$566.88	\$2,318.39	\$48,686.27	\$0.00	\$0.00	\$0.00	\$0.00
Total amount claimed and awarded				\$587,900.66				\$268,474.53

2. The Commission has awarded reduced costs to the Jasper Environmental Association (JEA) and the Consumers' Coalition of Alberta (CCA) and no costs to the Municipality of Jasper (Jasper) for the reasons set out below.

3. The original proceeding was convened by the Commission to consider a needs identification application (NID application) from the Alberta Electric System Operator (AESO) and facility applications by ATCO Electric Ltd. (transmission) (ATCO Electric) and AltaLink Management Ltd. (AltaLink) to construct and operate a new substation, alter an existing substation, and construct and operate a transmission line to connect the Jasper area to the Alberta

¹ Proceeding 22125: Alberta Electric System Operator, AltaLink Management Ltd. and ATCO Electric Ltd. Jasper Interconnection Project.

Interconnected Electric System. The original proceeding involved information requests (IRs) and IR responses, written and oral evidence, an oral hearing, argument and reply argument. The close of record for the original proceeding was February 5, 2018, and the Commission issued Decision 22125-D01-2018² on May 4, 2018.

4. The JEA, the CCA and Jasper submitted their costs claim applications on March 7, 2018, within the 30 day timeline permitted by the Commission's rules. The Commission assigned Proceeding 23391 and Applications 23391-A001, 23391-A002 and 23391-A003 respectively to the costs claim applications.

5. On March 14, 2018, ATCO Electric submitted comments on the costs claim of Jasper. Jasper submitted its response on March 19, 2018.

6. On March 19, 2018, ATCO Electric submitted comments on the costs claim applications of the JEA and the CCA. The JEA submitted its reply comments on March 26, 2018. The CCA filed its response on April 10, 2018.

7. The Commission issued IRs to the JEA on June 21, 2018. The JEA provided its response on June 29, 2018. The Commission considers the close of record for the proceeding to be June 29, 2018.

2 The Commission's authority to award costs and intervener eligibility

8. The Commission's authority to award costs is found in sections 21 and 22 of the *Alberta Utilities Commission Act*. Section 21 of the *Alberta Utilities Commission Act* grants the Commission the authority to order costs in relation to any hearing or other proceeding. When assessing a costs claim pursuant to Section 21 of the *Alberta Utilities Commission Act*, the Commission applies Rule 022: *Rules on Costs in Utility Rate Proceedings* (Rule 022) or Rule 009: *Rules on Local Intervener Costs* (Rule 009).

9. Rule 022 applies to proceedings for rate applications of utilities under the jurisdiction of the Commission, or those related to rate applications. When an intervention on a facility NID application is premised upon the potential effects of a proposed project on rates, the Commission has generally applied Rule 022 to the intervener's cost claim. This approach is consistent with the Commission's broad statutory authority under Section 21(1) of the *Alberta Utilities Commission Act*.

10. Under Rule 022, costs may be awarded to utility customers that have a substantial interest in a proceeding and do not have the means to raise sufficient financial resources to enable them to adequately present those interests in a rates related proceeding. Rule 022 specifies that unless otherwise ordered by the Commission, municipalities, business, commercial, institutional or industrial entities, and associations of those entities, are ineligible to claim intervener costs.

11. The Commission granted the JEA standing in relation to the AESO's NID application in a ruling dated August 3, 2017.³ The Commission also found that the JEA was eligible to claim

² Decision 22125-D01-2018: Alberta Electric System Operator, AltaLink Management Ltd. and ATCO Electric Ltd. Jasper Interconnection Project, Proceeding 22125, May 4, 2018.

³ Exhibit 22125-X0136, AUC Ruling on Standing, August 3, 2017.

the costs of its participation in relation to the AESO's NID application under Rule 022 because of the potential rate impacts flowing from approval of the application.

12. In a ruling dated September 19, 2017,⁴ the Commission granted the CCA standing in the original proceeding as it related to the AESO's NID application and determined that the CCA was eligible to claim for recovery of its costs of participation under Rule 022 because of the potential rate impacts flowing from approval of the application.

13. The costs claims submitted by the JEA and the CCA will be considered under Rule 022.

14. Section 22(1) of the *Alberta Utilities Commission Act* refers specifically to cost recovery by persons or groups of persons participating in a proceeding who may be directly and adversely affected by the approval of an application to construct or operate a transmission line under the *Hydro and Electric Energy Act*. Pursuant to this section, the Commission may award costs to such persons or groups that meet the definition of a "local intervener." Section 22(2) authorizes the Commission to make rules on the payment of costs to a "local intervener." The Commission enacted Rule 009 in accordance with this authority.

15. Section 22 of the *Alberta Utilities Commission Act* defines "local intervener." It states:

22(1) For purposes of this section, "local intervener" means a person or group or association of persons who, in the opinion of the Commission,

- (a) has an interest in, and
- (b) is in actual occupation of or is entitled to occupy

land that is or may be directly and adversely affected by a decision or order of the Commission in or as a result of a hearing or other proceeding of the Commission on an application to construct or operate a hydro development, power plant or transmission line under the *Hydro and Electric Energy Act* or a gas utility pipeline under the *Gas Utilities Act*, but unless otherwise authorized by the Commission does not include a person or group or association of persons whose business interest may include a hydro development, power plant or transmission line or a gas utility pipeline.

16. Parties who meet the definition of "local intervener" are not entitled by right to an award of costs in the amount claimed.

17. Costs awards by the Commission are discretionary with the onus on the claimant to support the claim filed.

18. In a ruling dated October 12, 2017,⁵ the Commission found that the Municipality of Jasper had standing to participate in the original proceeding in relation to the NID application filed by the AESO and the facility application filed by ATCO Electric. The Commission also noted that, as a municipality, Jasper was ineligible to claim costs under Rule 022 but may be eligible for costs under Rule 009.

⁴ Exhibit 221125-X0167, AUC Ruling on CCA Standing, September 19, 2017.

⁵ Exhibit 22125-X0245: Standing Ruling-Municipality of Jasper, October 12, 2017.

19. While Jasper did not expressly identify the interest or interests in land that it was relying upon in support of its claim for local intervenor costs, the Commission is prepared to accept that Jasper has such an interest and that the Commission's decision on the Jasper interconnection project had the potential to directly and adversely affect that interest. In other words, the Commission is satisfied that Jasper is a local intervenor for the purposes of the ATCO Electric facility application and eligible to claim costs under Rule 009. The costs claim submitted by Jasper will therefore be considered under Rule 009.

