

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



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-168-15A**

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

IN THE MATTER OF
the *Utilities Commission Act*, RSBC 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
R. D. Revel, Commissioner October 20, 2015

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 new rates for transmission voltage customers requesting, among other things, approval for a Stand-by Service Rate under Rate Schedule 37 (RS 37) and a Non-Embedded Cost Power (NECP) Rate Rider (Application);
- B. The following participants registered as interveners for the review of the Application: British Columbia Hydro and Power Authority (BC Hydro), Zellstoff Celgar Limited Partnership (Celgar), International Forest Products Limited, British Columbia Old Age Pensioners' and Seniors' Organization *et al.* (BCOAPO), BC Municipal Electric Utilities, and the Minister of Energy and Mines. Tolko Industries Ltd. registered as an interested party;
- C. Effective May, 29, 2015, the Commission approved RS 37 and made certain determinations regarding Celgar specific matters in stages by way of: Order G-67-14 (Stage I) dated May 26, 2014; Order G-46-15 (Stage II) dated March 24, 2015; Order G-93-15 (Stage III) dated May 29, 2015; and Order G-149-15 (Stage IV) dated September 22, 2015, however, no determination on the NECP Rate Ride has been made;
- D. The application for the NECP Rate Rider was made in compliance with Directive 4 of Order G-188-11, which requires FortisBC to develop a rate for Celgar and other customers with self-generation based on RS 31 but excluding BC Hydro's RS 3808 power from its resource stack. The NECP Rate Rider is to be used to charge self-generating customers who sell any portion of their generation not in excess of load;
- E. Pursuant to Order G-12-14, the review of the NECP Rate Rider was suspended pending a final determination on an application by BC Hydro for a new power purchase agreement under RS 3808 (RS 3808 Proceeding);

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-168-15A

2

- F. After the Commission issued its final determination on the RS 3808 Proceeding, the review of the NECP Rate Rider was further suspended by Order G-17-14, dated July 30, 2014, pending a final determination by the Commission on both the FortisBC Self-Generation Policy Application (SGPA) and the BC Hydro Application for Approval of Section 2.5 Guidelines for Tariff Supplement No. 3 to Rate Schedule 3808 (Section 2.5 Guidelines Application);
- G. The requirement that FortisBC design a rate that excludes RS 3808 power may change as a result of the outcome of either the SGPA or the Section 2.5 Guidelines Application. Currently the Commission has yet to establish a date for the completion of either application;
- H. In order to determine how best to proceed with FortisBC's request for approval of the NECP Rate Rider and the related evidence on the record in this proceeding the Commission sought submissions from FortisBC and the registered interveners in accordance with the Regulatory Timetable established in Order G-149-14;
- I. In accordance with the Regulatory Timetable, submissions were filed by Celgar and BCOAPO in addition to FortisBC's submission and reply;
- J. FortisBC submits that the Commission should deny its proposal for the NECP Rate Rider as part of this Application and should the outcome of either the SGPA or the Section 2.5 Guidelines Application processes require that the NECP Rate Rider be revisited, FortisBC will refile, as a separate application, the portions of this Application relating to the NECP Rate Rider. FortisBC further submits that the Commission and interveners could rely on the portions of the existing regulatory record specific to the NECP Rate Rider in any new process; and
- K. Neither Celgar nor BCOAPO oppose FortisBC's submission requesting the Commission deny its proposal for the NECP Rate Rider.

NOW THEREFORE the British Columbia Utilities Commission orders:

- 1. FortisBC Inc. (FortisBC) proposal for the Non-Embedded Cost Power Rate Rider, filed in compliance with Directive 4 of Order G-188-11, is denied as part of the subject Application.
- 2. The British Columbia Utilities Commission will revisit Directive 4 of Order G-188-11, when the Commission makes a final determination on the FortisBC Self-Generation Policy and the British Columbia Hydro and Power Authority Section 2.5 Guidelines Applications.

DATED at the City of Vancouver, in the Province of British Columbia, this 26th day of October 2015.

BY ORDER

Original signed by:

L. A. O'Hara
Panel Chair/Commissioner