

**IN THE MATTER OF the *Public Utilities Act*
Revised Statutes of Yukon, 2002, c. 186, as amended**

and

**An Application by Yukon Electrical Company Ltd. and
Yukon Energy Corporation
for a 2009 Joint Phase II Rate Application**

BEFORE:	B. McLennan, Chair	)	June 28, 2011
	R. Laking	)	
	J. Woodland	)	
	R. Hancock	)	

BOARD ORDER 2011-08

WHEREAS:

- A. Pursuant to Section 56 of the *Public Utilities Act* (Act), the Yukon Utilities Board (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”;
- B. On February 19, 2010, Yukon Electrical Company Ltd. (YECL) and Yukon Energy Corporation (YEC) (jointly, the Companies) filed with the Board, pursuant to the *Public Utilities Act*, and Order-In-Council 1995/90, the 2009 Phase II Rate Application (Application). The Companies requested an Order approving adjustments to rates (on a prospective basis), to be effective September 1, 2010, and to collect an approved 2009 Consolidated Firm Rate Revenue Requirement of \$50.833 million. The Application also proposed updates to the Terms and Conditions of Service (previously known as “Electric Service Regulations”) including a review of investment levels;
- C. YECL separately sought approval of a proposed Diesel Generation Energy Cost Recovery Rider (Rider D) to flow through the actual cost of purchase power for the hydro zone during the period when diesel generation is on the margin and had not been forecast;
- D. The Board issued Board Order 2010-6 which set out a process schedule and requested that parties intending to participate in the review process register in writing with the Board Secretary no later than May 17, 2010;
- E. The Board received requests for Intervenor status from the City of Whitehorse (Whitehorse), John Maissan, Peter Percival, Keith Lay, and the Utilities Consumers’ Group (UCG);

- F. On May 21, 2010, the Board issued Board Order 2010-07 granting Intervenor status to Whitehorse, John Maissan, Peter Percival, Keith Lay, and UCG for the proceeding. The Board also amended the process schedule and set out the issues list for the proceeding;
- G. On October 5, 2010, the Board held an oral public hearing in the City of Whitehorse, Yukon. The Board notes that although Mr. Lay and Mr. Percival were granted Intervenor status, they did not participate in the hearing;
- H. The Board considered the extensive evidence and the written argument and reply of the Parties respecting the Application;
- I. On December 30, 2010, the Board issued Board Order 2010-13 with Appendix A, Reasons for Decision;
- J. Subsequent to the release of Board Order 2010-13, the Board reminded Parties respecting the filing of applications for cost awards;
- K. The Board received applications for cost awards from:
 - 1. Whitehorse
 - 2. UCG
 - 3. John Maissan
 - 4. YECL
 - 5. YEC;
- L. The Board received comments on the applications for cost awards from UCG in a letter dated February 14, 2011;
- M. The Board has reviewed all applications for costs and comments of the Parties based on the criteria set out in Schedule 1 to the Board's *Intervenor Costs Award Policy* (Scale of Costs), established by section 33 of the Board's Rules of Practice, Board Order 1995-02 dated November 10, 1995, as well as the principles relating to cost awards set out in previous Board Orders — in particular, Appendix A to Order 2007-6, and Board Orders 2005-16, 2005-17 2007-7, 2007-8, 2007-9, 2009-06, 2009-11 and 2010-09;
- N. The Board did not review any replies from Parties to other Parties' comments with respect to their cost claims, as these were unsolicited and the cost process is not a reiterative process. An application for costs must supply all necessary information in relation to the costs claimed;
- O. Costs claimed by Parties are subject to stringent scrutiny by the Board, as costs are awarded against a utility and charged to the customers of the utility through the utility's rates;
- P. After careful consideration, the Board has assessed the cost applications on the principles outlined above and has made the adjustments set out below.