20. When exercising its discretion to award costs the Commission is guided by the factors set out in Section 7 of Rule 009, or Section 11 of Rule 022. These factors include, among other things, whether the costs claimed by the eligible participant are reasonable and directly and necessarily related to the original proceeding, and whether the participant acted responsibly and contributed to a better understanding of the issues before the Commission. Appendix A to each rule prescribes a Scale of Costs applicable to all costs claimed.

21. Notwithstanding the respective application of Rules 009 and Rule 022, the Commission notes that the original proceeding was unique in the manner in which the NID and facility applications were interrelated in the context of a request for system access service based on a transition from isolated generation to interconnection to the Alberta Interconnected Electric System. Decision 22125-D01-2018 described this relationship as follows:

74. The Commission's approval of associated NID and facility applications ordinarily requires two separate but related public interest determinations. These determinations may be made in separate decisions if a NID is filed alone, or in a single decision when a NID and facility application are combined and considered by the Commission in a single proceeding, as set out in Section 15.4 of the *Hydro and Electric Energy Act*. However, because the NID and facility applications in this proceeding arise from a request for system access service predicated on the transition from isolated generation to interconnection to the AIES, Section 27(1.1) of the IGUCC Regulation [*Isolated Generating Units and Customer Choice Regulation*] (imposes upon the Commission a further consideration in its public interest assessment: whether interconnection to the AIES is economic. Having regard to the statutory scheme, the term "economic", as it is used in Section 27(1.1), must be read broadly. In the Commission's view, it would be unreasonable and inconsistent with the spirit and intent of the legislative framework to interpret the economic requirement as demanding a simple comparison of the costs of interconnection with the costs of ongoing isolated generation. Rather, the Commission finds that the required evaluation must take into account the social, economic and environmental attributes of the alternatives being compared. In other words, the cost of the supply options being compared must include the costs required to effectively minimize or mitigate, to an acceptable degree, their respective social, economic and environmental impacts. ...

76. The practical implication of the economic consideration mandated by Section 27(1.1) is that the Commission must assess the relative merits of the isolated generation and transmission options, based on all of the evidence in the proceeding, before turning its mind to the merits of the NID application and associated facility applications. Adopting this approach effectively recognizes that the system access service request that obliged the AESO to prepare the NID is itself dependant upon the Commission's determination on the economics of interconnection. Accordingly, if the Commission decides that the interconnection option is not economic, the system access service request and the related NID and associated facility applications become moot.⁶

⁶ Decision 22125-D01-2018, paragraph 75-76.

3 The Jasper Environmental Association

3.1 The JEA's cost claim

22. The following table summarizes the JEA's costs claimed in the original proceeding:

Claimant	Hours			Fees	Disbursements	GST	Total
	Preparation	Attendance	Argument				
JEA							
Carscallen LLP	287.80	64.50	94.10	\$121,962.00	\$4,061.40	\$6,301.18	\$132,324.58
Bema Enterprises Ltd.	884.75	151.68	262.57	\$314,216.00	\$507.16	\$15,731.62	\$330,454.78
Insitu Power Company	80.00	19.50	17.00	\$31,455.00	\$0.00	\$1,572.75	\$33,027.75
Honorarium	0.00	0.00	0.00	\$800.00	\$1,920.04	\$68.80	\$2,788.84
Total	1,252.55	235.68	373.67	\$468,433.00	\$6,488.60	\$23,674.35	\$498,595.95

23. The Commission is unable to approve the full amount of the costs claimed in respect of the services performed by Carscallen LLP, Bema Enterprises Ltd. (Bema) and Insitu Power Company (Insitu) for the reasons set out below.

3.1.1 Comments from ATCO Electric

24. ATCO Electric submitted that there was a significant disconnect between the basis upon which the JEA was granted standing in the original proceeding and the position it ultimately advanced. It noted that the JEA did not present environmental evidence or otherwise attempt to discredit the environmental evidence presented by or on behalf of ATCO Electric.

25. ATCO Electric submitted that the costs claimed for Carscallen LLP were excessive and should be reduced. It noted that many of the entries lacked sufficient detail to assess the reasonableness of the charges or the time spent performing specific tasks, and that many of the entries appeared duplicative.

26. ATCO Electric submitted that Bema's claimed costs were also excessive and submitted that the 70 per cent reduction applied to Bema in Decision 22173-D01-2017⁷ should serve as a starting point to the Commission's assessment of the Bema costs in the JEA costs claim.

27. ATCO Electric argued that the evidence prepared by Insitu and Bema contained significant flaws and deficiencies. It noted that none of the evidence prepared by Insitu and Bema considered significant environmental factors related to their proposed generation option. ATCO Electric also argued that the Bema and Insitu evidence had no probative value and did not lead to a better understanding of the issues in the original proceeding.

28. ATCO Electric noted that the JEA did not submit any justification for the number of consultants it engaged. It submitted that five consultants and two administrative staff was unreasonable and excessive in the circumstances, and that a significant amount of time was spent on correspondence between the experts and counsel, which resulted in an unreasonable

⁷ Decision 22173-D01-2017: Alberta PowerLine General Partner Ltd. Fort McMurray West 500-Kilovolt Transmission Project Costs Award, Proceeding 22173, May 1, 2018.

multiplication of efforts and costs. ATCO Electric argued that any efficiencies gained by having multiple experts examine different issues was outweighed by the amount of time spent by the JEA's legal counsel and consultants coordinating with one another.

29. ATCO Electric stated that the time claimed by the Bema consultants for hearing attendance was excessive. It remarked that Mr. Trevor Cline, Mr. Dustin Madsen and Ms. Elizabeth Zielke spent more time at the hearing than Mr. Nicholas Ramessar, when none of their roles in the hearing required as much time as Mr. Ramessar.

30. ATCO Electric added that the timesheets submitted contained insufficient detail in the descriptions of tasks undertaken to determine if the amount of time spent was reasonable. It also submitted that the costs of Mr. Madsen and Mr. Chris Codd should be heavily discounted given the unreliability of, and deficiencies in, the Bema evidence attributable to them.

31. Finally, ATCO Electric submitted that the 46 hours spent by Ms. Christine Nash for checking transcripts, attending to footnotes and formatting documents were excessive and should be discounted entirely. The costs for the work performed by Ms. Zhielke should likewise be discounted because no description of the work she performed was provided.

32. ATCO Electric submitted that Mr. Doug Sullivan of Insitu does not hold the designation of professional engineer and was not authorized to undertake the work that he performed in the original proceeding. It further argued that the Insitu report was of no evidentiary value, that the alternative generation operation proposed by Insitu did not meet relevant reliability criteria; and consequently, no costs should be awarded in respect of that work.

