



January 20, 2025

Sent via email

Letter L-3-25



Re: FortisBC Energy Inc. – Complaint filed by P.T. – British Columbia Utilities Commission Decision

[Redacted]:

The British Columbia Utilities Commission (BCUC) writes regarding your complaint, submitted on January 21 and supplemented on January 29, 2024, concerning FortisBC Energy Inc. (FEI)'s alleged mishandling of your utility account setup, disconnection of gas services, and back-billing for gas consumption at your premises (Complaint). In the Complaint, you state that you were unaware of an outstanding balance, which included charges from a previous tenant. Further, you claim that FEI failed to issue monthly billing and that FEI back-billed for more than the six-month allowable limit, as described in Section 19 of FEI's General Terms and Conditions (Tariff).

When the BCUC reviews complaints, it considers 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). 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 acted in accordance with its Tariff and the UCA.

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 to your Complaint under the BCUC Customer Complaints Guide¹, the BCUC has, among other things, referred to FEI's approved Tariff², which contains the terms and conditions of service between FEI and its customers, to ensure FEI's actions were in accordance with the Tariff.

By Order G-222-24 dated August 16, 2024, the BCUC established a regulatory timetable to review the Complaint, which included one round of BCUC information requests to each of FEI and you and final and reply comments from FEI and you. On August 21, 2024, by Order G-228-24, the BCUC amended the regulatory timetable to provide additional time and notice of the proceeding to you.

¹ [BCUC Customer Complaints Guide](#).

² The current version of the [Tariff](#) was approved by Order G-237-24 and came into effect July 1, 2024.

Complaint

Your position

In the Complaint, you explain that you moved into the residence on November 1, 2021. You located a telephone number for Fortis, but when you called to apply for gas service, the Fortis representative said they did not service your area and directed you to British Columbia Hydro and Power Authority (BC Hydro) instead. You did not realize there are two Fortis companies providing utility service, or that you had phoned FortisBC Inc. (FBC) instead of FortisBC Energy Inc. (FEI). You did not hear anything further for almost two years.

You further explain that FEI contacted your landlord about your gas bill, and as a result you contacted FEI on July 21, 2023 to start gas service. You advised FEI that you had been living at this residence since November 1, 2021 and reminded them that you had previously contacted them to set up gas service but had been redirected to BC Hydro. FEI told you that your outstanding gas bill amounted to “\$5,600”. You state that this amount includes billing for the previous tenant’s consumption and that FEI let this situation go on for too long. In addition, you state that you want to be credited for extra costs because your gas was shut off in the middle of winter and that your electricity bill has increased significantly.

You provided additional evidence on September 24, 2024, disputing the accuracy of the invoice that FEI sent on January 25, 2024. For example, you state that the average monthly consumption for the six months included in the invoice would be \$300, which is inaccurate because FEI hadn’t checked the meter and you use a wood fireplace, electric heaters, and a hot water tank. Further, you observe that the consumption recorded during the February 2023 billing period, 55.7 GJ, is anomalous.

As a result, you claim that FEI failed to issue monthly billing, and that the charges are excessive and inaccurate considering your primary use of electric heaters, hot water tank, and wood fireplace at the premises. You claim that FEI disconnected your gas service, causing you to rely on the above-noted means to heat your residence, leading to financial hardship due to higher electricity costs. Finally, you assert that FEI back-billed for more than the maximum permissible six-month limit and that FEI’s overall handling of your account was negligent. If FEI had admitted it could only back-bill you for six months and provided you with an accurate bill for that period, you could have worked with FEI on a payment plan to get caught up.

FEI’s position

FEI maintains it has correctly applied the relevant sections of its Tariff, which allow back-billing in instances of billing errors. It provides the following chronology relevant to your gas consumption since you moved into the premises.

FEI states that FBC customer service representatives are trained to ask questions to understand the customer’s needs and acknowledges that, unfortunately, this was not done during the call with you on November 24, 2021. This led to the misunderstanding about what type of service you required and resulted in an administrative error on FBC’s part.

FEI explains that it created a “vacant premise case” on December 29, 2021 because its system detected that gas was being consumed at the premises despite there being no active natural gas account. FEI contacted your landlord in May and July of 2022 and again in June and July of 2023. FEI states that you contacted FEI on July 21, 2023 to start service. FEI agrees that during this call, it provided you with an estimated balance of “\$5,600” for gas consumption since November 1, 2021. FEI states that it sent you an invoice, dated July 25, 2023, reflecting the actual initial balance on your account of \$5,210.55.

FEI states that it sent invoices to you for gas consumption in July and August 2023, and on September 19, 2023, sent you a notice of disconnection letter due to non-payment of your account, the balance of which at that time was \$5,431.03. FEI attempted to contact you several times in October 2023 and sent another invoice, for \$5,595.81, and on October 23, 2023, FEI disconnected the gas meter. After not receiving any response from you,

FEI states that it closed your account on November 15, 2023 and sent a final invoice on November 20, 2023[3] [sic] in the amount of \$5,562.84. FEI detected continued gas consumption at the residence and on December 6, 2023, an FEI technician discovered and disconnected an unauthorized reconnection.

