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September 20, 2013

Via Email
Original via Mail

Mr. Norman Gabana
3850 Dogwood Drive
Trail, B.C.
V1R 2V5

Dear Mr. Gabana

Re: FortisBC Inc. (FBC)

**Application for Approval of a Multi-Year Performance Based Ratemaking Plan
for 2014 through 2018 (the Application)**

Response to Mr. Norman Gabana (Gabana) Information Request (IR) No. 1

On July 5, 2013, FBC filed the Application as referenced above. In accordance with Commission Order G-109-13 setting out the Preliminary Regulatory Timetable for the review of the Application, FBC respectfully submits the attached response to Gabana IR No. 1.

If further information is required, please contact the undersigned.

Sincerely,

FORTISBC INC.

Original signed:

Dennis Swanson

Attachments

cc: Commission Secretary
Registered Parties (e-mail only)



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1 1. From the commencement of the Kootenay River generator upgrades, outline the
2 financial gains that resulted from upgrading the units by year by unit upgraded.
3

4 **Response:**

5 It is very difficult for the Company to calculate financial gains on a unit by unit basis from when
6 the upgrades were complete since many entitlement increases were completed retroactively,
7 and the upgraded entitlements were also based on negotiations with BC Hydro, whereby unit
8 upgrades were not directly related to the performance on the unit. However, the Company can
9 estimate the total financial benefit from 2010 to 2013 and a forecast of the future benefit due to
10 the ULE project. As a result of the ULE project at the first 8 units (Corra Linn Unit 3, Upper
11 Bonnington Unit 5 and Unit 6, Lower Bonnington Unit 1, Unit 2 and Unit 3, and South Slocan
12 Unit 2 and Unit 3), FBC's entitlement increased from 1,541 GWh to 1,591 GWh, and peak
13 winter capacity increased from 205 MW to 223 MW. FBC is still finalizing the upgrades as a
14 result of the ULEs to Corra Linn Unit 1 and Unit 2, and South Slocan Unit 1 with final
15 entitlements not expected till later this fall. The Company anticipates this will increase the CPA
16 entitlements to 1,611 GWh and a peak winter capacity of 226 MW.

17 The following table shows the estimated financial gain of the total ULE project, for 2010 to 2018.

	2010 Actual	2011 Actual	2012 Actual	2013 Projection
Total Power Purchase Expense (\$000)	\$ 71,964	\$ 71,519	\$ 75,999	\$ 84,266
Estimated Value of ULE Project (\$000)	\$ 2,245	\$ 2,413	\$ 2,590	\$ 2,684

	2014 Forecast	2015 Forecast	2016 Forecast	2017 Forecast	2018 Forecast
Total Power Purchase Expense (\$000)	\$ 87,814	\$ 116,380	\$ 134,204	\$ 136,716	\$ 140,322
Estimated Value of ULE Project (\$000)	\$ 5,072	\$ 3,166	\$ 3,185	\$ 3,263	\$ 3,352

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19 In 2014, the value of the ULE project is expected to be \$5 million that is due to the annual
20 increases in capacity and energy, but also due to a projected 40 GWh energy recovery from BC
21 Hydro to account for retroactive energy increases as a result of the final 3 ULE projects. It is
22 important to note that the primary driver for the ULE program is the life extension of FBC's
23 owned generation, ensuring continued access to the low cost capacity and energy output from
24 the existing Kootenay River Plants.

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26

27
28 2. List all problems encountered with the upgraded units by unit from the completion of the
29 upgrade until today.
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1 **Response:**

- 2 The table provided below details all forced outage events (excluding maintenance-related
 3 outages) a unit has experienced since completion of the upgrade and/or life extension.

	Generator Outages	Total Outage Hours
LBO	53	149.62
UNIT 1	15	101.58
2006	6	4.20
86 LOCKOUT	1	1.80
BEARING OIL LEVEL	5	2.40
2007	4	2.52
BEARING OIL FLOW SWITCH	3	1.62
FAULTY TEMPERATURE SENSOR	1	0.90
2008	2	1.98
BEARING OIL LEVEL	1	1.65
BEARING OIL FLOW	1	0.33
2012	2	92.22
PROTECTION TRIP	1	0.48
GOVERNOR TROUBLE	1	91.73
2013	1	0.67
86 LOCKOUT	1	0.67
UNIT 2	30	38.97
1998	3	9.63
PLC TROUBLE	1	2.70
EXCITER FIELD GROUND	1	2.70
GOVERNOR TROUBLE - OIL SYSTEM	1	4.23
1999	1	1.05
86 LOCKOUT	1	1.05
2000	3	2.88
86 LOCKOUT	1	1.05
GOVERNOR TROUBLE - ELECTRONIC	2	1.83
2001	4	8.42
BEARING OIL LEVEL	1	6.63
FAULTY TEMPERATURE SENSOR	1	0.70
GOVERNOR TROUBLE - ELECTRONIC	2	1.08



