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February 13, 2015

Ms. Kirsten Walli, Board Secretary  
Ontario Energy Board  
2300 Yonge Street  
27th Floor  
Toronto, Ontario  
M4P 1E4

Dear Ms. Walli:

**Re: EB-2014-0055**

In accordance with the Board's Final Rate Order dated February 2, 2015 in the above-referenced matter, we are writing in regard to the cost claims filed by the intervenors.

Algoma Power has no objections to VECC's cost claim.

Algoma Power has no objections to Energy Probe's cost claim with the exception of paying for two consultants to concurrently attend the settlement conference.

Algoma Power has a number of concerns/objection with the Algoma Coalition's (the "Coalition") cost claim. These are as follows:

**i. Disbursements - \$7,081.65**

**Meals:** Some of the meal expenses claimed by the Coalition were excessive. There was a dinner at Houstons on September 9, 2014 (the evening of the settlement conference) that, we presume was attended by three people (both of the Coalition's lawyers and its consultant). The receipt for that dinner includes alcohol, which is not an acceptable expense according to the Ontario Government's *Travel, Meal and Hospitality Expenses Directive* (the "Directive"). As well, the price of that dinner exceeds the maximum amount that can be expensed for a dinner, pursuant to the \$20/person maximum amount set out in the Directive:

Meals	Maximum Amount
breakfast	\$8.75
lunch	\$11.25
dinner	\$20.00

Algoma Power has the same concern with the lunch at Sushi Kai, the breakfast at Fran's Restaurant and the dinner at the Keg Mansion, as well as Robert Reid's meal charges. Algoma Power submits that the Coalition's claim for meal expenses should be lowered to conform to the Directive.

**Transportation:** A number of cab receipts were provided by the Coalition, however it is unclear what a number of them pertain to. If they pertain to getting to and from the hotel to the Ontario Energy Board's offices, we have no objection. If they pertain to getting to and from the hotel to a restaurant, we submit that such an expense is inappropriate. We request that the Coalition be required to provide more detailed information. According to the Board's *Practice Direction on Cost Claims*, "Itemized receipts must be submitted with the cost claim (credit card slips or statements are not sufficient). If an itemized receipt cannot be provided, a written explanation must be submitted to explain why the receipt is unavailable and a description itemizing and confirming the expenses must be provided."

Algoma Power also questions why the Coalition's consultant Robert Reid drove to and from Sault Ste. Marie on two occasions instead of flying. Based on the airline costs for the Coalition's lawyers, it would have been less expensive for Mr. Reid to have flown. As well, if Mr. Reid had his car in Toronto, we question why he expended \$145 on taxis.

**Accommodation:** Algoma Power questions why the accommodation costs for the Coalition are so much higher than those of Energy Probe's.

## ii. Fees - \$37,426.50

Algoma Power is concerned about the sheer magnitude of the fees claimed by the Coalition. While we appreciate that the Coalition is not a regular intervenor in proceedings before the Board, and therefore may not be as efficient as the regular intervenors, its fees are still surprisingly high. Energy Probe's and VECC's legal/consultant fees totalled \$24,576.50 and \$26,813, respectively. Both Energy Probe and VECC scrutinized a much broader range of issues and in more detail<sup>1</sup> than the Coalition, which should have normalized the differences in experience. Accordingly, Algoma Power submits that the Coalition's fees should be reduced to \$26,813 being the higher of VECC's and Energy Probe's claim for fees. We also note that the Coalition had two lawyers and a consultant attend at the settlement conference, which is excessive. We also note that Paul Cassan exceeded the maximum \$290/hour tariff rate.

## iii. HST - \$5,781.47

The HST amount claimed by the Coalition is significantly higher than the \$1,084.30 claimed by VECC and the \$1,651.37 claimed by Energy Probe. We suspect that this may be because Energy Probe and VECC are not-for-profit organizations, but we are uncertain. Further, we question whether HST was charged on disbursements that already included HST. For example, the receipt for the dinner at Houstons included an amount for HST, and we wonder if the Coalition also claimed HST on the total disbursement amount, thereby double counting HST.

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<sup>1</sup> The interrogatories of the intervenors illustrate the scope and depth of the Coalition's participation.

Algoma Power submits that the Coalition should be required to provide details of costs incurred showing the HST related to each item of cost, as required by the *Practice Direction on Cost Awards*.

Algoma Power does not want to appear to be petty about the Coalition's cost claim. We understand that a number of the concerns raised above are of minor consequence. However, Algoma Power believes that cost claims should be made correctly and responsibly. This is not the first cost claim filed by the Coalition, as it has intervened in other Algoma Power proceedings.

Sincerely,

A handwritten signature in black ink, appearing to read 'Andrew Taylor', with a stylized, cursive script.

Andrew Taylor