



**ORDER NUMBER**  
**F-4-16**

IN THE MATTER OF  
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

FortisBC Inc. and the British Columbia Hydro and Power Authority  
British Columbia Utilities Commission Residential Inclining Block Rate Report  
Applications for Participant Assistance/Cost Awards

**BEFORE:**  
D.M. Morton, Commissioner

on February 26, 2016

**ORDER**

**WHEREAS:**

- A. By letter dated July 6, 2015, Minister Bennett, the Minister of Energy and Mines and the Minister Responsible for Core Review, requested the British Columbia Utilities Commission (Commission) to report to the Government of British Columbia on five specific questions concerning the impact of the British Columbia Hydro and Power Authority's (BC Hydro) and FortisBC Inc.'s (FortisBC) residential inclining block rates;
- B. On August 17, 2015, the Commission requested each utility to provide their respective submissions on the methodologies to be used in order to answer the five questions. The Commission also requested stakeholder input from parties who have knowledge of the rate design. The Commission also indicated that Participant Assistance/Cost Awards (PACA) would be available for a maximum of two days;
- C. The following stakeholders are participants in this proceeding:
  - Commercial Energy Consumers Association (CEC)
  - British Columbia Old Age Pensioners' Organization *et al.* (BCOAPO)
  - BC Sustainable Energy Association and the Sierra Club of BC (BCSEA)
  - Canadian Office & Professional Employees Union 378 (COPE)
  - Norman Gabana
  - Teresa and Nick Marty
- D. On October 7, 2015, BCOAPO requested allowance for one additional day of PACA;
- E. On October 14, 2015, the Commission issued a letter in response to BCOAPO's request advising that PACA cost awards for a maximum of three days for this stage of the proceeding will be considered;
- F. On November 10, 2015, the Commission issued a letter requiring PACA requests to be submitted by December 18, 2015 for consideration;

- G. By December 18, 2015, BCOAPO, CEC and BCSEA submitted PACA applications;
- H. On January 27, 2016, the Commission issued a letter to BC Hydro and FortisBC providing each utility an opportunity to comment on the cost award applications. In the letter the Commission requested the utilities indicate whether or not they intend to evenly split the costs of PACA for this process;
- I. On February 9, 2016, BC Hydro provided its response stating that it believes that a 50/50 split is appropriate given that the Minister requested similar information from each utility. BC Hydro raised no concerns about the PACA applications;
- J. On February 10, 2016, FortisBC provided its response proposing that it would be more reasonable to allocate PACA based on the number of residential customers served by each utility, reflecting the customer base impacted by the report. FortisBC raised no concerns about the PACA applications; and
- K. The Commission reviewed the PACA applications, comments from the utilities, and concluded that PACA funding should be awarded and the costs should be evenly split between the utilities.

**NOW THEREFORE** pursuant to section 118(1) of the *Utilities Commission Act*, the British Columbia Utilities Commission orders as follows:

1. Cost Awards in the following amounts with respect to participation in the first phase of the British Columbia Utilities Commission Residential Inclining Block Rate Report proceeding are approved:

Participant	Award	BC Hydro portion	FortisBC portion
Commercial Energy Consumers Association	\$4,160.63	\$2,080.32	\$2,080.31
British Columbia Old Age Pensioners' Organization <i>et al.</i>	\$4,946.00	\$2,473.00	\$2,473.00
BC Sustainable Energy Association and the Sierra Club of BC	\$4,671.45	\$2,335.72	\$2,335.73

2. Pursuant to the Reasons for Decision attached as Appendix A to this order, FortisBC Inc. and British Columbia Hydro and Power Authority are directed to reimburse the above participants for the respective amounts that have been awarded in a timely manner.

**DATED** at the City of Vancouver, in the Province of British Columbia, this                      day of February 2016.

BY ORDER

D. M. Morton  
Commissioner

Attachment

FortisBC Inc. and the British Columbia Hydro and Power Authority  
British Columbia Utilities Commission Residential Inclining Block Rate Report  
Applications for Participant Assistance/Cost Awards

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**REASONS FOR DECISION**

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On January 27, 2016, the British Columbia Utilities Commission (Commission) issued a letter to British Columbia Hydro and Power Authority (BC Hydro) and FortisBC Inc. (FortisBC) providing each utility an opportunity to comment on the cost award applications in accordance with Section 2 of the Commission's Participant Assistance/Cost Award (PACA) Guidelines approved by Commission Order G-72-07. In the letter the Commission requested the utilities to indicate whether or not they intend to evenly split the costs of PACA for this process.

On February 9, 2016, BC Hydro provided its response stating that it believes that a 50/50 split is appropriate given that the Minister requested similar information from each utility.<sup>1</sup>

On February 10, 2016, FortisBC provided its response proposing that it would be more reasonable to allocate PACA "as a percentage of total residential customers of FBC and BC Hydro, reflecting the customer base that is affected by the RIB Rate Report."<sup>2</sup>

**Commission determination**

The Commission reviewed the submissions from BC Hydro and FortisBC and finds that an even 50/50 split is appropriate given that each stakeholder requesting PACA awards reviewed each of the utilities respective submissions and the comments provided by each participant did not focus on one or the other utility, rather the participants spoke to both utilities on an equal basis. **Accordingly, the utilities must evenly split the awarded PACA costs.**

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<sup>1</sup> BC Hydro letter dated February 9, 2016

<sup>2</sup> FortisBC letter dated February 10, 2016