

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-166-14**

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

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

BEFORE: L.A. O'Hara, Panel Chair/Commissioner October 27, 2014

O R D E R

WHEREAS:

- A. On March 28, 2013, FortisBC Inc. (FortisBC) filed an application with the British Columbia Utilities Commission (Commission) for approval of new rates for transmission voltage customers under sections 58-61 of the *Utilities Commission Act* (Application);
- B. The Application requested, among other things, approval for a Stand-by Service Rate (RS 37) and a determination of the retroactive application of rates to Zellstoff Celgar Limited Partnership (Celgar);
- C. The British Columbia Hydro and Power Authority (BC Hydro), Celgar, International Forest Products Limited, the British Columbia Old Age Pensioners' and Seniors' Organization *et al* (BCOAPO), and the BC Municipal Electric Utilities (BCMEU) registered as interveners, and Tolko Industries Ltd. registered as an interested party;
- D. On May 26, 2014, by Order G-67-14, the Commission, among other things, declined to approve RS 37 as proposed in the Application and directed FortisBC to file a revised RS 37 incorporating the findings in the decision and to address certain Celgar specific matters;
- E. On June 26, 2014, in compliance with Order G-67-14, FortisBC filed for approval of a Revised Stand-by Service Rate (Revised RS 37 Filing);
- F. By Orders G-81-14, G-118-14, and G-154-14 the Commission established the Regulatory Timetable for the review of the Revised RS 37 Filing;
- G. On October 14, 2014, BCOAPO filed a letter with the Commission requesting an extension to the September 8, 2014 deadline to file intervenor evidence as established by Order G-118-14;

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-166-14

2

- H. On October 15, 2014, Celgar filed a letter with the Commission advising that it did not object to the filing of some of the evidence but requested a right of reply to any submission of the BCOAPO in respect thereof;
- I. On October 16, 2014, the Commission issued a letter requesting that BCOAPO justify the relevance of the intervener evidence to the limited scope of the Revised RS 37 Filing proceeding. Other parties to the proceeding were also provided with an opportunity to make a reply submission on BCOAPO's filing; and
- J. BCOAPO provided its justification to the Commission on October 17, 2014, and Celgar, BC Hydro and FortisBC replied.

NOW THEREFORE for the reasons attached as Appendix A, the British Columbia Utilities Commission orders:

- 1. The timeline for filing intervener evidence is extended to October 30, 2014, to allow British Columbia Old Age Pensioners' and Seniors' Organization *et al* to file the Ministerial Order, dated May 23, 1991, in respect of an Application by Zellstoff Celgar Limited Partnership (Celgar) for an Energy Project Certificate for the Celgar Pulp Mill Expansion.
- 2. The Regulatory Timetable is amended as attached as Appendix B to this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 27th day of October, 2014.

BY ORDER

Original signed by:

L.A. O'Hara
Panel Chair/Commissioner

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

REASONS FOR DECISION

On October 14, 2014, British Columbia Old Age Pensioners' and Seniors' Organization *et al* (BCOAPO) filed a letter with the British Columbia Utilities Commission (Commission) requesting an extension to the September 8, 2014 deadline to file intervenor evidence as established by Order G-118-14. BCOAPO identified the specific intervenor evidence as:

- 1) Ministerial Order dated May 23, 1991, in respect of an Application by Zellstoff Celgar Limited Partnership (Celgar) for an Energy Project Certificate for the Celgar Pulp Mill Expansion (Ministerial Order); and
- 2) Associated witness statements relating to the Ministerial Order which were filed under the North American Free Trade Agreement (NAFTA) chapter 11 (Witness Statements).

On October 15, 2014, Celgar submitted a letter with the Commission advising that it did not object to the filing of the Ministerial Order itself but it did object to the filing of the Witness Statement and provided a series of reasons to support its position. In order to address its procedural concerns Celgar requested that the regulatory timetable be amended to include an opportunity for intervenors to reply to the submissions of other intervenors in respect of the Ministerial Order, if it was put on the record. Celgar provided a draft amended regulatory timetable, which proposed to delay the proceeding by one week.

