

Suite 410, 900 Howe Street Vancouver, BC Canada V6Z 2N3 bcuc.com **P:** 604.660.4700 **TF:** 1.800.663.1385 **F:** 604.660.1102

ORDER NUMBER G-102-18

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

and

FortisBC Inc.
Electric Tariff Rate Schedule 50 Lighting –All Areas
Amendment Application

BEFORE:

B. A. Magnan, Panel Chair/Commissioner

on June 4, 2018

ORDER

WHEREAS:

- A. On November 20, 2017, FortisBC Inc. (FBC) filed with the British Columbia Utilities Commission (BCUC) an application to amend Electric Tariff Rate Schedule 50 Lighting All Areas (RS 50) (Application);
- B. FBC's proposed amendments to RS 50 comprise of:
 - Inclusion of Type III (Company owned and maintained) Light Emitting Diode (LED) lights under the
 existing Type I and II LED light per kWh charge, plus a per light maintenance charge for Type III LED
 lights; and
 - 2. Correction to the existing RS 50 Terms and Conditions to clarify billing for LED and Dimmable Lighting;
- C. The Application includes customer letters of support from the City of Trail, the Village of Keremeos and the Corporation of the Village of Slocan;
- D. By Order G-27-18, dated January 25, 2018, the BCUC established a regulatory timetable for the review of the Application, which included one round of information requests, a written comment process and FBC's response;
- E. On February 22, 2018, the BCUC received a Letter of Comment from the Village of Kaslo, which was the only one submitted to the BCUC during the comment period; and
- F. The BCUC has reviewed the Application, the Village of Kaslo letter and FBC's response to information requests and considers approval to be warranted.

NOW THEREFORE, pursuant to sections 56 to 61 of the *Utilities Commission Act* and for the reasons attached as Appendix A to this Order, the BCUC orders as follows:

- 1. The rate for Type III LED lights plus the monthly per light maintenance charge is approved.
- 2. Modifications to the RS50 Terms and Conditions as described in the Application are approved.
- 3. FBC is directed to file a revised tariff page for endorsement within 15 days of this order.
- 4. In one year, FBC is directed to file a compliance report providing a summary of the customers using the rate for Type III LED lights as well as a summary of associated costs incurred related to the rate class.

DATED at the City of Vancouver, in the Province of British Columbia, this	4 th	day of June 2018
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BY ORDER

Original signed by:

B.A. Magnan Commissioner

Attachment

FortisBC Inc. Electric Tariff Rate Schedule 50 Lighting –All Areas Amendment Application

REASONS FOR DECISION

1.0 Application

On November 20, 2017, FortisBC Inc. (FBC) filed an application, pursuant to section 59 to 61 of the *Utilities Commission Act* (UCA), to amend Rate Schedule 50 Lighting- All Areas (RS 50), to accommodate: i)the billing of Light Emitting Diode(LED) Type III lights under the existing Type I and II LED light per kWh charge; ii) a per light per month maintenance charge for Type III LED lights; and iii) to correct the existing RS 50 Terms and Conditions to clarify billing for LED and Dimmable Lighting (collectively, Type III LED Application).

1.1 Regulatory process

By Order G-27-18, dated January 25, 2018, the BCUC established a regulatory timetable that included one round of Information Requests (IRs), Letters of Comment and FBC's responses. On January 20, 2018, FBC filed a request for an extension to the regulatory timetable. The amended regulatory timetable was established via Order G-37-18. On February 27, 2018, FBC submitted its responses to BCUC IR No. 1. The BCUC received one Letter of Comment from the Village of Kaslo, dated February 28, 2018, which was followed by FBC's response on March 14, 2018.

2.0 Background

Many communities, including The City of Trail, the Village of Keremeos, and the Corporation of the Village of Slocan have expressed support for the energy efficiency and cost saving benefits of the LED technology

In response to the Panel's request for written comment, the Village of Kaslo expressed concerns with (i) uncertainty in the upgrade and conversion process; (ii) uncertainty of the obligations on local governments for lights on FBC owned poles, for which they pay operation and maintenance; (iii) operation and maintenance implications on local governments for budgeting; and (iv) feasibility and affordability of local governments having in-house accredited municipal workers able to conduct LED street lighting maintenance, which is likely to be outsourced.

The Panel notes that the Type III LED Application relates only to FBC-owned fixtures on FBC-owned poles. As such, the Panel has decided that points (ii) and (iv) raised by Kaslo, which relate to Type II lighting service, are outside the scope of this Application.

The concerns with uncertainty in the upgrade and conversion process and operation & maintenance implications on local governments for budgeting, which relate to Type III LED lighting, have been addressed by FBC. FBC has confirmed that the Type III LED fixture conversion will be a three year project, expected to begin in 2018 and finish at the end of 2020. Furthermore, Type III LED fixture maintenance will be performed by FBC, at the rate of \$5.34 per month per fixture.

3.0 Commission determination

The Panel reviewed the evidentiary record related to the Type III LED Application and concludes that the Type III LED Application should be approved. The Panel is satisfied that FBC's clarification on ownership, maintenance and cost, appropriately addresses the matters raised by the Village of Kaslo. Further, the LED replacement program will be completed on a region-by-region basis over a three year period in consultation with municipalities to ensure efficiency.