3.1.2 Reply from the JEA

33. The JEA submitted that Bema's involvement in the original proceeding included review of the extensive evidence filed by ATCO Electric, development of evidence and IR responses, participating in the oral hearing and assisting in preparing argument and reply argument. The JEA submitted that none of the hours claimed by each individual consultant were excessive.

34. The JEA stated that the evidence provided by Bema and Insitu related to the JEA's views and positions. The JEA noted that Bema and Insitu both submitted environmental evidence, in that both consultants included an analysis of greenhouse gas emissions and Bema summarized the difference between the visual and environmental impacts of the transmission and generation options described by ATCO Electric. The JEA submitted that producing an expert witness focused entirely on the environment was not necessary because the JEA lay witnesses gave first-hand environmental evidence.

35. The JEA submitted that there was no duplication in the costs claimed by Carscallen LLP and that such costs were reasonable and billed in accordance with the Commission's Scale of Costs.

36. With respect to the number of consultants present at the oral hearing, the JEA submitted that the attendance costs submitted for those individuals included the consultant's time in the hearing room and their preparation time before and after the hearing on the days when the hearing was in progress.

37. Concerning the assistance of its consultants in preparing argument and reply argument, the JEA submitted that these costs are warranted because a substantial part of the JEA's

argument related to complex technical and financial matters which could be done more efficiently by consultants who prepare reports on a routine basis and at considerably lower rates.

38. With respect to the 46 hours claimed by Ms. Nash for checking transcripts, attending to footnotes and formatting documents, the JEA submitted that the Commission encourages applicants and interveners to use low cost resources wherever possible. The JEA noted that there were numerous footnotes related to complex technical and financial matters, and that it was far more cost efficient for a capable administrative assistant to find footnotes than a consultant.

39. The JEA provided a description of the work performed by Ms. Zielke and explained that it had inadvertently omitted such a description in its initial costs claim.

40. Finally, the JEA submitted that their costs were reasonable and should be approved.

3.2 Commission findings

3.2.1 The JEA's independent evidence

41. An issue raised in the original proceeding and again in this proceeding was whether the position of the JEA aligned with the independent evidence prepared by Bema and Insitu and filed on behalf of the JEA. That issue emerged in the original proceeding from the answers provided by the JEA and its independent witnesses when questioned by the AESO, ATCO Electric and Commission counsel, as set out in some detail below.

42. The JEA witnesses, Ms. Jill Seaton and Mr. David Hatto were questioned over a period of two days. During the first day of questioning, Ms. Seaton, the JEA's Chair, confirmed that neither the Bema nor the Insitu evidence had been prepared under the JEA's personal direction.⁸ When asked if the JEA agreed with the statements, analysis, views and opinions in the Bema and Insitu evidence, Ms. Seaton responded, "I think so. I read through them and I think, yes, definitely."⁹ When asked if the Bema and Insitu evidence was consistent with the mandate of the JEA, Ms. Seaton's response was "Yes, I think so."¹⁰

43. When discussing the JEA's relationship with its consultants, Mr. Hatto, the JEA's Vice – Chair, stated, "we recognize that Bema and Insitu have put forward one suggestion that they feel is superior to the transmission line, which we do not have the expertise to question."¹¹

44. On the second day of questioning, Mr. Hatto explained the process the JEA used when hiring its counsel and independent witnesses:

Through that, we were able to find counsel to represent us because we knew that now we had the financial support to be able to do that, and we placed the responsibility with our counsel to be pursuing the expert witnesses because they were -- he had the expertise which we did not have.

However, we have followed all the information that's been provided by the expert witnesses and our lawyer. He's kept us very well informed as to what's going on, and we

⁸ Transcript, Volume 3, page 680.

⁹ Transcript, Volume 3, page 680.

¹⁰ Transcript, Volume 3, page 681.

¹¹ Transcript, Volume 4, page 719.

recognize that Bema and Insitu have put forward one suggestion that they feel is superior to the transmission line, which we do not have the expertise to question.

I can understand some concerns that have been raised in this, but we fully support our expert witnesses.¹²

45. ATCO Electric's counsel asked the JEA if it endorsed the increase in the use, storage and transportation of fluids and diesel fuel within Jasper National Park associated with the generation option proposed on its behalf by Insitu. Mr. Hatto responded as follows:

The solution was put forward by our experts in good faith. We have not got the expertise to question whether the environmental issues that you're referring to are serious enough. We would have to have a lot more time to be able to investigate that as we do. So it's difficult to answer that question.

I would suggest that the transportation of any fluids through the park, whether it be by CN Rail in their tanker cars or whether it be diesel trucks going to a generating facility, all have inherent danger, but we have not objected to CN taking much more dangerous things through the park, so I suggest we probably would not object if it was in the interest of the town and the overall preservation of the environment.¹³

46. When Mr. Hatto was asked if he was aware that, according to the evidence filed by Bema, the generation option proposed by Insitu on behalf of the JEA would emit twice as much CO₂ as the transmission option, he and Ms. Seaton responded as follows:

MR. HATTO: Obviously if those calculations -- and if they were presented by Insitu and Bema, **we would have to say that that's an unsatisfactory growth in the amount of CO₂**. But I'm not sure that our experts have said that, because I can't recall seeing it in their documentation.¹⁴

A. MS. SEATON: I'd like to add something to this, too. **I think that when we wanted to see the generation plant go ahead or stay as it is, you know, it was a temporary thing.** We hoped that this would be something that would carry us over to a new way of getting energy to Jasper.

You know, Jasper is a town which should be leading the way in a new energy development, and I think if they refurbish this generation plant to keep it going for a few more years until these things -- these new ones are coming in.

...

So this -- yes, I think if this is going to go on producing CO₂ at a poor rate, **then let's hope it's just temporary.**¹⁵ (Emphasis added)

47. When asked to confirm that the generation option developed by Insitu would result in Jasper being tied to fossil fuel generation for 25 to 40 years Mr. Hatto responded as follows:

¹² Transcript, Volume 4, page 719.

¹³ Transcript, Volume 4, pages 721 and 722.

¹⁴ Transcript, Volume 4, page 725.

¹⁵ Transcript, Volume 4, pages 725 and 726.

