



ORDER NUMBER
F-9-18

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

and

FortisBC Inc.
Application for a Community Solar Pilot Project
Participant Assistance/Cost Award Application

BEFORE:

R. D. Revel, Panel Chair/Commissioner
W. M. Everett, QC, Commissioner
D. A. Cote, Commissioner

on February 16, 2018

ORDER

WHEREAS:

- A. On April 26, 2017, FortisBC Inc. (FBC) filed, pursuant to sections 44.2 and 59-60 of the *Utilities Commission Act*, an application with the British Columbia Utilities Commission (Commission) seeking acceptance of a capital expenditure schedule relating to the proposed Community Solar Pilot Project in Kelowna, BC (CSPP) and for approval and implementation of new Rate Schedules 85A and 85B (Application);
- B. By Orders G-66-17, G-79-17, G-108-17 and G-114-17, the Commission established a written review process with a procedural conference, two rounds of information requests and the filing of written final and reply arguments;
- C. On January 8, 2018, the Commission issued Order G-1-18 with accompanying reasons for decision rejecting the Application;
- D. The following participants filed Participant Assistance/Cost Award (PACA) applications with the Commission with respect to their participation in the proceeding:

Date	Participant	Application
October 18, 2017	BC Sustainable Energy Association and Sierra Club BC (BCSEA-SCBC)	\$13,665.05
October 20, 2017	British Columbia Old Age Pensioners' Organization <i>et al.</i> (BCOAPO)	\$23,742.00
October 28, 2017	Resolution Electric Ltd. (Resolution)	\$10,048.50
January 9, 2018 (Original filed on November 3, 2017)	Industrial Customers Group (ICG)	\$17,347.75

- E. By letter dated January 23, 2018, FBC provided its comments on the PACA applications. FBC raised concerns about the PACA sought by Resolution. With respect to the PACA funding sought by BCSEA-SCBC, BCOAPO and ICG, FBC stated that if the Commission is satisfied that the participants have met the eligibility requirements, the funding days claimed are appropriate and the level of participation has met with the Commission's criteria and requirements, then FBC has no further comment;
- F. By letter dated January 26, 2018, Resolution provided its response to FBC's comments; and
- G. The Commission has reviewed the PACA applications in accordance with the criteria and rates set out in the PACA Guidelines attached to Commission Order G-97-17, FBC's comments regarding Resolution's PACA application and Resolution's response, and makes the following determinations on the cost awards.

NOW THEREFORE pursuant to section 118(1) of the *Utilities Commission Act* and for the reasons attached as Appendix A to this order, the Commission orders as follows:

1. Funding is awarded to the following participants in the listed amounts for their participation in the FBC CSPP proceeding:

Participant	Award
BC Sustainable Energy Association and Sierra Club BC	\$13,665.05
British Columbia Old Age Pensioners' Organization <i>et al.</i>	\$23,742.00
Resolution Electric Ltd.	\$6,960.00
Industrial Customers Group	\$17,347.75

2. FBC is directed to reimburse the above-noted participants for the awarded amount in a timely manner.

DATED at the City of Vancouver, in the Province of British Columbia, this 16th day of February 2018.

BY ORDER

Original signed by:

R. D. Revel
Commissioner/Panel Chair

Attachment

FortisBC Inc.
Application for a Community Solar Pilot Project
Participant Assistance/Cost Award Application

REASONS FOR DECISION

Section 118 of the *Utilities Commission Act* (UCA) provides, “The commission may order a participant in a proceeding before the commission to pay all or part of the costs of another participant in the proceeding.”

The British Columbia Utilities Commission’s (Commission) Participant Assistance/Cost Award (PACA) Guidelines set out the eligibility requirements and criteria applied by the Commission in assessing cost awards, including the process for applying for a cost award, eligible costs and rates. Section 4.3 of Appendix A, attached to Commission Order G-97-17, outlines the criteria the Commission may consider when determining the amount of a participant’s cost award.

On April 26, 2017, FortisBC Inc. (FBC) filed, pursuant to sections 44.2 and 59-60 of the UCA an application with the British Columbia Utilities Commission (Commission) seeking acceptance of a capital expenditure schedule relating to the proposed Community Solar Pilot Project in Kelowna, BC (CSPP) and for approval and implementation of new Rate Schedules 85A and 85B (Application).

By Orders G-66-17, G-79-17, G-108-17 and G-114-17, the Commission established a written review process with two rounds of information requests and the filing of written final and reply arguments.

On August 1, 2017, Commission staff provided a letter in response to the interveners’ submissions regarding participant funding estimates. In that letter, Commission staff estimated the following funding days for full participation in the proceeding:

Item	Estimated funding days
Procedural Conference (half day)	1
Information Request No. 1	2
Information Request No. 2	2
Final arguments	1
Total	6

During the period from October 18, 2017 to January 9, 2018, the following interveners submitted PACA applications:

- BC Sustainable Energy Association and Sierra Club BC (BCSEA-SCBC);
- British Columbia Old Age Pensioners’ Organization *et al.* (BCOAPO);
- Resolution Electric Ltd. (Resolution); and
- Industrial Customers Group (ICG).

