

Announcement

October 22, 2020

AUC accepts independent expert report to support increasing efficiency and reducing regulatory lag, announces further steps in efficiency agenda

Sponsoring benchmarking report, investigating expanded evaluative mediation and settlements and reviewing cost awards in utility rate proceedings

Today the AUC has accepted the bulk of recommendations to increase efficiency and reduce regulatory lag made in an independent external expert report sponsored by the Commission earlier this year.

The [Report of the AUC Procedures and Processes Review Committee](#), authored by Kemm Yates, QC (committee chair), David J. Mullan and Rowland J. Harrison, QC, provides recommendations to help support the AUC's drive to increase efficiency and reduce regulatory lag in how it deals with utility rate applications.

Recommendations include adopting an overarching, assertive case management approach, adopting a preference for written hearings, sharpening criteria around the scope of cross-examination, and adopting an issues-focused decision-writing template.

Also today AUC Chair Carolyn Dahl Rees [outlined directly to stakeholders in a letter](#) the AUC's intentions around the report recommendations, as well as important further steps being taken in the AUC's overall efficiency agenda. These further steps include:

- Retaining an independent consultant to benchmark the performance of the Alberta Utilities Commission against other comparable North American regulators. Our objective is to have the fastest turnaround times in North America.
- Engaging an expert independent panel to explore the use of evaluative mediated settlements. Our expectation is we will develop rules to facilitate greater use of settlements and to make the Commission's expectations for settlement clearer.
- Reviewing [Rule 022: Rules on Costs in Utility Rate Proceedings](#), with a view to supporting regulatory efficiency.

These initiatives are intended to improve the efficiency of AUC processes and procedures. This supports the Alberta government's goal of reducing regulatory burden.

In summary the AUC has accepted 29 of the expert committee's 30 recommendations. The AUC's response to the recommendations was outlined in a [bulletin to stakeholders](#).

The Commission did not accept one committee recommendation, that a legislated tightening of the AUC's decision-making timeframes is not needed. The Commission believes legislated timelines could be an effective option to reduce process timelines.

To help support the committee recommendations, a small internal AUC team will be tasked to implement changes that can have immediate effect. Two examples are the adoption of assertive case management practices and the use of a decision-writing template that is issue-driven. AUC Executive Director of Rates Kristjana Kellgren will lead this group.

Implementation of some of the recommendations may require changes to the Commission's [Rule 001: Rules of Practice](#). AUC General Counsel Doug Larder will create a task force from participants involved in the Commission's existing [Regulatory Burden Reduction Roundtable initiative](#) to propose amendments to AUC rules, as required. We expect these to be submitted to the Commission by the end of the year.