MR. HATTO: I think Ms. Seaton has already responded to that in saying that no, it wouldn't necessarily make -- the transmission line would, **but not the generating power locally because, as was suggested, it could be a temporary solution until better forms of energy production could be introduced into Jasper.**¹⁶ (Emphasis added)

48. Bema stated in its filed evidence that it had been asked to review the Jasper interconnection project to determine if the AESO's need assessment was technically sufficient and whether approval of the AESO's proposed transmission development was in the public interest. Bema further stated in its written evidence as follows:

14. The JEA's concerns are outlined in detail within its June 13, 2017 submission to the Commission supporting the JEA's statement of intent to participate. Specifically, the JEA stated:

The JEA feels that ATCO's proposal to install a transmission line from the east boundary to the present generating site deserves a lot more discussion with experts both in the economic as well as the scientific fields.¹⁷

49. However, when questioned by Commission counsel regarding the JEA's retention of Bema, Mr. Dan Levson testified that he had been retained by counsel for the JEA, Mr. Ramessar, and that he had never received written instructions from the JEA.

50. When questioned on what Bema had been retained to do, Mr. Levson answered as follows:

I mean, we generally understand their concerns [the JEAs] are on the environmental side. But to be independent, we believe we have to look at costs, reliability, as well as environmental side in order to advise the Commission on this.

So in other scenarios sometimes where we've shown up more as an advocate, we have been heavily criticized for being an advocate and not independent. In this instance, we had the opportunity to be fully independent and to formulate our views on the basis of the evidence that we had in front of us from the AESO and from ATCO and AltaLink.¹⁸

51. Mr. Levson was also asked what steps Bema had taken to ensure that the evidence it was preparing for the JEA was consistent with the mandates and instructions of the JEA. He responded as follows:

So Mr. Ramessar received drafts of everything that we prepared. And it's my understanding, and I heard evidence from the JEA itself that they were fully informed and kept abreast of all of those drafts and final versions that were to be submitted.¹⁹

52. Mr. Madsen, one of the consultants subcontracted by Bema, then added:

I'm sorry, sir. Maybe I could just add to that. It was actually me that inserted paragraph 14 into the evidence [see above]. I think if I would actually go back through my e-mails, it

¹⁶ Transcript, Volume 4, page 727

¹⁷ Exhibit 22125-X0293, Bema expert report, paragraph 14.

¹⁸ Transcript Volume 4, page 811.

¹⁹ Transcript, Volume 4, pages 810-811.

was done on the last day. It was literally right before we filed the evidence. The evidence was drafted and created all well before this paragraph was inserted. It was mostly inserted just to provide context on the JEA's position.²⁰

53. Mr. Sullivan of Insitu was questioned by Commission counsel on whether he was aware of the JEA's hope that any generation option proposed for Jasper would be a temporary measure to allow the town to transition to a renewable option. Mr. Sullivan responded as follows:

A. MR. SULLIVAN: I had not discussed that with our contact with the JEA, Mr. Ramessar. I think that would be fairly obvious that they would prefer to see that happen, as would I. But for the purposes of doing the comparison, it did not seem to make sense.²¹

54. Commission Counsel asked Mr. Cline, one of the Bema subcontractors, a similar question in relation to his preliminary analysis of renewable solutions and underground transmission and distribution options.

Q. Right. And when you were undergoing this work, was this on the understanding of the JEA's aspirations to move to a renewable solution or was this part of your order of course consideration of options?

A. MR. CLINE: No, it was based on just, yeah, order of course, primarily because the overarching intent of our analysis was to look at, you know, what's in the best public interest.

So, from a public interest perspective, I would say those all fall within what is in the best overall public interest.²²

55. The issue of whether the independent evidence filed by Bema and Insitu on behalf of the JEA was reflective of the views of the JEA was addressed by ATCO Electric and the JEA in their respective arguments.

56. The Commission addressed the role of the JEA's consultants in section 4.2 of Decision 22125-D01-2018 and found as follows with respect to this issue:

53. The Commission acknowledges that the role of experts in its proceedings is to provide fair, objective and non-partisan evidence. The Commission has considered in the past whether expert witnesses in its proceedings have fulfilled this duty of independence and objectivity.

54. However, the duty to provide fair, objective and non-partisan evidence must be balanced with the fact that it is the client, in this case the JEA, who has been granted standing by the Commission to participate in the proceeding, based on the direct and adverse impact to its legally recognized rights described in its statement of intent to participate. There must therefore be some reasonable connection between the expert evidence offered and the identified rights and interests of the party sponsoring that evidence. Based on the information in the JEA's statement of intent to participate, the content of the JEA's written evidence, and the testimony of the JEA's representatives

²⁰ Transcript Volume 4, page 811.

²¹ Transcript, Volume 4, page 817.

²² Transcript, Volume 4, page 819.

during the hearing, the Commission can only conclude that there was a significant breakdown in communication between the JEA and its consultants.

55. In rendering its determination on the applications before it, the Commission will take into account any apparent divergence between the position advanced by the JEA and the solution proposed by its consultants.²³

57. ATCO Electric again expressed concern about this issue in its comments on the JEA's cost claim and questioned whether the views and positions advanced by the JEA's independent witnesses accurately reflected the views and positions of the JEA itself.

58. To further address the concern, identified by the Commission in Decision 22125-D01-2018, regarding apparent inconsistencies between the stated concerns of the JEA and the evidence filed on its behalf, the Commission issued IRs to the JEA pertaining to the communication between the JEA, its counsel and its independent witnesses.

59. In its first IR, the Commission asked the JEA to provide the instructions given to Bema, Insitu, Mr. Madsen, Mr. Codd and Mr. Cline²⁴ in relation to the original proceeding.

60. In its response, the JEA stated that counsel for the JEA, Mr. Ramessar, retained Bema, who, in turn, retained Insitu, Mr. Madsen, Mr. Cline and Mr. Codd. The JEA further explained that Mr. Ramessar provided verbal instructions to Bema and its sub-consultants on or about September 1, 2017. The JEA stated that Bema set out the instructions it received in paragraph 12 of its expert report (Exhibit 22125-X0293) as required by Section 19.2(c) of Rule 001. Specifically, it stated:

The JEA asked Bema to review the Alberta Electric System Operator's ("AESO") Jasper Interconnection Project application (hereafter referred to as the "Project" or the "Application") to determine whether the AESO's need assessment is technically sufficient and whether the AESO's proposed transmission development is in the public interest.²⁵

61. In its second IR, the Commission asked the JEA to:

- describe the steps taken by counsel for the JEA and the JEA's consultants to ensure that the JEA and its members were aware of and understood the evidence being filed on the JEA's behalf,
- confirm whether the evidence prepared on behalf of the JEA by Bema was shared with the JEA for its review prior to being filed with the Commission, and
- advise whether the JEA set or established a budget for the work being performed by Bema on its behalf.

