

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-165-09

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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
D.A. Cote, Commissioner
R.J. Milbourne, Commissioner

December 17, 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 was held on September 11, 2009, following which the Commission issued Order G-107-09; and
- M. Two rounds of Information Requests directed to Terasen and one round of Information Requests relating to Intervenor evidence proceeded as set out in Order G-107-09; and
- N. On November 13, 2009, the Commission received submissions from Terasen Gas and Intervenor on the appropriate regulatory review process to be followed for the review of the Application.
- O. Pursuant to Order G-134-09 a Written Hearing was established for the review of the Application.
- P. On December 14, 2009, Terasen Gas, submitted a letter requesting that the regulatory timetable for oral submissions (if required) be changed in order to accommodate scheduling difficulties.

NOW THEREFORE the Commission orders as follows:

- 1. In order to accommodate the dates available for the participants, the Revised Regulatory Timetable for the Application is as set out in Appendix A to this Order.

DATED at the City of Vancouver, In the Province of British Columbia, this 18th day of December 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</u>
Hearing Timetable	
Intervenor Final Submissions	Wednesday, December 23, 2009
TGI Reply Submissions	Monday, January 11, 2010
Oral Argument (if necessary)	Friday, January 22, 2010