



ORDER NUMBER
G-255-24

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

and

FortisBC Energy Inc. and FortisBC Inc.
2025 to 2027 Rate Setting Framework

BEFORE:

T. A. Loski, Panel Chair
A. K. Fung, KC, Commissioner
W. E. Royle, Commissioner

on September 27, 2024

ORDER

WHEREAS:

- A. On April 8, 2024, FortisBC Energy Inc. (FEI) and FortisBC Inc. (FBC) (collectively, FortisBC) applied to the British Columbia Utilities Commission (BCUC), pursuant to sections 59 to 61 of the *Utilities Commission Act*, seeking approval of a rate setting framework (Rate Framework) for FortisBC for the upcoming three years from 2025 to 2027 (Initial Application);
- B. On May 31, 2024, FortisBC filed supplemental information (Supplemental Information) relating to the impacts of the energy transition and climate change on the proposed Rate Framework as requested by the BCUC;
- C. By Order G-165-24 dated June 18, 2024, the BCUC set the scope and regulatory timetable for the review of the Initial Application and Supplemental Information (together, the Application). The regulatory timetable included two rounds of BCUC and intervener information requests (IRs) to FortisBC, with the BCUC to provide notice of the remaining regulatory timetable, including whether the remaining regulatory timetable will include intervener evidence;
- D. By letter dated September 20, 2024, the Residential Consumer Intervener Association (RCIA) submitted its intent to file evidence in the proceeding relating to the funding and governance of FEI's Clean Growth Innovation Fund; and
- E. The BCUC has reviewed the evidence provided in the proceeding to date and RCIA's letter and determines that an amendment to the regulatory timetable is warranted.

NOW THEREFORE for the reasons outlined in Appendix B of this order, the BCUC orders as follows:

1. The regulatory timetable is amended as set out in Appendix A of this order.

2. With respect to Intervener IR No. 2 to FortisBC, interveners are limited to a maximum of 20 questions each, inclusive of sub-questions, and the scope of Intervener IR No. 2 is limited to clarification of matters arising from FortisBC's responses to IR No. 1.

DATED at the City of Vancouver, in the Province of British Columbia, this 27th day of September 2024.

BY ORDER

Original signed by:

T. A. Loski
Commissioner

Attachment

FortisBC Energy Inc. and FortisBC Inc.
2025 to 2027 Rate Setting Framework

REGULATORY TIMETABLE

Action	Date (2024)
BCUC Information Request (IR) No. 2	Monday, October 7
Intervener IR No. 2	Tuesday, October 15
FortisBC responses to BCUC and Intervener IR No. 2	Tuesday, November 5
Letters of comment deadline	Wednesday, November 13
FortisBC final argument	Wednesday, November 27
Intervener final argument	Wednesday, December 18
	Date (2025)
FortisBC reply argument	Wednesday, January 15

FortisBC Energy Inc. and FortisBC Inc.
2025 to 2027 Rate Setting Framework

REASONS FOR DECISION

1.1 BACKGROUND

On April 8, 2024, FortisBC Energy Inc. (FEI) and FortisBC Inc. (FBC) (collectively, FortisBC) applied to the British Columbia Utilities Commission (BCUC), pursuant to sections 59 to 61 of the *Utilities Commission Act*, seeking approval of a rate setting framework (Rate Framework) for FortisBC for the upcoming three years from 2025 to 2027 (Initial Application).

On May 31, 2024, FortisBC filed supplemental information (Supplemental Information) relating to the impacts of the energy transition and climate change on the proposed Rate Framework as requested by the BCUC.

By Order G-165-24 dated June 18, 2024, the BCUC set the scope and regulatory timetable for the review of the Initial Application and Supplemental Information (together, the Application). The regulatory timetable included two rounds of BCUC and intervener information requests (IRs) to FortisBC, with the BCUC to provide notice of the remaining regulatory timetable, including whether the remaining timetable will include intervener evidence.

The deadline for the filing of intervener notice of intent to file evidence was September 20, 2024. The Residential Consumer Intervener Association (RCIA) was the sole intervener to submit a letter indicating its intent to file evidence in the proceeding.

1.2 SUBMISSIONS

In its letter, RCIA states that it intends to introduce evidence to show that the way ratepayers support FEI's Clean Growth Innovation Fund (CGIF) is not aligned with the potential benefits that arise from investments in the CGIF, with RCIA to offer an alternative funding model. RCIA states that it may also provide additional evidence examining the governance structure of the CGIF.¹

The CGIF was first proposed by FEI and approved by the BCUC in the Current MRP² proceeding. In that proceeding, the funding of the CGIF was canvassed at length. This included, among other things, who would benefit from the fund and therefore should bear the cost, whether the rate was just and reasonable, and the governance of the fund.³

FEI has proposed to continue the CGIF in the proposed Rate Framework. In this proceeding, FEI has provided evidence on the performance of the CGIF over the term of the Current MRP as well as proposed refinements to the CGIF moving forward for the proposed term of the Rate Framework.⁴ FEI has responded to various IRs regarding the funding⁵ and governance⁶ of the CGIF.

¹ Exhibit C3-3, p. 1.

² FortisBC Application for Approval of a Multi-Year Rate Plan for the Years 2020 through 2024. The current multi-year plan was set by Decision and Orders G-165-20 and G-166-20 dated June 22, 2020 (Current MRP Decision).

³ Current MRP Decision, pp. 145–157.

⁴ Exhibit B-1, pp. C-157 to C-175.

⁵ Exhibit B-4, BCUC IR 31.3 and 31.4; Exhibit B-12, RCIA IR 37.1 and 39.1.

⁶ Exhibit B-12, RCIA IR 36.1.

1.3 PANEL DETERMINATION

The Panel has reviewed RCIA's letter and is not persuaded that there is merit in accepting RCIA's proposal to file intervenor evidence on the above-noted topics. Specifically, the Panel considers that intervenor evidence on these topics would not contribute to a better understanding of the issues relevant to the CGIF for participating parties, nor would it aid the Panel's ultimate decision-making.

The Panel acknowledges that RCIA was not formed at the time of the Current MRP proceeding that established the CGIF, including its funding and governance models. However, the Panel also notes that RCIA asked IRs on both of these topics in IR No. 1 and therefore may continue to pursue questions on these topics in IR No. 2 within the scope of Intervener IR No. 2 outlined in this order.

The Panel finds that the issues raised regarding the CGIF in RCIA's letter can be sufficiently addressed through intervenor IRs and argument, and that intervenor evidence is not necessary for RCIA to be able to fairly present its case on this matter. Accordingly, the BCUC amends the regulatory timetable as set out in Appendix A of this order to proceed with final arguments after IR No. 2 without the need for any intervenor evidence.