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	Generator Outages	Total Outage Hours
2002	1	1.53
86 LOCKOUT	1	1.53
2003	3	1.92
FAULTY RELAY	1	0.20
HIGH TEMPERATURE	1	0.65
DISCONNECT FAILURE	1	1.07
2004	5	5.75
86 LOCKOUT	1	0.15
BUS FAULT	1	3.70
VIBRATION	3	1.90
2005	4	3.05
CONTROL SETTING CHANGES	1	0.55
PLC TROUBLE	1	0.22
OIL LEVEL	1	0.12
FAULTY VALVE	1	2.17
2006	1	0.20
OIL TEMPERATURE	1	0.20
2007	1	0.15
FAULTY VALVE	1	0.15
2009	1	2.25
86 LOCKOUT	1	2.25
2010	2	1.65
GROUND FAULT	1	1.37
EXCITER TROUBLE	1	0.28
2012	1	0.48
PROTECTION TRIP	1	0.48
UNIT 3	8	9.07
2007	1	2.40
BEARING OIL FLOW	1	2.40
2009	2	2.58
86 LOCKOUT	1	2.05
FAULTY RELAY	1	0.53
2012	5	4.08
86 LOCKOUT	1	1.03
PROTECTION TRIP	1	0.48
FAULTY RELAY	2	1.58

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	Generator Outages	Total Outage Hours
STATOR TEMPERATURE	1	0.98
UBO	36	168.05
UNIT 5	23	126.28
2004	4	4.63
86 LOCKOUT	1	3.05
PROTECTION TRIP	1	0.23
BEARING OIL LEVEL	1	0.45
FAULTY WIRING	1	0.90
2005	2	5.13
CONTROL SETTING CHANGES	1	1.15
BEARING OIL LEVEL	1	3.98
2006	1	1.58
FAULTY TEMPERATURE SENSOR	1	1.58
2007	4	26.03
GOVERNOR TROUBLE	2	4.73
PLC TROUBLE	1	0.48
CAUSE UNKNOWN	1	20.82
2008	5	32.63
BEARING OIL LEVEL	1	18.52
FAULTY TEMPERATURE SENSOR	1	1.02
PLC TROUBLE	1	11.52
GOVERNOR TROUBLE - OIL SYSTEM	1	0.08
FAULTY WIRING	1	1.50
2009	1	0.07
FAULTY RELAY	1	0.07
2010	2	26.87
GOVERNOR TROUBLE	1	19.53
GOVERNOR TROUBLE - OIL SYSTEM	1	7.33
2012	3	25.85
GOVERNOR TROUBLE	1	1.40
FAULTY RELAY - SETTINGS	2	24.45
2013	1	3.48
86 LOCKOUT	1	3.48
UNIT 6	13	41.77
2004	1	4.75



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	Generator Outages	Total Outage Hours
OIL LEAK	1	4.75
2005	4	4.72
CONTROL SETTING CHANGES	1	0.72
BEARING OIL FLOW	1	0.95
GOVERNOR TROUBLE	1	2.97
CAUSE UNKNOWN	1	0.08
2006	3	27.57
86 LOCKOUT	1	2.73
BEARING OIL LEVEL	1	0.17
FAULTY VALVE	1	24.67
2011	2	0.13
STATION SERVICE TRIP	2	0.13
2012	3	4.60
86EG TRIP	3	4.60
SLC	41	112.57
UNIT 1	4	7.22
2010	2	5.32
FAULTY SWITCH	1	4.80
FAULTY WIRING	1	0.52
2011	1	0.97
FAULTY TRANSDUCER	1	0.97
2012	1	0.93
DC GROUND	1	0.93
UNIT 2	34	70.10
2001	3	18.55
86 LOCKOUT	1	5.72
SPEED CONTROLER REPAIRS	1	8.58
REPAIR SPEED SWITCH	1	4.25
2002	3	4.95
EXCITER TROUBLE	3	4.95
2003	3	10.52
OIL TEMPERATURE	1	2.55
CABLE REPAIR	1	6.42
VIBRATION	1	1.55
2004	6	11.25
86 LOCKOUT	1	2.27

