



PUBLIC INTEREST ADVOCACY CENTRE
LE CENTRE POUR LA DEFENSE DE L'INTERET PUBLIC

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December 22, 2008

VIA EMAIL

Yukon Utilities Board
Box 31728
Whitehorse, Yukon
Y1A 6L3

Attention: Deana Lemke, Board Secretary

Dear Ms. Lemke:

Re: Board Order 2008-15

As Executive Director of the Public Interest Advocacy Centre in Ottawa (PIAC) I am pleased to advise you that the Utilities Consumers Group (UCG) has sought to retain our services for the upcoming General Rates Application Proceeding for the Yukon Energy Corporation (YEC).

Further to Board Order 2008-15, it is our understanding that, with respect to attendances in Whitehorse, the YEC application includes:

- a) attendance at the YEC presentation of its rate application on January 6, 2009,
- b) attendance at the prehearing conference on January 7, 2009, and
- c) attendance at the three day hearing scheduled for May 5-7, 2009.

It is PIAC's proposal to make available to UCG Michael Buonaguro as legal counsel for this proceeding. It is our assumption that the YEC presentation and the prehearing conference were scheduled on consecutive dates in order to make it cost effective for non-residents to participate in those processes; accordingly it is our proposal to have Mr. Buonaguro travel to Whitehorse from Toronto for all of the above noted attendances, in addition to participating in the review of the application material, the formulation of issues, the interrogatory process, and the drafting of written argument and reply argument.

Rate Requested

As the Board is no doubt aware, UCG does not have access to the direct funding required to retain appropriate legal support for its intervention; accordingly UCG relies on PIAC, as do other groups that retain PIAC's services, to provide legal support on the basis that PIAC can recover its fees and disbursement from the Board through the appropriate cost process. In this way PIAC is entirely at risk with respect to its participation in most regulatory proceedings; PIAC recovers only those disbursements and fees that the relevant Board allows it to recover in a cost award from rates.

As PIAC's legal counsel in Toronto Mr. Buonaguro specializes in regulatory proceedings related to energy, and qualifies, in accordance with the Ontario Energy Board tariff, for a rate of \$230.00 per hour. We are aware, having participated in fairly recent YUB proceedings, that the current YUB tariff maximum for intervenor counsel is \$225.00 per hour. Accordingly PIAC respectfully submits that it would be appropriate to allow recovery of a rate of \$225.00 per hour for Mr. Buonaguro's participation in these proceedings on behalf of UCG, subject to the Board's review of his cost claim. It is our understanding that this issue could be appropriately discussed and some direction provided at the prehearing conference.

RETAINER OF PAT McMAHON

As was the case in PIAC's recent participation in YUB proceedings, we are fortunate that UCG has been able to retain the services of Pat McMahon as a consultant to assist with UCG's review of this application. It is normally PIAC's practice in regulatory proceedings as complex as transmission rate applications to retain at least one consultant of Mr. McMahon's caliber to review the application, draft interrogatories, and work on argument and reply argument as appropriate. In Ontario a consultant with Mr. McMahon's qualifications providing these types of services would be entitled to a rate of \$330.00 per hour; accordingly, absent Mr. McMahon's participation, PIAC would likely provide a consultant to work in tandem with Mr. Buonaguro, and would seek, at a minimum, the YUB tariff rate of \$225.00 for his/her services.

With the retainer Mr. McMahon, our need for a skilled consultant to assist with this proceeding has been filled with someone with not only the relevant general knowledge of the industry, but, as the Board is no doubt aware, an extensive background in the history of the Yukon energy sector in particular. In these circumstances we would respectfully submit to the Board that Mr. McMahon's requested rate of \$50.00 per hour is more than justified. Again, it is our understanding that the issue of Mr. McMahon's rate could be discussed at the prehearing conference.

If the Board has any questions about PIAC proposal, questions may be directed

to Mr. Buonaguro at mbuonaguro@piac.ca. In particular, if we are incorrect in our understanding about the January 6-7 attendances and the reasonableness of having Mr. Buonaguro travel to appear on behalf of UCG, please let us know so that he does not needlessly make travel arrangements.

Yours very truly,

Michael Janigan
Executive Director