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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-120-13**

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

and

**An Application by FortisBC Inc.
for a Certificate of Public Convenience and Necessity
for the Purchase of the Utility Assets of the City of Kelowna
Phase 2**

BEFORE: D.M. Morton, Panel Chair/Commissioner
A.A. Rhodes, Commissioner
B.A. Magnan, Commissioner

August 12, 2013

O R D E R

WHEREAS:

- A. On November 13, 2012, FortisBC Inc. (FortisBC) filed an application with the British Columbia Utilities Commission (Commission) pursuant to sections 45 and 46 of the *Utilities Commission Act* (Act) for a Certificate of Public Convenience and Necessity (CPCN), for an extension of its distribution system resulting from its purchase of the electricity distribution assets of the City of Kelowna (Transaction), and further sought an order pursuant to sections 59 and 60 of the Act to include the impact of the Transaction in its revenue requirements (Original Application);
- B. The Commission determined on Day 1 of the Oral Hearing for the Original Application that it considered potential rate discrimination issues to be within the scope of the proceeding and subject to a second Phase process;
- C. By Order C-4-13 dated March 1, 2013, the Commission approved FortisBC's Original Application subject to certain conditions;
- D. On April 18, 2013, the Commission issued a letter to FortisBC, potential interveners and interested parties, informing these parties that a Phase 2 process will take place to address issues of potential rate discrimination arising from Tolko Industries Ltd. (Tolko) now becoming a direct customer of FortisBC (Phase 2 Application). Additionally, it was determined that FortisBC would remain as the Applicant for the Phase 2 process;
- E. The following Interveners registered to participate in the Phase 2 Application: Tolko, Zellstoff Celgar Limited Partnership (Celgar), British Columbia Hydro and Power Authority (BC Hydro), B.C. Sustainable Energy Association (BCSEA), British Columbia Pensioners' and Seniors' Organization *et al.* (BCPSO), and Norman Gabana;

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- F. By Order G-111-13 dated July 25, 2013, and as set out in the July 24, 2013 Procedural Conference, the Commission established that the Phase 2 Application would be heard by way of a written hearing with a further regulatory timetable to be issued in due course. In addition, the Commission determined the scope for the Phase 2 Application and established an arrangement to address Celgar's concern regarding unanswered Information Requests (IRs) issued to BC Hydro;
- G. On August 2, 2013, BC Hydro submitted a letter to the Commission indicating that an agreement had been reached between itself and Celgar and filed responses to the agreed upon IRs;
- H. By Order G-118-13 dated August 7, 2013, the Commission established a Final Regulatory Timetable which contemplated delivery of a Final submission from Celgar on August 22, 2013, with its Reply submission due on September 5, 2013;
- I. By letter dated August 9, 2013, Celgar requested a two-week extension to the Final Regulatory Timetable citing its participation in three other regulatory processes with filing deadlines in the same week;
- J. By letter dated August 9, 2013, FortisBC opposed Celgar's request for an extension of the timetable noting that the timetables in the other proceedings had been set for some time and that any change in the Final Timetable in this proceeding could impact other participants in the other different proceedings. FortisBC also noted that Tolko has been on an interim rate for some time and argued that this proceeding should be concluded expeditiously;
- K. The Commission has considered Celgar's request and the comments made by FortisBC and concludes that the Final Timetable should be amended as requested by Celgar.

NOW THEREFORE:

- 1. The Commission issues the Amended Final Regulatory Timetable attached as Appendix A to this Order.
- 2. The Commission notes that requests for extensions of timetables are often granted and considers that the provision of additional time may allow for a better quality of participation in this and the other proceedings. The Commission further notes that Tolko has the ability to carry on business under the existing interim rate schedule and is of the view that the extension will not unduly prejudice any of the parties.

DATED at the City of Vancouver, in the Province of British Columbia, this 12th day of August 2013.

BY ORDER

Original signed by:

D.M. Morton
Commissioner

Attachment

FORTISBC INC.

Application for a Certificate of Public Convenience and Necessity
for the Purchase of the Utility Assets of the City of Kelowna
Phase 2

AMENDED FINAL REGULATORY TIMETABLE

ACTION	DATE (2013)
Celgar Final Submission	Thursday, September 5
Other Parties Final Submission	Thursday, September 12
Celgar Reply Submission	Thursday, September 19