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	Generator Outages	Total Outage Hours
OIL TEMPERATURE	1	2.70
EXCITER TROUBLE	1	0.95
INADVERTENT RELAY CONTACT	1	0.17
BUS FAULT	1	4.07
VIBRATION	1	1.10
2005	2	0.85
86 NONLOCKOUT	1	0.57
CAUSE UNKNOWN	1	0.28
2006	5	7.72
VIBRATION	4	2.53
86 NONLOCKOUT	1	5.18
2008	2	10.28
BEARING OIL LEVEL	1	0.92
BEARING TEMPERTURE	1	9.37
2009	7	5.05
BEARING OIL LEVEL	1	1.48
FAULTY TEMPERATURE SENSOR	2	1.20
BLOWN FUSE	1	1.55
OUTAGE FOR WORK ON LUBE OIL SKID	2	0.58
HIGH TEMPERATURE	1	0.23
2010	1	0.05
FAULTY WIRING	1	0.05
2012	2	0.88
CONTROL CABINET GOT BUMPED	1	0.03
FAILED START	1	0.85
UNIT 3	3	35.25
2011	2	11.25
OVERHEATING REDUCED O/P FOR COOLING	1	11.00
DISCONNECT FAILURE	1	0.25
2012	1	24.00
BEARING TEMPERTURE	1	24.00
COR	31	113.32
UNIT 1	2	7.12
2011	1	4.05
EXCITER TROUBLE	1	4.05

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	Generator Outages	Total Outage Hours
2013	1	3.07
86 LOCKOUT	1	3.07
UNIT 2	3	3.90
2012	2	0.72
TRIP WHILE REMOVING DECOMMISSIONED WIRES	1	0.60
BEARING OIL PUMP FAILURE	1	0.12
2013	1	3.18
86 LOCKOUT	1	3.18
UNIT 3	26	102.30
2000	2	1.62
PLANT OUTAGE	1	1.33
BEARING OIL LEVEL	1	0.28
2001	1	1.28
FAULTY TEMPERATURE SENSOR	1	1.28
2002	4	51.88
86 LOCKOUT	1	0.77
GOVERNOR TROUBLE	1	48.47
BEARING TEMPERATURE	1	2.03
86 LOCKOUT - SHUTDOWN	1	0.62
2004	4	13.40
SWITCH MTC	1	9.37
BEARING OIL FLOW	1	0.12
PLC TROUBLE	1	2.12
BUS FAULT	1	1.80
2005	4	15.08
FAULTY TEMPERATURE SENSOR	1	0.58
PUMP FAILURE	1	0.05
PLANNED OUTAGE - MOVE STOP LOGS	2	14.45
2006	1	1.18
VOLTAGE RELAY TRIP	1	1.18
2007	2	6.53
INTERLOCK ON PT CABINET	1	0.08
86 NONLOCKOUT	1	6.45
2008	2	2.52
FAULTY TRANSDUCER	1	0.27



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	Generator Outages	Total Outage Hours
FAULTY TEMPERATURE SENSOR	1	2.25
2010	3	3.37
LOW TURBINE OIL	1	1.33
PLC TROUBLE	1	0.78
BLOWN FUSE	1	1.25
2012	3	5.43
BRUSH CHECKS CAUSED SHORT	1	0.15
BRAKE SYSTEM TROUBLE	1	0.45
POWER SYSTEM STABILIZER	1	4.83
Grand Total	161	543.55

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3. If there has been any lost production hours, state the quantity by year by unit upgraded.

Response:

The following are the forced outage hours by unit. For each forced outage there was a corresponding lost production.