The interveners' PACA applications are summarized as follows:

Date	Participant	Application
October 18, 2017	BC Sustainable Energy Association and Sierra Club BC	\$13,665.05
October 20, 2017	British Columbia Old Age Pensioners' Organization <i>et al.</i>	\$23,742.00
October 28, 2017	Resolution Electric Ltd.	\$10,048.50
January 9, 2018 (Original filed on November 3, 2017)	Industrial Customers Group	\$17,347.75

By letter dated January 23, 2018, FBC provided its comments on the PACA applications. Noting that Mr. Cawley, owner of the company, represented Resolution in this proceeding, FBC states: "Resolution is a commercial entity representing its own primary business interests in this proceeding."¹ FBC argues that "there is no evidence to substantiate that Resolution represented the interests of any other solar industry participant other than itself."² Furthermore, FBC submits "Mr. Cawley is an employee of Resolution" and in FBC's view, if the Commission were to award PACA to Resolution, then it should only be reimbursed for Mr. Cawley's participation at his salary or hourly rate paid by Resolution, rather than at the rate of an external consultant.³ FBC made no specific comments with regard to the PACA applied for by BCSEA-SCBC, BCOAPO and ICG.

By letter dated January 26, 2018, Resolution provided its response to FBC's comments, stating, among other things, that Resolution's PACA application was "very lean on time" and was to compensate it "for some of the many hours poured into this Application."⁴ Furthermore, Resolution pointed out that as the owner of the company, Mr. Cawley's remuneration is not based on an hourly rate, and the rate submitted in the PACA application is comparable to that charged in other consulting contracts completed by Mr. Cawley.⁵

Commission determination

The Panel reviewed each of the interveners' PACA applications and notes that FBC in its letter dated January 23, 2018 took no issue with the PACA applications submitted by BCSEA-SCBC, BCOAPO and ICG. Furthermore, the Panel finds that the number of days submitted by BCSEA-SCBC, BCOAPO and ICG for participation in the proceeding were within the estimated number of funding days provided by Commission staff and are therefore reasonable.

With respect to Resolution's PACA application, the Panel notes FBC's statement that "Resolution is a commercial entity representing its own primary business interests in this proceeding" and that Resolution should only be reimbursed for Mr. Cawley's participation at his salary or hourly rate paid by the company.⁶ The Panel disagrees with FBC and finds that Resolution is eligible for PACA funding at the applied for consulting rate of \$1,160 per day for the following reasons:

- The Panel does not consider Resolution's submissions to be biased towards its own primary business interests. In particular, the Panel references Resolution's final argument in the CSPP proceeding, where

¹ FBC Comments on PACA Applications, letter dated January 23, 2018, p. 2.

² Ibid.

³ Ibid.

⁴ Resolution Response to FBC Comments, letter dated January 26, 2018, p. 2.

⁵ Ibid.

⁶ FBC Comments on PACA Applications, letter dated January 23, 2018, p. 2.

Resolution states that although it rejects FBC's CSPP proposal, it is in favour of FBC developing a community solar offering at the Kelowna Airport location using similar terms and conditions to the Nelson Hydro project at the Bonnington Generation site, as this would offer FBC customers who cannot install their own solar electric system a chance to opt for a part/full solar supply;⁷

- FBC, in its letter commenting on the PACA funding, did not take issue with the quality of the contributions made by Resolution during the proceeding, and the Panel found Resolution's contributions to be useful in arriving at its decisions in this proceeding; and
- The Panel finds that Mr. Cawley has sufficient experience in the solar industry to be considered a "consultant" under the PACA Guidelines, and the rate submitted by Resolution in its PACA application is reasonable and within the rates specified in the PACA Guidelines for a consultant.

However, the Panel finds the number of funding days submitted by Resolution to be high given the nature and scope of the proceeding and therefore determines that Resolution should be eligible for a maximum of six days of funding. The Panel notes that the number of funding days submitted by Resolution in its PACA application is more than Commission staff's budgeted six days, which included one day for attendance at and preparation for the Procedural Conference. While the Panel acknowledges Resolution's comment that its application reflects only some of the "many hours" spent in the proceeding, the Panel also considers that Resolution did not attend the Procedural Conference or make a written submission on the procedural conference issues. We therefore find an award of a maximum six funding days to be reasonable and appropriate. **Accordingly, the Panel approves PACA funding for Resolution of \$6,960.00, which equates to six funding days at Resolution's applied for rate of \$1,160 per day.**

The Panel finds BCSEA-SCBC, BCOAPO and ICG's PACA applications to be reasonable and in accordance with the criteria and rates set out in the PACA Guidelines attached to Commission Order G-97-17 and accordingly approves the PACA applications as applied for. FBC is directed to reimburse BCSEA-SCBC, BCOAPO, Resolution and ICG for the amounts approved in Order F-9-18 in a timely manner.

⁷ Resolution Final Argument, p. 5.