



October 28, 2024

Sent via email

Letter L-30-24



Re: FortisBC Energy Inc. – Complaint filed by O.K. – British Columbia Utilities Commission Decision

Dear [REDACTED]:

The British Columbia Utilities Commission (BCUC) writes regarding your complaint, submitted on January 31, 2024 (Complaint), concerning FortisBC Energy Inc. (FEI)'s gas back-billing adjustment following the consumption of gas by a tenant that occurred without an FEI account at your rental premises. In your Complaint, you state that the back-billing was a result of an FEI error, wherein the utility had not allocated the gas consumption to your tenant nor did it contact the owner of the premises (you, or O.K.) for the unpaid gas at the premises in a timely manner.

When the BCUC reviews complaints, it uses the criteria of whether the utility reasonably responded to the customer's concern(s) and whether the utility followed its approved tariff and the *Utilities Commission Act* (UCA). As an administrative tribunal, the BCUC follows its own process for a number of procedures, including complaints. The BCUC is an independent regulatory agency of the Provincial Government that operates under and administers the UCA. Based on our review of your Complaint and related correspondence provided in this matter, the BCUC is satisfied that FEI has not breached the terms of its General Terms and Conditions (Tariff).¹

This letter outlines the BCUC's review process, and then provides a summary of your Complaint, the issues raised, the BCUC's review of each issue, and potential next steps you can take.

Review Process

In reviewing FEI's response, under the BCUC Customer Complaints Guide,² the BCUC has, among other things, referred to FEI's approved Tariff, which contains the terms and conditions of service between FEI and its customers, to ensure FEI's actions were in accordance with the approved Tariff.

Complaint

O.K.'s position

In your Complaint, you submitted concerns with FEI's handling of a vacant account at your rental premises, which resulted in a six-month back-billing adjustment of \$507.10 to you, as the owner. You assert that you should not be responsible for the back-billed amount due to FEI's inaction regarding the matter, noting FEI had your contact information and did not disconnect gas service during the period of unpaid consumption.

¹ The current version of [FEI's Tariff](#) was approved by Order G-135-18, which came into effect November 1, 2018. Later amendments were made to Section 16 by Order G-217-20 effective from August 14, 2020.

² [Customer Complaints Guide](#)

You explain that on January 31, 2024, you contacted FEI in order to transfer the gas account back in your name for new tenants moving into the premises effective February 1, 2024. FEI advised that you would be billed for your previous tenant's gas usage for the approximately three-year period from August 2021 to December 2023.

After filing your Complaint with the BCUC, you submitted several statements in response to FEI's submissions. In your submissions you express three concerns. First, that FEI did not attempt to contact you about the consumption over the three years. Second, that it did not disconnect the gas service due to non-payment and third, that FEI attempted to bill you for the unpaid consumption, although it later reduced this to six months of back-billing. Furthermore, you query whether you should bear any cost of consumption for this premises while tenanted due to the aforementioned concerns.

FEI's position

In response to your Complaint, FEI states it applied back-billing for the gas consumption at your premises and maintains that it acted appropriately under the circumstances and in accordance with its Tariff.

FEI explains why it did not contact you about the consumption over the three years. It notes that your tenant opened an account with FEI on July 6, 2021, backdated to July 1, 2021, but that your tenant subsequently closed this account on December 8, 2021. FEI states its system flagged the premises as a "Vacant Premises with Consumption" on March 7, 2022, and that FEI attempted to contact the occupants beginning September 21, 2023, until January 18, 2024. FEI states that it did not try to contact the property owner, i.e. yourself, in a reasonable timeframe because of an administrative error on its part.

FEI states that the provisions of its Tariff applicable to an error in billing, such as occurred in O.K.'s case, allow for back-billing for up to six months from the date that FEI discovered the error, namely, January 31, 2024. FEI states that in O.K.'s case, back-billing is applicable as incorrect data processing (Section 19.2(j)) resulted in an administrative error which caused a delay in notifying the property owner, thus it reasonably determined that applying Section 19.1 (Back-Billing When Required) was appropriate even though an original billing was not issued during the vacant period.

FEI maintains that O.K. is responsible for gas consumption at the premise commencing July 31, 2023, stating, "[c]onsumption was occurring at the vacant premises for which the occupant and/or landlord/owner benefited from. In the case of a landlord/owner of a property, the landlord is ultimately responsible for the gas consumption at that premises (Tariff Section 1.5). When our Vacant Premises process is handled efficiently and promptly, consumption typically would not exceed the six-month back-billing provisions in the Tariff."

FEI notes that the Complainant purchased the premises on March 26, 2020, at which time they became the Customer, responsible for gas consumption. FEI also notes that the Complainant advised FEI that they were moving, and that their responsibility for the premises would end on June 30, 2021. FEI acknowledges it expected the Customer's tenant to contract directly with FEI for gas service, and that there was an account in place until August 8, 2021.

FEI offers that, while it did attempt to contact the previous tenants, the responsibility for gas services has not been assumed by them and therefore it is not able to pursue payment through debt collection or other means. The utility notes that O.K. is the owner, and as such, the responsibility for gas consumption rests with them when the tenant fails or refuses to set up an account.

Determination

The BCUC finds that your premises benefited from the gas service and associated gas consumption from August 9, 2021, to January 31, 2024. Your tenant had an account with FEI until December 8, 2021, and thus it is the period between December 9, 2021, and January 31, 2024, when the premises received service from FEI without an active account. Since you were the property owner during that time, the BCUC finds that you were the "Customer" for the purposes of Section 2.2 of the Tariff. As such, you are responsible for paying for gas consumed at the premises during this period.

The BCUC notes that FEI has accepted responsibility for its administrative error in not contacting you regarding the consumption over the three-year period that occurred without an active account. Further, FEI acknowledges that it is not entitled to charge you for gas consumption at the premises for the entire period.

However, the BCUC finds that FEI acted in accordance with its Tariff and acted appropriately by the application of back-billing at the premises for the six-month billing period of July 31, 2023, to January 31, 2024.

Based on the above, the BCUC finds that FEI's actions have been consistent with its duties and responsibilities as set out in its Tariff and the UCA.

Accordingly, the Complaint is dismissed and your file is now closed.

Panel Discussion

While this matter is considered closed, the BCUC notes the concerns and subsequent responses brought forward through this complaints process that demonstrate inconsistencies in FEI's application of back-billing for vacant accounts. As such, the BCUC expects FEI to consistently apply its Tariff when reviewing and assessing outstanding balances for actual consumption, ensuring adherence to the approved back-billing provisions in its Tariff.

Office of the Ombudsperson

If you have concerns about how the BCUC handled your complaint, you may wish to contact the Office of the Ombudsperson. The Office of the Ombudsperson receives enquiries and complaints about the practices and services of public agencies within its jurisdiction. Their role is to impartially investigate complaints to determine whether public agencies have acted fairly and reasonably, and whether their actions and decisions were consistent with relevant legislation, policies, and procedures.

If you decide to file a complaint with the Ombudsperson, they will review the BCUC's process to ensure it was fair. Though this may not result in a different outcome for you, the office could request that the BCUC reopen its investigation.

Provided is a link for the Office of the Ombudsperson's website: <https://bcombudsperson.ca/>.

Sincerely,

Original signed by:

Patrick Wruck
Commission Secretary

AS/jm

cc: FortisBC Energy Inc.