Therefore, the Board awards costs as follows:

INTERVENOR COSTS

1. City of Whitehorse

City of Whitehorse Claiming:

Brownlee LLP (Fees, Disbursements and GST)	\$30,504.16
Garbutt Consulting Inc. (Fees, Disbursements and GST)	\$30,808.77
Municipal and Regulatory Consulting Inc. (MARCI) (fees and GST)	\$10,068.75

Total Costs Claimed	\$71,381.68
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Comments

Whitehorse was represented by Kristjana Kellgren of Brownlee LLP (Brownlee), legal counsel. It retained Greg Garbutt of Garbutt Consulting Inc. (GCI), and Keith Dannacker of Municipal and Regulatory Consulting Inc. (MARCI), technical and regulatory analysts.

In its cost claim application, Whitehorse submitted that it was diligent regarding the efficient presentation of its position. It attended the December 5, 2009 workshop and provided comments to the utilities concerning Phase II issues to assist the utilities in tailoring their application. Whitehorse added that it put forward several successful positions in the proceeding by utilizing only information requests and cross-examination.

Whitehorse further stated that Ms. Kellgren's rate has increased from \$90/hour to \$175/hour following her call to the bar to reflect her increased experience and to be comparable to other legal associates of her year of call. Whitehorse added that the rate of \$175 was reasonable in light of the fact that Ms. Kellgren has devoted the majority of her practice since her call to the bar to utility regulation matters, and is less than the maximum allowed under the Board's prescribed maximums.

Whitehorse submitted that the hourly rates charged by GCI exceed the Board's maximum of \$225/hour by \$25/hour. Whitehorse, however, did not claim any hourly rate that exceeds the maximums established by the Board. Whitehorse stated that the rates charged by GCI are commensurate with the experience of the consultants and requests that the Board approve GCI's fees as submitted.

In its letter of February 14, 2011, UCG submitted that, at a minimum, a total of approximately \$34,000 from this cost claim should be disallowed and not recovered from Yukon ratepayers. The reasons for its submission are as follows: UCG noted that, in Board Order 2010-09, issued September 2, 2010,

the Board reiterated its position that the Scale of Costs sets out a maximum fee for legal services based on the experience of legal counsel. At that time, the Board awarded Whitehorse for legal services provided by Ms. Kellgren a rate of \$130 per hour for services provided between February 8, 2010 and May 20, 2010, during review of the Mayo B Enhancement Project, during which period the review of the GRA Phase II application was ongoing. UCG stated that there was no change in years of experience of Ms. Kellgren; therefore, the Board should award \$130/hour for Ms. Kellgren rather than the \$175/hour claimed by Whitehorse.

UCG also submitted the Board should not award any costs incurred prior to February 19, 2010, the date on which the Application was filed. It asked that the Board disallow costs incurred in December 2009, January 2010, and February 2010. UCG also requested that the Board reduce the costs claimed for disbursements on a February 25, 2010 invoice of \$10,140.91 because there was no receipt or invoice provided nor any detail on when these costs were incurred. UCG listed a number of other reductions to the costs claimed for legal services and disbursements.

Regarding the legal hourly rate in the cost claim, the Board considered that the Scale of Costs sets out a maximum fee for legal services on an hourly basis for experienced counsel. Considering that Whitehorse's legal counsel has only a few years at the bar and that the work on the Application was being done during the same period as the Mayo B proceeding, the Board is of the view that it is not reasonable to allow an hourly fee of \$175 for this proceeding. Therefore, the Board exercises its discretion and reduces the legal fees to \$130/hour and reduces the amount claimed accordingly. Also, the Board considers that 107.95 hours that legal counsel spent on preparation for this proceeding is excessive in light of the number of issues brought forward by Whitehorse. The Board exercises its discretion and reduces the number of hours by 25%.

Brownlee's photocopying costs in the amount of \$1,226.40 are not supported by the number of copies shown on invoices; therefore, the Board reduces the amount by one-third, or \$404.71 of the total claimed.

The Board considers that there was overlap in the services provided by GCI and MARCI and the number of hours claimed, 170 hours in total, is excessive. Therefore, Board reduces the number of hours claimed by GCI and MARCI by 25%.