²³ Decision 22125-D01-2018, paragraph 54.

²⁴ BEMA hired Mr. Chris Codd to assist with the technical and economic aspects of the application, Mr. Dustin Madsen to assist on cost related matters, and Mr. Trevor Cline to provide assistance on system alternatives.

²⁵ Exhibit 22125-X-293, BEMA expert report, paragraph 12.

62. In response, the JEA provided a detailed description of the communication between itself and Mr. Ramessar. The JEA explained that Mr. Ramessar met with the JEA independent witnesses and then on September 12, 2017, advised the JEA that those witnesses would be filing reports on the JEA's behalf and that the reports would address: the costs of the transmission and generation options, environmental impacts, reliability, visual impacts and load concerns.

63. The JEA also confirmed that Mr. Ramessar had provided it with a draft of the Insitu report two days before it was filed with the Commission and a draft of the Bema report on the day before that report was filed. The JEA stated that Mr. Ramessar provided it with regular updates on the work being performed by Bema on its behalf.

64. The JEA stated that it had not set a budget for Bema but that it was understood that the JEA's consultants would be working in accordance with the Commission's Scale of Costs.

65. Having reviewed the evidence from the original proceeding and the JEA's answers to the Commission's information requests in this proceeding, the Commission continues to be of the view that there was a material disconnect in the communications between the members of the JEA, its counsel and its independent witnesses.

66. In the ordinary course, an intervener identifies its issues of concern and directs its independent witnesses to pursue those issues through written instructions. In this instance, it appears that this process was, in part, reversed. The JEA's counsel and independent witnesses met, without the members of the JEA, to identify the issues the JEA should pursue through independent evidence, having regard to the two SIPs filed by the JEA.²⁶ The JEA was then subsequently advised by their counsel of the issues that the independent witnesses would address in their respective reports.

67. In this instance, the JEA's stated concerns related to the environmental impacts of the proposed transmission line and its desire for the Commission to consider alternate means to address Jasper's electricity needs. In its SIP, the JEA identified the temporary extension of the existing power plant until more environmentally friendly solutions were available as one such option.

68. While the Commission recognizes independent evidence must be fair, objective and non-partisan, it is of the view that intervener counsel and independent witnesses should fully understand their client's position and instructions when preparing evidence on the client's behalf. In keeping with this goal, the Commission recently amended Section 19 of Rule 001 to include a requirement that an expert report include the instructions provided to the expert witnesses in relation to the proceeding and, where applicable, to each issue in the proceeding to which the independent witnesses evidence relates.

69. The evidence before the Commission is that the JEA gave no direct instructions to its independent witnesses and that it did not exercise any direct control over the preparation of that evidence other than to review it immediately before it was filed. The Commission accepts that the JEA delegated the responsibility of issuing such instructions to Mr. Ramessar, but finds that the instructions provided to Bema by Mr. Ramessar appear to have simply mirrored the language

²⁶ Exhibit 22125-X0014, Statement of intent to participate of David Hatto, Exhibit 22125-X106, Statement of intent to participate of the Jasper Environmental Association.

of Section 38(e) of the *Transmission Regulation*, were overly broad, and provided no specific direction with respect to the environmental concerns identified by the two SIPS filed by the JEA.

70. The Commission acknowledges that the JEA ultimately endorsed the evidence of its independent witnesses, and that Mr. Ramessar regularly contacted the JEA's Chair and Vice-Chair to discuss the progress of the intervention. However, it was evident from the testimony of Mr. Hatto and Ms. Seaton that their understanding of the independent evidence filed on the JEA's behalf, particularly with respect to the generation option, was limited. In particular, the Commission is troubled by the fact that the JEA's Chair and Vice-Chair were apparently unaware of the incremental environmental impacts associated with the generation option developed by the JEA's experts and proposed on its behalf and that the generation option was proposed to be operational for forty years rather than as a temporary measure.

71. In the Commission's view, the JEA's apparent misunderstanding of its own generation option is likely attributable to the lack of clear, precise and specific instructions to the independent witnesses and the absence of any direct communication between the JEA and those witnesses. While the Commission does not consider that this situation arose through any intentional wrongdoing on the part of the JEA, its counsel or its independent witnesses, it is of the view that these significant shortcomings in communications materially affected the value of the JEA's intervention.

72. The Commission is also concerned that there appears to have been little direct oversight or direction from the JEA with respect to the costs of its intervention. The evidence before the Commission is that the JEA did not set a budget for the work being performed on its behalf by its experts and counsel over the course of the intervention and that the JEA was not provided with an invoice for the legal and consulting services provided to it until after the public hearing. This coupled with the very broad instructions given by Mr. Ramessar to the JEA's independent witnesses essentially gave "free reign" to those witnesses to develop the JEA's evidence with no limits or external discipline as to the costs incurred. As discussed below, the Commission finds that this resulted in cost claims for counsel and the independent witnesses that are excessive in the circumstances.

3.2.2 Carscallen LLP

73. The JEA was represented by Carscallen LLP in the original proceeding. The fees claimed by the JEA for the legal services provided by Mr. Ramessar, Mr. Ryan Barata, Mr. Michael Niven and Ms. Amanda Danyluk relate to reviewing the application, corresponding with experts, drafting IRs, reviewing IR responses, reviewing draft evidence, drafting IR responses, preparing for and attending the hearing and drafting final argument and reply argument.

74. The Commission finds that the services performed by Carscallen LLP were directly and necessarily related to the JEA's participation in the original proceeding. The Commission observes that some of the issues raised in the proceeding were novel and complex and that the JEA's intervention was comprehensive. In the Commission's view, Mr. Ramessar made considerable efforts to coordinate the JEA's intervention and it finds that he undertook those efforts in the best interests of his clients. However, for the reasons that follow, the Commission finds that reduced costs for the services performed by Carscallen LLP are warranted in the circumstances.

75. As previously stated, the Commission considers that there was a material disconnect in the communications between the members of the JEA, its counsel and its independent witnesses. In the Commission's view, Mr. Ramessar, as counsel for the JEA, bears responsibility for this breakdown. As the Commission found above, Mr. Ramessar's instructions to the JEA's independent witnesses did not comply with Section 19.2 of Rule 001, were overly broad, and appear to have provided no specific direction with respect to the environmental concerns and objectives identified by the JEA in its SIPs.