	1998		1999		2000		2001		2002		2003		2004		2005	
	No. Gen Outages	Lost Production Hours	No. Gen Outages	Lost Production Hours	No. Gen Outages	Lost Production Hours	No. Gen Outages	Lost Production Hours	No. Gen Outages	Lost Production Hours	No. Gen Outages	Lost Production Hours	No. Gen Outages	Lost Production Hours	No. Gen Outages	Lost Production Hours
LBO	3	9.63	3	43.63	3	2.88	4	8.42	1	1.53	3	1.92	5	5.75	4	3.05
UNIT 1																
UNIT 2	3	9.63	3	43.63	3	2.88	4	8.42	1	1.53	3	1.92	5	5.75	4	3.05
UNIT 3																
UBO													5	9.38	7	13.63
UNIT 5													4	4.63	2	5.13
UNIT 6													1	4.75	5	8.50
SLC							3	18.55	4	7.37	3	10.52	6	11.25	3	10.08
UNIT 1																
UNIT 2							3	18.55	4	7.37	3	10.52	6	11.25	3	10.08
UNIT 3																
COR					2	1.62	1	1.28	4	51.88			5	71.78	5	16.65
UNIT 1																
UNIT 2																
UNIT 3					2	1.62	1	1.28	4	51.88			5	71.78	5	16.65
Total	3	9.63	3	43.63	5	4.50	8	28.25	9	60.78	6	12.43	21	98.17	19	43.42

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	2006		2007		2008		2009		2010		2011		2012		2013	
	No. Gen Outages	Lost Production Hours	No. Gen Outages	Lost Production Hours	No. Gen Outages	Lost Production Hours	No. Gen Outages	Lost Production Hours	No. Gen Outages	Lost Production Hours	No. Gen Outages	Lost Production Hours	No. Gen Outages	Lost Production Hours	No. Gen Outages	Lost Production Hours
LBO	7	4.40	11	100.77	2	1.98	6	8.12	2	1.65			8	96.78	1	0.67
UNIT 1	6	4.20	6	90.05	2	1.98	1	0.45					2	92.22	1	0.67
UNIT 2	1	0.20	3	2.15			2	2.97	2	1.65			1	0.48		
UNIT 3			2	8.57			3	4.70					5	4.08		
UBO	4	29.15	4	26.03	5	32.63	1	0.07	2	26.87	2	0.13	7	31.07	1	3.48
UNIT 5	1	1.58	4	26.03	5	32.63	1	0.07	2	26.87			4	26.47	1	3.48
UNIT 6	3	27.57									2	0.13	3	4.60		
SLC	5	7.72	1	287.43	2	10.28	7	5.05	3	5.37	3	12.22	4	25.82		
UNIT 1									2	5.32	1	0.97	1	0.93		
UNIT 2	5	7.72	1	287.43	2	10.28	7	5.05	1	0.05			2	0.88		
UNIT 3											2	11.25	1	24.00		
COR	1	1.18	2	6.53	2	2.52			3	3.37	1	4.05	5	6.15	2	6.25
UNIT 1											1	4.05			1	3.07
UNIT 2													2	0.72	1	3.18
UNIT 3	1	1.18	2	6.53	2	2.52			3	3.37			3	5.43		
Total	17	42.45	18	420.77	11	47.42	14	13.23	10	37.25	6	16.40	24	159.82	4	10.40

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4. Show Total Revenues the City of Kelowna derived from ownership of the electrical distribution system utility in its last whole year of ownership.

Response:

The Company respectfully declines to answer as the question does not relate to the current Application. The purchase of the utility assets of the City of Kelowna was the subject of a Certificate of Public Convenience and Necessity application that the Commission approved in Order C-4-13.

5. Show Total Revenues Fortis would have derived from owning the utility in the same time period at Fortis`s standard customer rates.

Response:

Please refer to the response to Gabana IR 1.4.

6. Show the amount Fortis has paid to use the substation at Brilliant that is owned by Columbia Basin Trust (CBT or CPC) in each of the last five years.

1
 2 **Response:**
 3 Total amounts paid by FortisBC Inc. to Brilliant Power Corp. for 2008 to 2012 are included
 4 below.

	Total O&M Costs for BTS (\$000's)				
	2008	2009	2010	2011	2012
Non-Labour	3,206	3,054	3,069	2,987	3,160

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 9 7. Page 99, Table C2-3, Line 9, Explain the PPE Adjustment

10
 11 **Response:**
 12 Please refer to the response to BCUC IR 1.83.1.

13
 14
 15
 16 8. Show total amount of DSM loans made in years 2011 and 2012

17
 18 **Response:**

Year	No. Participants (loan)	Loan Amounts
2011	25	\$136,339
2012	25	\$143,739
Total	50	\$280,075

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 21
 22 9. Show the total amount of DSM loans not repaid in each of the last 10 years
 23



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1 **Response:**

2 The total amount of DSM loans not repaid in each of the last ten years is shown below. Note
3 that the total write-off amount shown below, divided by the total loan portfolio of \$10,930,916 to
4 2012 YE, represents a loss rate of 1.4%.