In this proceeding, the Board is of the view that costs may be claimed from the time just prior to the workshop respecting the Application on December 15, 2009. This workshop was an opportunity for Intervenors to provide input on the Phase II application to be filed; therefore, the Board finds that Whitehorse may claim costs in this case before the Application was filed.

Regarding disbursements, the Board notes that, on the summary of disbursements submitted, the disbursements claimed with regard to

photocopying and airfare by Brownlee are excessive. The cost claim does not state the number of photocopies made. The Board exercises its discretion and reduces the amount claimed for photocopying by two-thirds of the amount claimed. With regard to the airfare, there are two invoices submitted for travel to attend the hearing. The Board awards the amount of \$643.91 for airfare for Brownlee. A reduction of one-third, or \$614.03, is made to the airfare claimed by Mr. Garbutt as the amount of \$1,860.70 for two airfares to Whitehorse from Edmonton seem excessive to the Board.

In summary, the Board awards costs to Whitehorse as follows:

Legal Services Provided by Brownlee LLP

Legal Fees:

Ms. Kellgren: \$130/hr x 125.75 hrs (152.75 – 27 hrs)	\$16,347.50
Mr. Marriott: \$240/hr x 2.4 hrs	\$ 576.00
Disbursements: \$3,232.91 – \$1,158.16 (\$404.71+ \$753.45)	\$ 2,074.75

Consulting Services Provided by GCI

Professional Fees: \$225/hr x 94.25 hrs (125.25 – 31 hrs)	\$21,206.25
Disbursements: \$2,637.02 – \$614.03	\$ 2,022.99

Consulting Services Provided by MARCI

Professional Fees: \$225/hr x 33.75 hrs (44.75 – 11)	\$ 7,593.75
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Total Costs Awarded to the City of Whitehorse	\$49,821.24
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2. Utilities Consumers' Group

UCG Claiming:

Legal Services Provided by PIAC (Fees, Disbursements and HST)	\$11,582.85
Consulting Services Provided by P. McMahon (Fees and HST)	\$12,915.90

Total Costs Claimed	\$24,498.75
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Comments

UCG was represented by Michael Buonaguro, legal counsel from PIAC and Patrick McMahon, consultant. UCG noted that Mr. Buonaguro qualifies for a rate of \$230/hour, however, recognizes that the Board's maximum is \$225/hour and requests the recovery of the maximum rate. In its cost award application, UCG submitted that Mr. McMahon was a skilled consultant with relevant general knowledge of the industry and an extensive background in the history of the Yukon energy sector in support of the requested rate of \$60/hour.

The hours claimed for Mr. Buonaguro are 7.6 for preparation, 21 for hearing attendance, and 4 for argument, reply and follow up. The hours claimed for Mr. McMahon are 121 for preparation, 7 for research during hearing, and 62.5 for argument, reply and follow up for a total of 190.50 hours.

With respect to the Certificate of Permission to Act in the Yukon in the amount of \$787.50, UCG argued that it should not be considered a general overhead expense in the way that it is specific to the proceeding and was required in this instance for Mr. Buonaguro to appear as counsel before the Board. UCG further noted that this cost was in the past recoverable, and is no different than accommodation or airfare as it is a costs incurred specifically as a result of the particular proceeding.

Disbursements are for airfare, hotel, transcripts of the hearing, taxi fare to and from the airports and hearing, and the above-mentioned Certificate of Permission to Act in the Yukon. Total disbursements including HST/GST are \$3,294.30.

The Board finds that Mr. Buonaguro's professional fees are reasonable and accepted as submitted. However the Board has reduced from his disbursements the costs related to his Certificate of Permission to Act in the Yukon of \$750.00 plus \$37.50 of related GST as these disbursements are not allowed under the Scale of Costs.

