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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-54-12**

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

and

**A Filing by FortisBC Inc.
Guidelines for Establishing Entitlement to Non-PPA Embedded Cost Power
and Matching Methodology (Compliance Filing to Order G-188-11)**

BEFORE: L.F. Kelsey, Commissioner
D.M. Morton, Commissioner May 3, 2012
C.A. Brown, Commissioner
R.D. Revel, Commissioner

O R D E R

WHEREAS:

- A. On November 14, 2011, the British Columbia Utilities Commission (Commission) issued Order G-188-11 in the matter of the Zellstoff Celgar Limited Partnership (Celgar) Complaint regarding the failure of FortisBC Inc. (FortisBC) and Celgar to complete a General Service Agreement and FortisBC's Application of Rate Schedule 31 Demand Charges. Directives 6 and 8 of that Order directed FortisBC to consult with its customers to determine guidelines for the level of entitlement to non-British Columbia Hydro and Power Authority (BC Hydro) Power Purchase Agreement (PPA) embedded cost power by eligible self-generating customers and to establish a methodology for notionally matching sales to Celgar in service of its load when Celgar is selling power to FortisBC's non-BC Hydro PPA components of its resource stack, and to submit these to the Commission by March 31, 2012;
- B. Directives 9 and 10 of Order G-188-11 directed FortisBC to develop an application for a two-tier, stepped transmission rate and to design a standby rate to address Celgar's circumstances, and to submit these to the Commission by May 31, 2012;
- C. On March 23, 2012, FortisBC requested an extension for filing its response to Directives 6 and 8, which the Commission granted;
- D. On April 13, 2012, FortisBC submitted its Compliance Filing to Order G-188-11 for Directives 6 and 8;
- E. On April 19, 2012, Celgar submitted a letter to the Commission requesting a public process consisting of Intervener comments and FortisBC's reply to review the Compliance Filing;
- F. On April 20, 2012, FortisBC submitted a letter to the Commission disagreeing with Celgar that a public process is needed because, in part, further regulatory process will occur during review of the forthcoming transmission rate design application;

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- G. The Commission has considered the Compliance Filing and the comments of Celgar and FortisBC and considers a public comment process is warranted. The timing of a public comment process necessitates an extension to the filing deadline for Directives 9 and 10 of Order G-188-11.

NOW THEREFORE the Commission orders as follows:

1. A public comment process is initiated for review of the April 13, 2012, Compliance Filing submitted by FortisBC according to the following Regulatory Timetable:

ACTION	DATE (2012)
Intervener, Customer, and Interested Party Comments Submitted to the Commission on FortisBC's April 13, 2012 Compliance Filing to Order G-188-11	Tuesday, May 22
FortisBC's Reply to Comments	Thursday, May 31
Further Process, if necessary	To Be Determined

2. FortisBC is to provide a copy of its April 13, 2012, Compliance Filing to Order G-188-11 and this Order to all its Industrial Customers and all Interveners in its 2009 Rate Design and Cost of Service Proceeding.
3. Directives 9 and 10 from Order G-188-11 are no longer due to the Commission by May 31, 2012. A deadline for submission for response to these directives will be established after the public comment process initiated by this Order is complete.

DATED at the City of Vancouver, in the Province of British Columbia, this 8th day of May 2012.

BY ORDER

Original signed by

L.F. Kelsey
Commissioner