76. The ramifications of these overly broad instructions, in conjunction with the fact that the members of the JEA had no direct communication with the independent witnesses, were twofold. First, the independent witnesses failed to fully recognize and address the goals of the JEA in the evidence they filed. As noted above, Mr. Sullivan and Mr. Ramessar did not discuss the JEA's preference for a temporary generation. Instead, Mr. Sullivan proposed a 25-40 year solution on JEA's behalf on the basis that a temporary solution did not make sense. However, it seems clear that Mr. Sullivan's concerns about a temporary option were never shared with the JEA. Similarly, Mr. Cline testified that his investigation of renewable generation and underground transmission options was undertaken in the normal course of his analysis and not in response to the stated aspirations of the JEA.

77. Second, the JEA appeared to not fully comprehend the implications of its independent evidence, specifically, the incremental environmental impacts of a long-term generation option. Both the Chair and the Vice-Chair of the JEA appeared to be unaware that the generation option proposed by their experts had a 25-40 year lifespan or that the transmission option would produce significantly less greenhouse gases over the life of the projects.

78. Another significant concern the Commission had with the JEA's intervention was the lack of any independent evidence by an environmental science professional with respect to environmental effects. To the contrary, the evidence filed on the JEA's behalf was that its generation option would generate twice as much CO₂ when compared to the transmission option. Given the clear focus of the JEA's concerns on environmental matters, the Commission was both surprised and disappointed with the paucity of independent analysis from the JEA of the potential environmental effects of ATCO Electric's proposed transmission option by an environmental science professional.

79. Having regard to the foregoing, the Commission finds that a 25 per cent reduction in the fees awarded to Mr. Ramessar is warranted in the circumstances. Accordingly, the Commission approves \$96,377.00 in fees for Carscallen LLP. The Commission finds that the disbursements claimed by Carscallen LLP are reasonable in the circumstances and approves them in full. Accordingly, the Commission approves JEA's claim for legal fees for Carscallen LLP in the amount of \$96,377.00, disbursements for transcripts, courier fees, photocopying and office supplies of \$4,061.40 and GST of \$5,021.93 for a total of \$105,460.33.

3.2.3 Bema Enterprises Ltd.

80. Bema was retained by Mr. Ramessar on behalf of the JEA to perform consulting services in the original proceeding. The fees claimed by the JEA for Bema relate to services provided by Mr. Levson, Mr. Cline, Mr. Madsen and Mr. Codd. Those services included reviewing the application, drafting IRs, drafting evidence, drafting IR responses, reviewing reply evidence, preparing for and attending the hearing, drafting argument and reply argument and reviewing

argument and reply argument from other parties. The following table summarizes the Bema claim:

	HOURS	FEES
Dan Levson	315.85	\$85,279.50
Trevor Cline	492.34	\$132,931.80
Dustin Madsen	246.25	\$61,579.00
Chris Codd	151.10	\$30,220.00
Administrative	93.46	\$4,205.70
Total	1,299.00	\$314,216.00

81. The Commission concludes that reduced costs for the services performed by Bema are warranted for two reasons. First, to account for Bema’s contribution to the communication breakdown between it and its clients. Second, because the costs claimed on behalf of Bema are not commensurate with the value provided.

82. The Commission finds that Bema must bear some responsibility for the communication breakdown between itself and the JEA. While independent evidence must be fair, objective and non-partisan, it need not be prepared in a vacuum with little or no understanding or recognition of the client’s position. Based on the record, it is unclear to the Commission whether Bema took any steps to familiarize itself with the JEA’s objective in participating in the proceeding other than to review the two SIPs filed by the JEA. Further, given the nature of the evidence prepared by Bema, it was incumbent upon it and counsel to take reasonable steps to ensure that the JEA understood the independent evidence filed on its behalf and the relief that was proposed. For whatever reason, that does not appear to have happened, as neither the Chair nor the Vice-Chair of the JEA appeared to understand the environmental implications of the generation option or that it was proposed as a long-term rather than a temporary solution.

83. In addition to its concerns with the lack of communication between the JEA and Bema, the Commission finds that the costs claimed by Bema are not commensurate with the value it provided. Bema claimed \$224,368.50 for 884.75 preparation hours, \$31,787.10 for 151.68 attendance hours, and \$58,060.40 for 262.57 argument hours. The hours worked and the fees claimed by Bema are excessive and unreasonable.

84. While the Commission found that some of Bema’s cost and reliability evidence filed in the original proceeding was of assistance when it compared the generation and transmission alternatives, the Commission also concluded that other Bema evidence was of limited assistance to it when deciding the issues raised in the original proceeding. For example, the Commission found, given the considerable debate about the inputs to the models, the results of the cost models were not easily comparable and therefore had limited use.²⁷ The Commission further

²⁷ Decision 22125-D01-2018, paragraph 287.

considered that Bema's evidence with respect to certain material contested adjustments to the costs of the ATCO Electric transmission option was unsupported by the evidence.²⁸

85. The Bema evidence also included a reliability assessment that compared the JEA's generation option with ATCO Electric's transmission option. However, a fundamental premise underlying the reliability assessment was the assumption that the JEA's generation option satisfied the minimum reliability requirements established by ATCO Electric distribution. Mr. Sullivan of Insitu conceded at the hearing that the JEA's generation option would not meet those requirements, and the Commission concluded that "the JEA generation option, as originally proposed with four generating units, does not meet ATCO Distribution's minimum reliability requirements for an isolated generation option and is incapable of reliably serving the Jasper load."²⁹ In the Commission's view, Mr. Cline, one of Bema's sub-consultants, ought to have been aware, or should have made himself aware, of ATCO Electric distribution's reliability requirements for isolated generation in Jasper and should have addressed that issue in the Bema report. In addition, the fact that this deficiency in the Insitu and Bema reports was not revealed until the hearing resulted in the Insitu evidence and the generation related reliability evidence prepared by Bema being of little use to the Commission when deciding the issues raised in the proceeding.

86. Having regard to the foregoing, the Commission has decided to reduce the costs claimed by Bema by 60 per cent. Bema is therefore awarded \$125,686.40 in fees, disbursements for meals, mileage, parking, photocopying and printing of \$507.16 and GST of \$6,305.14 for a total of \$132,498.70.

3.2.4 Insitu Power Corporation

87. Insitu was retained by the JEA to perform consulting services in the original proceeding. The fees claimed by the JEA for the consulting services provided by Mr. Sullivan of Insitu related to reviewing the application, drafting IRs, reviewing IR responses, drafting evidence, drafting IR responses, reviewing rebuttal evidence from ATCO Electric, preparing for and attending the oral hearing, and drafting argument and reply argument as it pertained to a generation option.