Regarding the consulting services of Mr. McMahon, the Board has chosen to exercise its discretion provided for in the Scale of Costs to reduce the hours submitted by Mr. McMahon by 25%. The Board finds that the 190 hours claimed by Mr. McMahon are excessive in light of the intervention presented by UCG and the issues raised by the Application. As a result, some of the fees claimed were not prudently incurred.

In summary, the Board awards costs to UCG as follows:

PIAC Professional Fees: \$225/hr x 32.6 hrs	\$ 7,335.00
Disbursements	\$ 2,325.50
Patrick McMahon: \$60/hour x 142.5 hrs (190 hrs – 47.50 hrs)	\$ 8,550.00
HST: 13% of \$18,210.50	\$ 2,367.36

Total Costs Awarded to UCG	\$20,577.86
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3. John Maissan, Resident of City of Whitehorse

John Maissan, Resident of City of Whitehorse, claiming:

Consulting	\$ 5,591.25
GST	\$ 279.56

Total Costs Claimed	\$ 5,870.81
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Comments

Mr. Maissan's cost application was evaluated as that of an Intervenor under section 3 of the Scale of Costs and the applied for costs are being considered on the basis that he is a resident of the City of Whitehorse. In his cost application, Mr. Maissan stated that he is a registered professional engineer in the Yukon and held senior engineering positions with YEC for about 14 years. He added that he has a broad familiarity with the regulated electrical utilities of the Yukon and their technical issues. Mr. Maissan's participation included "communications with the Board, the IRs asked of the Utilities, the cross examination of Utilities panels, his responses to IRs and under cross examination, plus the Final Reply and Arguments submitted".

For "illustrative purposes" Mr. Maissan included an hourly rate of \$35/hour and acknowledged that the rate is subject to the Board's discretion. The hours claimed are 132 for preparation, 0 for hearing attendance, and 27.75 for argument, reply and follow up.

Regarding the hourly rate applicable to Mr. Maissan's cost claim, under the Scale of Costs, the Board has the discretion to set the hourly rate for Intervenor, taking into account the value of the intervention in helping the Board come to its decision. The Board found Mr. Maissan's submissions to be useful in addressing some of the issues before the Board in this Application. Based on the quality of Mr. Maissan's intervention in this particular proceeding and considering the issues raised by this Application, the Board has chosen to exercise its discretion and adjust Mr. Maissan's hourly rate to \$50/hour. The Board notes that each intervention is evaluated on an individual basis and the hourly rate awarded in this instance does not constitute a guarantee that future interventions will be valued at the same rate. However, the Board considers 132 hours for preparation to be excessive and reduces this number by 25% (33 hours reduction).

In summary, the Board awards costs to Mr. Maissan as follows:

Under Scale of Costs section 3:

John Maissan Fees: \$50/hr x 126.75 hrs (159.75 hrs – 33 hrs)	\$ 6,337.50
GST	\$ 316.87

Total Costs Awarded to Mr. Maissan	\$ 6,654.37
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APPLICANT COSTS

4. Yukon Electrical Company Ltd.

YECL Claiming:

Bennett Jones LLP (Fees and Disbursements)	\$ 48,115.48
ATCO Electric (Fees and Disbursements)	\$ 73,346.20
ATCO I-Tek Business Services (Fees)	\$ 9,539.19
YECL (Disbursements)	\$ 10,354.55

Total Costs Claimed **\$141,355.42**

Comments

In its cost claim, YECL noted that steps were taken to avoid duplication in the joint application with YEC. YECL took the primary role “in areas relating to distribution cost of service, the Energy, Demand and Loss Analysis (ELDA) study, and updating the T&Cs including the development of a new maximum investment level study”.

YECL retained Bennett Jones LLP to represent it in this proceeding and professional fees were charged at \$225/hour. L.G. Keough provided the primary legal services and A.M. Sears, junior legal counsel, was involved in a minor supporting role. The hours claimed are 138.90 for preparation, 32 for hearing attendance, and 37.30 for argument, reply and follow up.

