

SCHEDULE 1

SCALE OF COSTS

Pursuant to section 56 of the *Public Utilities Act* "the Board may order to whom or by whom any costs incidental to any proceeding before the Board are to be paid and may fix the costs to be paid."

The Board welcomes and relies upon informed and effective intervention from intervenors representing different classes of customers of a utility to test the various aspects of the applicant's rate case. Any individuals or organizations including municipalities, who wish to intervene in any proceeding and who may have substantial common interests, are encouraged to combine their intervention to reduce both hearing time and aggregate costs.

Before exercising its statutory discretion to award costs, the Board will consider such questions as the effectiveness of the party's participation, its relevancy to the issues, and whether the costs were reasonably and prudently incurred, and whether the party has been diligent in the efficient presentation of its position.

The Board's primary objective is to ensure an efficient and expeditious hearing process and to avoid duplication. If duplication is found to exist, costs may be reduced or disallowed.

The Board may also disallow or reduce the costs if a party to a proceeding has failed to comply with a direction of the Board, Board order or has embarked on irrelevant or unreasonable inquiries.

The Board may also disallow or reduce costs if a party to a proceeding has not been responsive or acted unreasonably in failing to respond to and information request.

The Board may also disallow or reduce costs where a party has made irrelevant or unreasonable submissions to the board not relevant to the matters in issue in the proceedings.

The Board may also review whether or not an expenditure by a party to the proceeding is prudent and reasonable and if it is found that it is not prudent or reasonable, the Board may disallow or reduce disbursements, consultant's fees and solicitor's fees.

Where duplication is found to exist, the Board may limit consultant's fees or solicitor's fees to one consultant or solicitor notwithstanding that more than one party is involved.

To facilitate the administration of claims for costs, the Board had prescribed this scale of costs under which costs of and incidental to any proceeding before the Board may be taxed or assessed.

This scale will be applicable to all hearing costs incurred on or after September 1, 1995 and will remain in place until revised by the Board.

The Board's objective in prescribing the scale of costs is to ensure that the costs of hearings are reasonable, relative to the matters involved. Costs are generally awarded against the utility, and charged to the customers of the utility throughout the utility's rates. For this reason, the Board considers that the costs claimed by parties to a proceeding must be subject to stringent scrutiny.

The fees and disbursements in the scale of costs are not intended to prescribe the fees which any party may wish to pay when choosing to retain council or counsel consultants. The scale of costs represents what is, in the opinion of the Board, a fair and reasonable contribution by consumers to provide interested parties with adequate, competent and professional assistance in making an effective submission to the Board. In case where a party can advance persuasive argument that the level of consumer contribution is inadequate given the complexity of the case, the Board may adjust the scale to meet unique circumstances.

This scale sets general principles and amounts, which are to apply to the awarding of costs. Costs are in the discretion of the Board and claims will be assessed particularly on the usefulness of the party's participation in testing the utility's case and thereby helping the Board discharge its basic mandate to fix just and reasonable rates for all customers. These fees and charges are effective for all hearings commencing on or after September 1, 1995.

1. Professional fees

(a) Legal Counsel - Maximum fee per each hour - \$225.00

The fee information must include copies of all fee billings and show preparation, required attendance and argument/reply times in detail. In addition a retainer letter explaining the need for counsel must be provided at, or within one month of, the applicable pre-hearing conference.

The Board will review the number of hours claimed by legal counsel having regard to the circumstances and complexity of each proceeding, the participation of the counsel and whether and when their attendance was required.

The fee will be deemed to include and cover all overhead charges implicit in the normal operation of professional office including meals. Exceptions are described under disbursements following.

(b) Consultants - Maximum fee per each hour - \$225.00

The maximum consultant's fee shall also be subject to considerations similar to those expressed above for legal council fees, and will require similar documentation. The retainer letter should include a description of the areas on which the consultant was engaged to contribute to the proceedings.

2. Disbursements

(a) Subject to tests of reasonableness and the mandatory submission of appropriate supporting vouchers, the Board will consider whether to order reimbursement of the reasonable and prudent actual costs incurred for:

- (1) Transcript
- (2) Accommodations- during hearing days only, and excluding meals and other charges.
- (3) Airfare, at economy or less, to and from the hearing, applicable only when attendance is required.

(b) The Board will consider reimbursement of the reasonable actual costs incurred for other charges directly related to the preparation and circulation of evidence, argument and reply provided they are fully explained and, where appropriate, supported by vouchers:

- (1) Courier and postage.
- (2) Computer charges (access to databases, etc.) for access external to the applicants operations.
- (3) Long distance telephone and fax

(c) Subject to tests of being reasonably and necessarily incurred, the Board will consider reimbursement of the following on the basis shown:

- (1) Photocopying - At claimant's costs of \$.10/copy whichever is the lesser.
- (2) Road travel - A mileage allowance of \$.27/kilometre may be claimed by participants living in the Yukon but not in the locale where the hearing is held. This is payable only for the hearing days.

There will be no reimbursement for travel costs of local participants.

There will be no reimbursement of taxi fares and parking charges except for necessary costs (taxi, parking, etc.) for transportation from and to airports with respect to attendance at hearings.

(d) All disbursements not identified under 2(a), 2(b), or 2(c) above, will be deemed to be normal overhead costs recovered in the fee for services prescribed in 1 above.

If the scale requires disbursement vouchers and either no vouchers or inadequate vouchers are submitted, the claimant will be notified by a deficiency letter issued by the Board. If the claimant fails to respond by the date specified in the deficiency letter, the claim will be regarded as withdrawn, and will not be covered by a payment order.

3. Intervenors

The Board encourages intervenors with similar interests to combine their interventions. Individual intervenors accredited under section 24 who provide the Board with a constructive view on a particular regulated part of a utility's operations will in the Board's discretion be eligible for reimbursement of their reasonable disbursements in accordance with the scale above. Intervenors participating generally, throughout proceedings will have any claims for costs assessed on their own merits. The Board will not approve an attendance allowance