88. The Commission finds that Mr. Sullivan possessed the necessary knowledge and experience to prepare and present evidence relating to the JEA's generation option. The Commission found Mr. Sullivan to be a credible witness. His testimony was clear and forthright and his evidence assisted the Commission in understanding the generation option developed by Insitu. However, for the reasons that follow, the Commission concludes that reduced costs for the services performed by Insitu are warranted.

89. By Mr. Sullivan's own admission, the generation option developed by Insitu did not satisfy the minimum reliability requirements identified by the distribution facility owner. While Mr. Sullivan proposed, at the hearing, to add a fifth generating unit to address this shortcoming, the Commission could not reasonably evaluate that alternative due to a lack of evidence. The Commission considers this to be a material deficit in the evidence provided that warrants a

²⁸ Decision 22125-D01-2018, paragraph 300.

²⁹ Ibid, paragraph 172.

reduction of costs of 40 per cent. The Commission therefore awards Insitu \$18,873.00 in fees and GST of \$943.65 for a total of \$19,816.65.

3.2.5 Honorarium

90. The costs claim also requested \$800.00 in attendance honorarium for Ms. Seaton and Mr. Hatto, disbursements for accommodation, meals and mileage of \$1,920.04 and GST of \$68.80.

91. The claims for attendance honorarium are reasonable and within the Scale of Costs, and are approved. The claims for disbursements are within the Scale of Costs and are likewise approved.

Total amount awarded

92. For the reasons provided above, the Commission approves the JEA’s claim for recovery of costs in the amount of \$260,564.52. This amount is composed of legal fees of \$96,377.00, consulting fees of \$144,559.40, honorarium of \$800.00, disbursements of \$6,488.60 and GST of \$12,339.52.

4 Consumers’ Coalition of Alberta

93. The following table summarizes the CCA’s cost claim for the original proceeding:

Claimant	Hours			Fees	Disbursements	GST	Total
	Preparation	Attendance	Argument				
CCA							
Wachowich & Company	25.05	14.00	10.25	\$17,255.00	\$4,096.18	\$1,066.83	\$22,418.01
Regulatory Services Inc.	28.00 ³⁰	17.75	25.00	\$17,333.75	\$0.00	\$866.69	\$18,200.44
Total	53.05	31.57	35.25	\$34,588.75	\$4,096.18	\$1,933.51	\$40,618.44

94. The Commission finds that it is unable to approve the full amount of the costs claimed by the CCA because it failed to materially contribute to a better understanding of the issues raised in the proceeding.

4.1 Comments from ATCO Electric

95. In its comments, ATCO Electric submitted that the CCA’s costs were excessive and unreasonable given the extent of the CCA’s participation in the original proceeding.

96. ATCO Electric noted the CCA's position that it “made reasonable efforts to ensure that its evidence was not unduly repetitive of evidence presented by another participant.” ATCO Electric argued, however, that not filing any evidence in a proceeding so as to avoid duplication of evidence presented by another participant does nothing to establish the reasonableness of an intervener’s costs.

97. ATCO Electric submitted that the costs of Mr. Don Popowich of Regulatory Services Inc. (RSI) should be reduced in their entirety given that they were duplicative of the CCA legal

³⁰ The U2 form submitted by the CCA shows an extra 18.00 hours and \$4,860.00 in fees claimed for Regulatory Services Inc. The supporting invoices and the U1 form do not include this extra time.

counsel's costs. ATCO Electric argued that given the limited scope of the CCA's intervention in the original proceeding, as well as its limited argument and reply argument, it was not apparent that Mr. Popowich's services resulted in a better understanding of the issues before the Commission.

98. Finally, ATCO Electric noted that the invoices provided by Wachowich & Company failed to provide an adequate level of detail to assess the reasonableness of those costs, or the nature of the tasks performed. ATCO Electric submitted that the costs for Wachowich & Company should be significantly reduced.

4.2 Reply from the CCA

99. In its response, the CCA submitted that it was very focused and measured in its intervention and that this is borne out in its narrow request for standing.

100. In response to ATCO Electric's argument that the CCA's legal and consulting costs were duplicative, the CCA submitted that the legal services and engineering economics are different and require unique expertise. The CCA argued that it would be difficult to effectively participate in the proceeding without each unique expertise. It submitted that its costs claim supported and illustrated the difference in effort between counsel and the consultant.

101. Finally, the CCA submitted that it required expert assistance to appraise the material before it from a technical perspective, and that the assistance was provided by RSI through its contract with DW Popowich Management Inc. The CCA noted that to ensure that duplication of effort did not occur, it contacted other interveners to develop its intervention and determine the scope of CCA involvement. The CCA submitted that its costs were reasonable, in the public interest and should be approved in full.

4.3 Commission findings

102. The CCA sought and was granted standing to participate, on a limited basis, in the original proceeding. The focus of the CCA's concern was the cost classification for the Jasper interconnection project and the investment level accorded to the project by the AESO. More specifically, the CCA expressed concern that any interim decision on cost classification made in the original proceeding could potentially influence the Commission's final decision on the issue in the AESO's 2018 tariff application.

103. Both ATCO Electric and the AESO stated in their respective reply evidence that they did not intend to pursue the issue of cost classification in the original proceeding. In its opening remarks, the Commission further confirmed that any decision it made in the original proceeding with respect to cost classification would be interim pending a final determination in the AESO's 2018 AESO tariff application proceeding.

104. The fundamental issue raised in the original proceeding was whether approval of the Jasper interconnection project was in the public interest. While the Commission recognizes that the cost classification of the project is an important issue, it is of the view that once ATCO Electric and the AESO confirmed that neither would pursue that issue within the context of the original proceeding, the CCA's stated concern in the original proceeding had been materially addressed. The Commission has assessed the claims submitted by Wachowich & Company and RSI in light of this finding.

4.3.1 Wachowich & Company

105. The CCA was represented by Wachowich & Company in the original proceeding. The fees claimed by the CCA for the legal services provided by Mr. James Wachowich relate to reviewing the application, reviewing IR responses, preparing for and attending the hearing and reviewing draft argument and reply argument.

106. While the Commission finds that the services performed by Wachowich & Company were directly and necessarily related to the CCA's participation in the original proceeding, it finds that those services, in particular the cross-examination of witnesses and the filing of argument and reply argument, did not materially contribute to a better understanding of the issues raised in the application.

107. As stated above, the issue that gave rise to the CCA's participation in the proceeding, the cost classification of the project, was substantially resolved when ATCO Electric and the AESO confirmed in their reply evidence that they were not seeking a decision, interim or otherwise, from the Commission on this issue in the original proceeding. Notwithstanding this confirmation, counsel for the CCA chose to attend the hearing and cross-examine the AESO panel on the issue of cost classification. The AESO's testimony in response to these questions was consistent with its reply evidence.