Regulatory support was provided by ATCO Electric’s Pricing group. YECL indicated that “the costs it has incurred for the services of the Phase II work provided by ATCO Electric are not included in the Master Service Contract between YECL and ATCO Electric Ltd, and, as such, have not been included in YECL’s forecast and approved revenue requirement to be collected from Yukon customers through its retail rates. Absent cost recovery as detailed herein, YECL will not receive any compensation for this significant regulatory work done on its behalf and will therefore not have been given the opportunity to recover its prudently incurred costs.” The total hours claimed for ATCO Electric are 1,018.9 for preparation. The total hours claimed for ATCO I-Tek Business Services are 46.75 for preparation.

Disbursements were claimed by Bennett Jones LLP, ATCO Electric and YECL. The majority of disbursements were for airfare, accommodation and parking. Total disbursements exclusive of GST are \$15,458.68. The Board has also disallowed the external printing costs claimed by YECL of \$290.70. In addition, the miscellaneous supplies and services costs in the amount of \$403.51 have been disallowed as these costs were not substantiated.

UCG submitted that there was difficulty reconciling the summary tables provided by YECL with the invoices from Bennet Jones LLP, as receipts for disbursement were not provided. UCG added that charges for time associated with Ms. Sears are “duplicative” as no qualifications were

provided. They indicated that \$4,072.50 + \$203.63 GST should not be recovered.

UCG submitted that Mr. Keough's hours should be reduced by 15, as it relates to costs regarding two separate witness training sessions. UCG noted that the Board had previously disallowed these costs (Board Order 2009-11) due to lack of "substantiated" need and because "the expenses were not prudent or reasonable." The total costs should be reduced by at least \$3,375.00 + \$168.75 GST.

Concerns were raised by UCG regarding disbursements for airfare, parking, accommodation, food, photocopying and long distances because the charges were either not fully explained or the proper receipts were not provided.

Next, UCG indicated that time charges by ATCO Electric prior to September 2009 for the Phase II application were "unrealistic". It submitted that "all of the time-related salaries prior to September 2009 and included in YECL's cost claim in this proceeding (\$17,289.70 + \$864.49 GST) should be disallowed." UCG also submitted that the costs claimed by YECL for ATCO employees who provided "administrative regulatory support" for a total of \$36,851.52 + \$1,842.58 GST should be disallowed.

UCG also argued that \$8,762.73 + \$438.14 GST should be disallowed as 'salary + burden identified as related to "GRA (Ph 1)" are not recoverable as part of a Phase 2 cost claim'.

Regarding the fees for legal services provided by Bennett Jones LLP, Mr. Keough provided the majority of the legal services, and has extensive experience before regulatory tribunals. The Board agrees with UCG's comments regarding the reduction of 15 hours because this time was spent by Mr. Keough preparing witnesses and such a reduction is consistent with Board Order 2009-11. Also, the Board reduced the fees submitted by YECL as no information was provided regarding the years of experience of Ms. Sears and her hourly rate for the purposes of this proceeding, as the hourly rate on the invoices submitted is \$350 or \$400, which is above the maximum provided for experienced legal counsel. Also, the invoices did not provide details as to the specific services provided by Mr. Keough and those provided by Ms. Sears to ensure that duplication was avoided. Therefore, the Board reduces the legal fees by 10 percent of the preparation hours, 13.10 hours. Accordingly, the total number of hours claimed by Bennett Jones LLP is reduced by 28.10 hours.

With respect to the regulatory support provided by ATCO Electric's Pricing Group, the Board is of the view that these services were provided on an interaffiliate basis. The Board considered the Master Services Agreement appended to the cost claim and it seems that the provision of regulatory support is included under this agreement, which the Board considers was part of the revenue forecast for YECL. Therefore, the Board denies the fees claimed for services provided by ATCO Electric as these costs do not fall

under the scope of the Scale of Costs. In addition, as the ATCO I-Tek services were provided to ATCO Electric and the need for these services was not justified, the Board denies the fees claimed by ATCO I-Tek.

