

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-107-09**

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IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

An Application by Terasen Gas Inc.
for a Certificate of Public Convenience and Necessity
for the Customer Care Enhancement Project
Insourcing of Customer Care Services and Implementation of a New Customer Information System

BEFORE: A.A. Rhodes, Panel Chair/Commissioner
R.J. Milbourne, Commissioner

September 11, 2009

O R D E R

WHEREAS:

- A. On June 2, 2009, Terasen Gas Inc. ("Terasen Gas") filed an application pursuant to section 45 of the *Utilities Commission Act* (the "Act"), for a Certificate of Public Convenience and Necessity ("CPCN") (the "Application") for the Customer Care Enhancement Project ("Project"); and
- B. The Project involves insourcing of key components of customer care services and the implementation of a new customer information system ("CIS") under the control of Terasen Gas; and
- C. The Application shows that the total Project implementation costs are estimated to be \$155 million including an allowance for funds used during construction ("AFUDC"); and
- D. Terasen Gas seeks approval for the creation of a non-rate base deferral account attracting AFUDC and approval to record incremental operating and maintenance ("O&M") costs associated with the Project that are incurred prior to the Project implementation date of January 1, 2012 for the purposes of permitting cost recovery; and
- E. Terasen Gas seeks approval pursuant to sections 59-61 of the Act for the creation of a rate base deferral account into which the accumulated amount in the non-rate base deferral account will be transferred, effective the Project implementation date, for the purpose of recovering costs through customer rates; and
- F. On June 4, 2009, the British Columbia Utilities Commission ("Commission") issued Order G-68-09, which provided for a Workshop on June 16, 2009 and a Procedural Conference on June 23, 2009 to hear submissions on the appropriate regulatory process and Terasen Gas' proposed preliminary regulatory timetable attached to that Order; and
- G. On June 10, 2009, the Commission issued Letter L-38-09 advising of its concerns relating to the completeness of the Application, and stating that the parties should be prepared to discuss this issue and its effect on Terasen Gas' proposed preliminary regulatory timetable at the June 23, 2009 Procedural Conference; and

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- H. By letter dated June 15, 2009 Terasen Gas acknowledged the deficiency in its Application noted in Commission Letter L-38-09 and filed an addendum containing a number of financial schedules; and
- I. Pursuant to Order G-68-09 a Procedural Conference took place on June 23, 2009 where the Commission heard submissions on the appropriate regulatory process and Terasen Gas' proposed preliminary regulatory timetable. Based on the submissions received, the Commission issued Order G-79-09 wherein it provided a regulatory timetable that included a second Procedural Conference following the filing of the Evidentiary Update/Amended Application on August 28, 2009 and a further Workshop; and
- J. On August 28, 2009, Terasen Gas submitted an Amended Application to the Commission with revised total Project implementation costs of \$122 million including AFUDC; and
- K. On September 9, 2009, Terasen Gas held a Workshop with respect to the Amended Application; and
- L. A second Procedural Conference regarding the regulatory review process was held on September 11, 2009, where the Commission heard submissions on the appropriate regulatory review process and revised regulatory timetable.

NOW THEREFORE the Commission orders as follows:

- 1. The revised regulatory timetable for the Application is as set out in Appendix A to this Order. The dates in Appendix A for events after November 13, 2009 are subject to further Order establishing the review process and the regulatory timetable for review of the application.
- 2. Any Intervenors intending to file evidence must do so on or before October 13, 2009.
- 3. The Commission is to receive submissions from Terasen Gas and the Intervenors by November 13, 2009 on the appropriate regulatory review process that should be followed in the review of the Application.

DATED at the City of Vancouver, In the Province of British Columbia, this 11th day of September 2009.

BY ORDER

Original signed by:

A.A. Rhodes
Panel Chair/Commissioner

Attachment

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REVISED REGULATORY TIMETABLE

<u>ACTION</u>	<u>DATE (2009)</u>
BCUC Information Request No. 1	Thursday, September 17
Intervenor Information Request No. 1	Monday, September 21
TGI Response to Information Request No. 1	Friday, October 2
Intervenor Evidence	Tuesday, October 13
BCUC Information Request No. 2	Monday, October 19
Intervenor Information Request No. 2	Monday, October 19
Information Request No.1 on Intervenor Evidence from all Parties	Friday, October 23
Intervenor Response to Information Requests	Friday, November 6
TGI Response to Information Request No. 2	Tuesday, November 10
Submissions on Review Process	Friday, November 13
Negotiated Settlement (if required)	
Negotiated Settlement Commencement	Wednesday, December 9
Oral Hearing Timetable (if required)	
Oral Hearing Commences	Wednesday, December 9
TGI Final Argument Submissions	Thursday, December 31
<u>ACTION</u>	<u>DATE (2010)</u>
Intervenor Final Argument Submissions	Friday, January 15
TGI Reply Argument Submissions	Friday, January 22
Written Hearing Timetable (if required)	
TGI Final Argument Submissions	Monday, November 23
Intervenor Final Argument Submissions	Monday, December 7
TGI Reply Argument Submissions	Monday, December 14