108. The CCA briefly addressed the issues of cost classification in its argument and not at all in its reply argument. The CCA's position in argument was essentially that the issue of cost classification should be addressed in the 2018 ISO tariff proceeding. The CCA also briefly addressed the issue of the investment level accorded the project by the AESO.

109. The Commission finds that Mr. Wachowich's cross-examination on the cost classification and maximum local investment issues and the argument filed on those issues did not materially add to or enhance the record with respect to those issues. Further, the remaining issues addressed by the CCA in its argument related to issues that were outside of the stated scope of the CCA's participation in the proceeding and were largely duplicative of the issues raised by the JEA in its argument and reply argument. Having regard to the foregoing, the Commission has awarded 20 per cent of the fees claimed by Wachowich & Company, which amounts to \$3,451.00.

110. The Commission finds that the disbursements claimed by Wachowich & Company in the amount of \$4,096.18 are reasonable and approves them in full.

111. Lastly, Wachowich & Company claimed GST associated with its claim for mileage. Appendix A of Rule 022 states that the Commission's mileage rate for automobile travel is 46 cents per km including GST. The GST of \$13.80 claimed for mileage has been disallowed.

112. Accordingly, the Commission approves the CCA's claim for legal fees for Wachowich & Company in the amount of \$3,451.00, disbursements of \$4,096.18 and GST of \$362.83 for a total of \$7,910.01.

4.3.2 Regulatory Services Inc.

113. RSI was retained by the CCA to perform consulting services in the original proceeding. The fees claimed by the CCA for consulting services provided by Mr. Popowich relate to

reviewing the application, reviewing IR responses, reviewing evidence, preparing for and attending the oral hearing and drafting argument and reply argument.

114. According to its invoice, RSI's preparation for the proceeding consisted of a review of the numerous exhibits on the record relating to the proposed project. It is unclear to the Commission why this general review of the record was required given that the stated focus of the CCA's participation in the proceeding was on the cost classification of the project. While the Commission appreciates that RSI may have been retained to assist counsel for the CCA in understanding the engineering aspects of the application and to prepare for cross-examination and assist with argument, the documents reviewed by RSI in preparation for the hearing are largely unrelated to the questions posed during cross-examination. Those questions primarily related to ATCO Electric's corporate structure and the AESO's position on cost classification.

115. Having regard to the foregoing, the Commission is unable to approve the costs claimed for the services provided by RSI and denies this portion of the CCA's claim in its entirety.

5 Municipality of Jasper

116. The following table summarizes Jasper's cost claim for the original proceeding:

Claimant	Hours			Fees	Disbursements	GST	Total
	Preparation	Attendance	Argument				
Municipality of Jasper							
Gowlings WLG (Canada) LLP	59.80	46.20	17.80	\$45,801.00	\$566.88	\$2,318.39	\$48,686.27
Total	59.80	46.20	17.80	\$45,801.00	\$566.88	\$2,318.39	\$48,686.27

5.1 Comments from ATCO Electric

117. In its comments, ATCO Electric noted that it considered Jasper's engagement of legal counsel to have been beneficial in that it contributed to the resolution of concerns raised by Jasper, which resulted in efficiencies at the hearing.

118. ATCO Electric submitted that the invoices provided by Jasper did not comply with the requirements of Rule 009, as they did not provide a sufficient level of detail to assess the reasonableness of the amount claimed. ATCO Electric submitted that it did not consider a claim for \$6,230.00 in respect of argument and reply argument to be reasonable where Jasper did not file any argument or reply argument.

5.2 Reply from the Municipality of Jasper

119. In its reply, Jasper submitted that the time associated with argument and reply argument was in respect of a review of the arguments and reply arguments provided by other parties in the proceeding.

5.3 Commission findings

120. Jasper's participation in the original proceeding was limited to filing a statement of intent to participate and a letter outlining its initial concerns with the project. Shortly thereafter, Jasper advised the Commission that it was satisfied with the application and changed its participation status to that of observer.

121. Jasper described its interest in the original proceeding in its statement of concern and in its cost application. In its statement of concern, Jasper described its interest in the original proceeding as follows:

Jasper, Alberta is an international tourism destination, attracting millions of visitors to Alberta and Canada each year. We are in competition with all other world class destinations for attracting international tourists, which includes being viewed as a reliable destination. As a host community, we want our visitors to experience all that we can offer, which includes experiencing our local shops, restaurants and hotels.

As Jasper hit record breaking visitor numbers this summer, with 224,503 visitors in June alone, the community also experienced several power outages, lasting for a minimum of 30 minutes each. This resulted in frustration from visitors and business owners, some of whom were negatively impacted financially, according to a local media report.

We are concerned above ground transmission lines could increase these outages.³¹

122. Jasper described its interest in the original proceeding similarly in its costs application.

As the Municipality stated in its September 29, 2017 Statement of Intent to Participate (“**SIP**”) and its evidence in the Proceeding dated October 12, 2017 (“**Evidence**”), given the extensive reliance of the residents and business owners of the Municipality on tourism revenue, there was a concern that the proposed above-ground transmission lines in the ATCO Facilities Application could create reliability and safety issues as well as visual impacts, impacts to wildlife and environmental issues that could have a direct impact on the Municipality and business owners operating therein.³²

123. The Commission finds that Jasper’s initial participation in the original proceeding was premised upon its concerns with the project. It did not file IRs, responses to IRs or evidence, nor did it sit a witness panel or cross-examine any of the other participants’ witnesses. Jasper did not offer argument or reply argument. The costs it claimed relate to the monitoring of the file by its counsel, Gowlings LLP. Jasper’s monitoring activities did not assist the Commission in understanding the issues raised in the original proceeding. Accordingly, the costs claimed by Jasper are denied in their entirety.

³¹ Exhibit 22125-X0248, PDF from the Municipality of Jasper, November 24, 2017.

³² Exhibit 23391-013, Cost Claim Submission, October 9, 2017, paragraph 7.

6 Order

124. It is hereby ordered that:

- 1) The Alberta Electric Systems Operator shall pay intervener costs to the Jasper Environmental Association in the amount of \$260,564.52.
- 2) The Alberta Electric Systems Operator shall pay intervener costs to the Consumers' Coalition of Alberta in the amount of \$7,910.01.

Dated on August 30, 2018.

Alberta Utilities Commission

(original signed by)

Anne Michaud
Vice-Chair

(original signed by)

Carolyn Hutniak
Commission Member

(original signed by)

Neil Jamieson
Commission Member