In summary, the Board awards costs to YECL as follows:

Legal Services Provided by Bennett Jones

Professional Fees: \$225/hour x 180.10 hrs (208.20 hrs – 28.10 hrs)	\$40,522.50
Disbursements	\$ 1,270.48

ATCO

ATCO Electric Disbursements	\$ 3,833.65
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Yukon Electrical Company Ltd.

YECL Disbursements: \$10,354.55 – \$694.21 (\$290.70 + \$403.51)	\$ 9,660.34
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Total Costs Awarded to YECL	\$55,286.97
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5. Yukon Energy Corporation

Yukon Energy Corporation Claiming:

Davis & Company	\$ 45,787.50
Disbursements	\$ 3,245.47
InterGroup Consultants	\$301,990.00
Disbursements	\$ 24,207.67
YEC — Misc. Supplies & Services	\$ 13,748.33

Total Costs Claimed	\$388,978.97
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Comments

YEC stated that, as in past GRAs and recent regulatory processes, it retained Davis & Company as legal counsel with P. John Landry providing the legal services required. Davis & Company provided assistance to YEC in relation to the preparation, filing and review of its Application and that the professional fees in the cost award application for legal services do not exceed \$225/hour. The hours claimed are 114 for preparation, 28 for hearing attendance, and 61.50 for argument, reply and follow up.

YEC submitted that it retained InterGroup Consultants Ltd. (InterGroup), who acted as primary regulatory consultants. It added that InterGroup assisted YEC with the preparation of the filing and the review process before the Board. Also, YEC explained that InterGroup produced preliminary and final drafts of the Application materials and provided professional services for production of final documents. In addition, InterGroup was involved in responding to interrogatories and other activities or submissions required

prior to any oral hearing process. InterGroup claimed professional fees primarily for Cam Osler, Patrick Bowman and Mona Pollitt-Smith. The hours claimed are 2,175.00 preparation, 84.00 for hearing attendance, and 246.75 for argument, reply and follow up.

YEC claimed in total \$41,201.47 in disbursements. YEC referred to Reasons for Decision in Board Order 2008-1 to support its claim for travel costs related to the preparation of its Application. YEC stated that the Board had allowed for such costs in that case because "the Board was satisfied that YEC had not made provisions for these costs in its revenue requirement".

YEC noted that efforts were made to minimize travel costs. Travel costs submitted did not include meals.

UCG submitted that only three consultants (Cam Osler, Patrick Bowman and Mona Pollitt-Smith) should claim costs as all other consultant costs should be considered as "administrative regulatory support". Therefore, \$45,767.25 + \$2,288.36 GST should be disallowed.

UCG argued that "excessive" travel costs by InterGroup should be reduced (at a minimum) by half; therefore, \$10,543.26 + \$527.16 GST should be disallowed. UCG also submitted that Mr. Bowman's airfare to Yellowknife, \$858.58 + \$42.93 GST, should be disallowed.

UCG commented that, "costs submitted by YEC for its own expenses should assume to be recovered as part of its allowed revenue requirement. UCG submitted that \$13,748.33 should be amortized as regulatory costs but shown as a credit to revenue requirement to be recovered through rates."

Regarding the professional fees claimed by Davis & Company, the Board finds that the number of hours claimed for preparation was high, considering that the application was a joint one. The Board reduces the hours by 10% (114 hours – 11.4 hours). The Board finds that the disbursements submitted by Davis & Company of \$3,245.47 for this proceeding are reasonable.

As in Board Order 2009-11, the Board disallows the fees claimed by InterGroup in the amount of for administrative services including clerical, administrative and production staff because under the Scale of Costs, administrative services are considered part of the overhead charges implicit in the normal operation of a professional office. Therefore, such costs are included in the hourly fee paid to a professional under section 1 of the Scale of Costs. Accordingly, the Board denies the hours included for administrative support.