On October 16, 2014, the Commission issued a letter requesting BCOAPO to justify the relevance of the Ministerial Order and the Witness Statements to the limited scope of the Revised RS 37 Filing proceeding. Other parties to the proceeding were also provided with an opportunity to make a reply submission on the BCOAPO filing.

On October 17, 2014, BCOAPO submitted a letter to the Commission outlining the relevance of the evidence. BCOAPO also explained that its initial characterization of the Ministerial Order as intervenor evidence may not have been apt as the Order is available in the public archives. BCOAPO withdrew its request for an extension of time in which to file intervenor evidence and instead simply requested that the Ministerial Order be put on the record of this proceeding. BCOAPO also withdrew its request to introduce the Witness Statements and did not provide any comments on Celgar's request that the regulatory timetable be amended to include an opportunity for intervenors to reply to the submissions of other intervenors in respect of the Ministerial Order.

On October 22, 2014, by way of letter, Celgar reiterated its position as outlined in its October 15, 2014 letter, and did not provide any further comments on the relevance of the evidence. In order to preserve its right to be fully heard on all issues that may be raised, Celgar again highlighted its request for intervenors to be provided with the opportunity to reply to the submissions of other intervenors in respect of the Ministerial Order.

On October 23, 2014, by way of letter, British Columbia Hydro and Power Authority (BC Hydro) provided comments on the potential relevance of the evidence and stated that the Commission should be aware of the Ministerial Order when considering Celgar's evidence and arguments. BC Hydro did not oppose Celgar's request to amend the regulatory timetable. BC Hydro stated that the Commission has allowed this where warranted on a case by case basis and does not oppose it under these circumstances.

FortisBC also provided comments on October 23, 2014. FortisBC did not object to the Ministerial Order being placed on the record and accepted BCOAPO's justification for doing so; however, it did object to Celgar's request to amend the regularly timetable. FortisBC states Celgar's request is not consistent with what normally occurs and the company would prefer to avoid any further delays. FortisBC further states that Celgar should not be taken by surprise by BCOAPO's final submission given that BCOAPO has indicated generally the purpose for which it would be referring to the Ministerial Order in its submission.

Commission Determination

The Panel agrees with BC Hydro that it should be aware of the Ministerial Order when considering Celgar's evidence and arguments. **Given its relevance as outlined by the parties and considering that no parties are opposed, the Panel will allow BCOAPO to file the Ministerial Order in accordance with the regulatory timetable attached as Appendix B.**

In regards to Celgar's request to amend the regulatory timetable established by Order G-118-14, the Panel appreciates that it is unusual to allow interveners to reply to the submissions of other interveners; however, it also recognizes that under certain circumstances the Commission has allowed this additional procedural step. The Commission is cognizant of, and agrees with, the parties that there are valid concerns in further delaying this proceeding. However, these concerns must also be carefully balanced against ensuring that procedural fairness is upheld.

In order to uphold procedural fairness and balance the interest of the parties, the Panel has amended the regulatory timetable established by Order G-118-14 to allow for interveners to reply to the submissions of other interveners in respect of the Ministerial Order. To minimize any delays the Panel has also compressed some of the dates proposed in Celgar's draft regulatory timetable. The final regulatory timetable attached as Appendix B extends the proceeding by two days, which the Panel does not anticipate will impact the timing of the final Decision.

FORTISBC INC.

Application for Stepped and Stand-By Rates
for Transmission Voltage Customers
(Revised RS 37 Filing)

REGULATORY TIMETABLE

ACTION	DATE (2014)
Deadline for BCOAPO to file Ministerial Order	Thursday, October 30
FortisBC Final Submission	Tuesday, November 4
Intervener Final Submissions	Thursday, November 13
Intervener Reply Submissions to other Intervener Final Submissions on the Ministerial Order	Tuesday, November 18
FortisBC Reply Submission	Tuesday, November 25