FEI states that it received your complaint to the BCUC on January 21, 2024 and contacted you on January 25, 2024 to discuss your concerns. At that time, it informed you that back-billing was applicable and that it would update your invoice to reflect six months of back-billing from the date of discovery, which FEI determined was the date that you contacted FEI, July 21, 2023. FEI issued a new final invoice in the amount of \$1,807.95 and mailed it to you on February 2, 2024.

FEI explains that the estimated balance of \$5,600 comprised consumption for the period of occupancy from November 2021 to June 2023, taxes, an application fee and a security deposit. As a result of the call with you on July 21, 2023, however, FEI concluded that incorrect data processing had caused an administrative error, and that back-billing was appropriate. According to FEI's Tariff, FEI can back-bill - i.e. "re-bill" – a residential customer when there is an error, including an incorrect meter reading or data processing, in the original billing. In cases of under-billing, Section 19.8 of the Tariff states that FEI can back-bill a customer for up to six months.

FEI responds to the information you provided on September 24, 2024 and explains that most of the consumption reflected in that invoice occurred in the colder months, specifically from January to April 2023 and that consumption levels were lower in the summer months. Based on the meter read data provided by FEI for the period of January 1, 2020 to November 15, 2023, FEI maintains that your consumption patterns align with historical patterns for the premises. FEI acknowledges the higher consumption during the February 2023 billing period (55.7 GJ), which it believes is likely due to a catch-up for a misread occurring in January 2023 (5.7 GJ) because the combined consumption for the two-month period (61.4 GJ) aligns with historical averages.

Determination

The BCUC has reviewed the Complaint and the submissions provided by the parties and finds that FEI has correctly applied the back-billing provisions outlined in Section 19 of its Tariff. Therefore, the BCUC finds that you are responsible for gas consumption charges for the period of January 21, 2023, through to November 15, 2023, in the amount of \$1,807.95. This period includes six months of back-billing, from January 21, 2023, to July 21, 2023. The BCUC is satisfied that the six months of back billing are accurately documented and consistent with historical records from gas consumption at the premises.

The BCUC considers that FEI's application of Section 19.2 of the Tariff is warranted because the billing error resulted from incorrect data processing during your initial contact with FBC on November 24, 2021, when the FBC representative failed to ask questions to clarify the type of service you sought. This administrative oversight delayed notification of you as the responsible party for gas consumption at the premises. The BCUC considers that this qualifies as a basis for back-billing under Section 19.2(j) of the Tariff, which permits back-billing to correct errors arising from incorrect data processing. Additionally, the BCUC notes that FEI back-billed for the six-month period preceding July 21, 2023, the date of discovery of the billing error. This aligns with the maximum allowable back-billing timeframe for residential customers under Section 19.8 of the Tariff. The BCUC further considers that FEI appropriately calculated the \$1,807.95 balance for the period of January 21, 2023, to November 15, 2023, ensuring that charges outside the permitted back-billing period were excluded. As such, the BCUC finds that FEI's actions were consistent with the requirements of both Section 19.2 and 19.8 of its Tariff.

With respect to your claims regarding the accuracy of FEI's consumption data, the BCUC agrees with FEI that the consumption data provided by FEI for your account aligns with historical usage patterns for the premises, both in terms of winter peak usage and non-winter seasonal declines. The consumption data suggests that the reported charges for the period of January 21, 2023, through to November 15, 2023, reflect typical gas consumption at the premises and are not significantly inflated relative to prior usage trends. As such, the BCUC finds no evidence to support the claim that FEI's consumption data is inaccurate or that the reported charges are inconsistent with typical usage patterns for the premises.

Based on the foregoing reasons, 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 FEI ultimately applied its Tariff appropriately in this instance, the BCUC notes that, prior to the initiation of this Complaint, FEI attempted to recover from P.T. the entire amount outstanding. In particular, between FEI's discovery of its administrative error in July 2023, and the filing of this Complaint in January 2024, FEI issued no fewer than six invoices to P.T. for amounts that FEI should have recognized were unjustifiable. As such, the BCUC emphasizes that, in situations where back billing is required, FEI must apply back-billing provisions correctly at the time the issue is identified. The BCUC notes that this is not the first instance in which FEI has only applied the back-billing provisions under Section 19 of the Tariff correctly in response to a customer complaint being filed. In this instance, the BCUC notes that FEI did so only after the BCUC intervened in response to the Complaint. We consider this matter might have been avoided had FEI correctly applied the back-billing provisions. It is unfortunate that this situation had to escalate to the BCUC, requiring P.T. to invest associated time and energy before FEI correctly applied the back-billing provisions of its Tariff. As such, the BCUC reminds FEI that it must comply with its Tariff, regardless of whether a complaint is filed.

The BCUC acknowledges the enhanced training and automation processes that FEI has stated it will implement to improve its handling of vacant premises cases. However, the BCUC encourages FEI to closely monitor the effectiveness of these measures to ensure that similar situations are avoided in the future. The BCUC notes that proactive and consistent application of back-billing provisions in accordance with the Tariff is essential to maintaining regulatory compliance and fostering trust with customers.

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 to the Office of the Ombudsperson's website: <https://www.bcombudsperson.ca>.

Sincerely,

Electronically signed by Sara Hardgrave for Patrick Wruck

Patrick Wruck
Commission Secretary

DC/jm

cc:



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