In addition, the Board disallows the professional fees of any analysts other than Mr. Osler, Mr. Bowman and Ms. Pollitt-Smith because the services of other analysts are duplicative of the services provided by these three consultants. The Board notes that Mr. Osler expensed 262.5 hours at an hourly rate of \$210 to \$225, for a total of \$56,680.00; Mr. Bowman expensed

518.5 hours at an hourly rate of \$140 to \$165, for a total of \$77,937.50; and Ms. Pollit-Smith expensed 721.5 hours at an hourly rate of \$87 to \$104, for a total of \$67,121.50. The Board is of the opinion that the hours claimed are excessive seeing that YECL took the lead in a number of areas and that the Application was a joint one. Also, some of these services were duplicative. The Board has exercised its discretion and reduces the number of hours of each of these consultants by 30% at the lowest hourly rate indicated on the invoices.

In summary, the professional fees amount claimed is \$301,990.00, which the Board has reduced by the following:

Mr. Osler: 78.75 hrs x \$210/hr: (262.5 hrs – 30%)	\$ 16,537.50
Mr. Bowman: 155.5 hrs x \$140/hr: (518.5 hrs – 30%)	\$ 21,770.00
Ms. Pollitt-Smith: 216.45 hrs x \$87/hr: (721.5 hrs – 216.45 hrs)	\$ 18,831.15
Unsubstantiated personnel:	<u>\$100,251.00</u>
Total reduction:	\$157,389.65

With respect to disbursements, the Board in the past has exercised its discretion by allowing for the recovery of travel expenses claimed by a utility for the preparation of its application if these costs were reasonable. The Board has reviewed the travel costs for meetings claimed by YEC and finds these to be reasonable. However, the Board is of the view that the travel costs claimed by InterGroup of \$21,086.51 are excessive and unreasonable with regard to the number of meetings attended. As a result, the Board reduces the travel costs claimed by InterGroup by 50%, or \$10,543.25. The Board has also disallowed external printing costs claimed by YEC of \$5,755.95 and long distance costs of \$1,634.98 as these are costs that would be forecast in its revenue requirement. The Board has also disallowed the miscellaneous supplies and services in the amount of \$3,308.26 claimed by YEC as these costs were not substantiated.

In summary the Board awards costs to YEC as follows:

Davis & Company

Legal Fees: \$225 x 192.10 hours (203.5 hours – 11.4 hours)	\$43,222.50
Disbursements	\$ 3,245.47

InterGroup

Professional Fees: \$301,990.00 – \$157,389.65	\$144,600.35
Disbursements: \$24,207.67 – \$10,543.25	\$ 13,664.42

Yukon Energy Corporation

Disbursements: \$13,748.33 – \$10,699.19
(\$5,755.95 + \$1,634.98 + \$3,308.26) \$ 3,049.14

Total costs awarded to YEC \$207,781.88

6. Yukon Utilities Board

The Board costs with respect to the YEC-YECL Phase II proceeding are costs that more appropriately belong to the companies, and ultimately the utility ratepayers than to the Yukon taxpayers. Therefore, all hearing-related costs of the Board are allowed as utility regulatory costs.

The Board directs an award of costs to Government of Yukon in the amount of \$135,141.20.

Total Costs Awarded to Government of Yukon \$135,141.20

NOW THEREFORE, the Board Orders as follows:

YECL and YEC shall pay each half of the following amounts to the Intervenor identified and the Government of the Yukon within 30 days of the issuance of this Order. The Board directs YEC to amortize these hearing-related costs. YECL may add its hearing costs in this proceeding to its hearing cost reserve account.

City of Whitehorse	\$ 49,821.24
Utilities Consumers' Group	\$ 20,577.86
John Maissan	\$ 6,654.37
Yukon Electrical Company Ltd.	\$ 55,286.97
Yukon Energy Corporation	\$207,781.88
Government of Yukon (Board costs)	\$135,141.20
Total Costs Awarded	\$475,263.52

Dated at the City of Whitehorse, in the Yukon Territory, the 28th day of June 2011.

BY ORDER



Bruce McLennan
Chair