

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



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-155-13

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 by FortisBC Inc.
for Stepped and Stand-By Rates for Transmission Voltage Customers**

BEFORE: A.A. Rhodes, Commissioner
L.A. O'Hara, Commissioner
R.D. Revel, Commissioner
September 25, 2013

O R D E R

WHEREAS:

- A. On October 30, 2009, FortisBC Inc. (FortisBC) filed its 2009 Cost of Service Analysis and Rate Design Application (2009 COSA and RDA) for approval by the British Columbia Utilities Commission (Commission), pursuant to sections 58 to 61 of the *Utilities Commission Act* (Act);
- B. On October 19, 2010, by Order G-156-10, the Commission issued its decision on the 2009 COSA and RDA. Order G-156-10 directed FortisBC to, among other things, initiate consultation with its industrial customers with the goal of introducing a stepped rate for transmission voltage customers;
- C. On March 25, 2011, Zellstoff Celgar Limited Partnership (Celgar), a transmission voltage customer, filed a complaint with the Commission against FortisBC relating to the failure of FortisBC and Celgar to complete a general service agreement, and FortisBC's application of Rate Schedule 31 demand charges (Celgar Complaint);
- D. On November 14, 2011, by Order G-188-11, the Commission issued its decision on the Celgar Complaint. Order G-188-11 directed FortisBC to:
 - determine guidelines for the level of non-British Columbia Hydro and Power Authority (BC Hydro) Power Purchase Agreement (PPA) embedded cost power, to which eligible self-generation customers should be entitled (Entitlement Guidelines);
 - establish a notional Matching Methodology;
 - develop a rate for transmission voltage customers that are also self-generators;
 - develop a stand-by rate for transmission voltage customers that are also self-generators; and
 - develop a two-tier, stepped rate for all transmission voltage customers;
- E. On April 13, 2012, in compliance with Order G-188-11, FortisBC submitted the Entitlement Guidelines and Matching Methodology (Compliance Filing);

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- F. On December 27, 2012, by Order G-202-12, the Commission accepted the Compliance Filing;
- G. On March 28, 2013, FortisBC filed an application with the Commission for approval of new rates for transmission voltage customers (the Application) under sections 58-61 of the Act;
- H. The Application contemplates a conservation stepped rate for all transmission voltage customers, and a rate rider and stand-by rate for transmission voltage customers that are also self-generators;
- I. On April 10, 2013, the Commission issued Order G-55-13, establishing a Preliminary Regulatory Timetable for its review of the Application (the Proceeding);
- J. BC Hydro, Celgar, International Forest Products Limited (INTERFOR) and British Columbia Pensioners' and Seniors' Organization (BCPSO) registered as Interveners;
- K. On April 18, 2013, Celgar filed a letter with the Commission requesting that the scope of the Proceeding include a reconciliation of the Matching Methodology with the Entitlement Principals, and that the Commission direct FortisBC to replace its "incremental price" stepped rate methodology with an "average unit price" methodology;
- L. On April 19, 2013, the Commission issued Order G-61-13, suspending the Preliminary Regulatory Timetable for the Proceeding pending comments from participants on Celgar's request;
- M. FortisBC, BCPSO and BC Hydro submitted comments to the Commission, and Celgar filed a reply submission;
- N. Order G-85-13 denied Celgar's request to specifically expand the scope of the Proceeding on the basis that the Proceeding, as currently scoped, was sufficient in breadth to accommodate the exploration of Celgar's issues. The Order also denied Celgar's request for a direction that FortisBC change its methodology on the basis that such a direction was premature;
- O. On May 24, 2013, the Commission issued Order G-85-13 amending the Preliminary Regulatory Timetable for the Proceeding;
- P. On June 11, 2013, FortisBC submitted a letter to the Commission requesting a two week extension to the Information Request No. 1 response deadline, as established in Order G-85-13;
- Q. On June 12, 2013, the Commission issued Order G-90-13 further amending the Preliminary Regulatory Timetable for the Proceeding;
- R. Pursuant to Order G-90-13, the Commission received submissions regarding further process from FortisBC, Celgar and BCPSO. Both FortisBC and BCPSO submitted that a Written Hearing was sufficient while Celgar submitted that an Oral Hearing was necessary;
- S. By way of Letter dated September 9, 2013, the Commission acknowledged receipt of the submissions and informed the parties that the Panel would not be making a determination on further process until after the actions contemplated in the Preliminary Regulatory Timetable established by Order G-90-13 were completed;

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- T. The Preliminary Regulatory Timetable established by Order G-90-13 provided a placeholder date for FortisBC to file Rebuttal Evidence. FortisBC has indicated that it intends to file Rebuttal Evidence and requested additional time to prepare and file the evidence.

NOW THEREFORE the Commission orders as follows:

1. The Updated Preliminary Regulatory Timetable for the Application is set out in Appendix A to this Order.
2. The Commission will issue the Final Regulatory Timetable in due course.

DATED at the City of Vancouver, in the Province of British Columbia, this 25th day of September 2013.

BY ORDER

Original signed by:

A.A. Rhodes
Commissioner

FortisBC Inc.

Application for Stepped and Stand-By Rates
for Transmission Voltage Customers

**UPDATED PRELIMINARY
REGULATORY TIMETABLE**

ACTION	DATE (2013)
FortisBC Rebuttal Evidence	Thursday, October 10
Commission and Intervener Information Requests on Rebuttal Evidence (if any)	Tuesday, October 29
FortisBC Responses to Information Requests on Rebuttal Evidence	Thursday, November 14