

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, BC V6Z 2N3 CANADA
web site: <http://www.bcuc.com>



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER F-19-13**

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

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

and

**Application for Participant Assistance / Cost Award
for the FortisBC Energy Inc. Capital Expenditure Schedule, Rate Design and Rates
for the Tsawwassen Springs Development Proceeding**

BEFORE: D.M. Morton, Panel Chair/Commissioner
R.D. Revel, Commissioner June 24, 2013

ORDER

WHEREAS:

- A. On March 2, 2012, FortisBC Energy Inc. (FEI) submitted an application for approval of a Capital Expenditure Schedule, Rate Design and Rates established in an operating and maintenance agreement between FEI and the Strata Corporation of Tsawwassen Springs Development to provide thermal energy services (Application);
- B. On March 16, 2012, by Commission Order G-33-12, a written hearing process was established to hear the Application along with Intervener input and Commission review;
- C. Commission Order G-72-07 established Guidelines for Participant Assistance / Cost Award (PACA) applications;
- D. On July 23, 2012, Corix Utilities Inc. (Corix) submitted an application and costs for PACA funding to the Commission;
- E. Pursuant to the PACA Guidelines the Commission Panel determines the entitlement to an award taking into account the criteria in the Guidelines, the information provided by the participant and variances in budget estimates provided;
- F. Corix did not submit a budget estimate for its participation in this proceeding;

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER F-19-13**

2

- G. The Commission is not satisfied that Corix meets the eligibility criteria to receive a Participant Assistance Cost Award to recover costs related to this proceeding.

NOW THEREFORE pursuant to section 118 (1) of the *Utilities Commission Act* and with Reasons as described in Appendix A to this Order, the Commission denies Corix Utilities Inc. any participant cost recovery for its participation in the FEI – Tsawwassen Springs Development proceeding.

DATED at the City of Vancouver, in the Province of British Columbia, this 24th day of June 2013.

BY ORDER

Original signed by:

D.M. Morton
Panel Chair/Commissioner

Attachment

Application for Participant Assistance / Cost Award
for the FortisBC Energy Inc. Capital Expenditure Schedule, Rate Design and Rates
for the Tsawwassen Springs Development Proceeding

REASONS FOR DECISION

In denying Corix Utilities Inc. (Corix) of any participant funding cost recovery for the FortisBC Energy Inc. Tsawwassen Springs Development proceeding established by Commission Order G-33-23, the Panel considered the Participant Assistance/Cost Award (PACA) Guidelines that are included as Appendix A to Order G-72-07.

The PACA Guidelines describe criteria and procedures for:

- 1) Participant Eligibility
- 2) Application for a Cost Award
- 3) Interim Award, and
- 4) Participant Assistance; Eligible Costs and Rates

Under Participant Eligibility, the Commission Panel determines whether a Participant is eligible or ineligible for an award. The Commission Panel first considers whether the Participant has a substantial interest in a substantial issue in the proceeding. Corix is a utility service provider and provider of alternative energy services including Thermal Energy Services. (Proceeding Exhibit C2-1, Application for Intervener Status for Corix Utilities Inc.) As such Corix and its affiliates are considered competitors of FEI in the area of Thermal Energy Services (TES). Corix argues that it will be directly affected by the decision made in these Thermal Energy applications and that it is likely that Commission decisions in the proceeding will affect the market for TES products and services. (Exhibit C2-1)

With regard to other eligibility criteria, the Panel notes that it is highly unusual for the Commission to grant PACA funding to other utility companies especially if the interest is a competitiveness issue and it has the ability to recover costs of its voluntary participation from its shareholders and/or rate payers if appropriate. In addition, the Panel is of the view that Corix's ratepayers should not be expected to cover the costs of Corix's participation in this proceeding as they have no direct interest in the Tsawwassen Springs Development.

Corix is and has been a participant in other Commission proceedings including the FortisBC Energy Inc. Alternative Energy Solutions and other New Initiatives Inquiry where market issues are being considered. This is appropriate, as the AES Inquiry deals with higher level issues that concern FEI's participation in the TES market. Corix's participation in the AES Inquiry has provided it with a more thorough understanding of the issues in this proceeding and has been of benefit to all parties. However, the Panel determines that Corix is ineligible for PACA funding for this proceeding.

Should Corix wish to seek PACA funding on future proceedings, it is directed to review the PACA funding Guidelines and procedures including filing of Budget Estimates.