Year	Total (\$)
2003	-
2004	7,844
2005	15,153
2006	10,391
2007	12,386
2008	-
2009	36,630
2010	21,301
2011	20,424
2012	24,103
Grand Total	148,232

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8 10. Show the total amount of DSM loans outstanding today
9

10 **Response:**

11 The outstanding DSM loan portfolio balance was \$1,598,484 as of July 31, 2013.

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14
15 11. Page 118 line 21 what portion of the 552 employees eligible to retire are Fortis BC
16 Power employees.

17
18 **Response:**

19 FBC interprets the reference to “Fortis BC Power” employees to mean FortisBC Inc. employees.
20 On that basis, as of January 1, 2013, there were 143 FBC employees eligible to retire with an
21 unreduced pension between 2013 and 2018.

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1 12. Fortis's CEO recently stated the company has employed an additional 160 people, show
2 a breakdown of these new employees between Administration, Distribution and
3 Generation.
4

5 **Response:**

6 FBC assumes the referenced statement provided in the question relates to a recent
7 announcement regarding the Kootenay Long Term Facility as noted at the following link:

8 <http://www.castlegarnews.com/news/168056306.html>

9 The 160 jobs noted in the article relate to existing positions currently located throughout the
10 West Kootenay portion of FBC's service territory, and do not represent incremental additions to
11 the Company's employee base. Additionally, the cited figure of 160 employees was a
12 preliminary estimate of the expected number of employees to be relocated to a single facility as
13 part of the Kootenay Long Term Facility project. The final number of employees to be relocated
14 will be detailed as part of the CPCN application for this project.

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18 13. Show gains that have resulted from Fortis owning both gas and electrical franchise in BC
19 for the last 2 years.
20

21 **Response:**

22 FBC has interpreted this question to be referring to integration efforts between the gas and
23 electric utilities in BC.

24 As discussed in Section C4 O&M Expense Exhibit B-1, FBC has achieved a number of
25 sustainable productivity improvements in recent years of which integration is a contributor
26 amongst others drivers. In addition, each department has included a discussion of the savings
27 achieved. However, given FBC's approach to ensuring accountability for productivity
28 improvement as described in the response to CEC IR 1.18.2, it has not required departments to
29 specifically track savings benefits for each of the drivers including that due to integration. As a
30 result, FBC does not have a comprehensive list of savings benefits due to integration within the
31 electric business.
32
33

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35 14. Show total amount of money for Fortis paid in bonuses to its employees in each of the
36 last five years.

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1

2 **Response:**

3 Please refer to following table for the amount of short-term incentive pay FBC has paid to its
 4 employees, excluding executives, in each of the last five years.

5 Please refer to the response to BCUC IR 1.103.1 for the amount of incentive pay paid to FBC
 6 executives for the same time period.

7 **Short-term Incentive Pay FBC Paid to its Employees Between 2008-2012 (\$000s)**

2008	2009	2010	2011	2012
\$1,141	\$1,526	\$1,517	\$2,077	\$2,062

8

9 Short term incentive pay is performance based incentive pay based on a combination of
 10 individual and corporate performance. Please see response to BCUC IR 222.3 for a description
 11 of short term incentive pay for M&E employees and response to BCUC IR 223.1.2 for a
 12 description of short term incentive pay for the eligible COPE Customer Service group of
 13 employees.

14 The difference in short-term incentive pay from 2010 to 2011 is attributed to a significant
 15 improvement in corporate performance between the two years – 79% in 2010 and 99% in 2011.

16 Please refer to the response to BCSEA IR 1.34.2 for FBC's corporate scorecard results for
 17 2008-2012.

18

19

20

21 15. Show total revenues from power sales in each of the last five calendar years.

22

23 **Response:**

24 The table below shows the total surplus sales, unit cost and total revenue from FBC surplus
 25 sales over the past 5 years.

	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual
Surplus Sales (GWh)	48	38	49	10	0
Unit Cost (\$ / MWh)	45.67	20.52	20.35	6.21	-
Total Revenue (\$000s)	2,180	773	1,000	63	0

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1
2 16. Show the total number of megawatts sold in each of the last five years and the cost per
3 megawatt in each of those last five years.
4

5 **Response:**

6 Please refer to the response to Gabana IR 1.15.
7
8

9
10 17. Page 127, Line 24: show total lease payments from the commencement of this lease in
11 2003 to today.
12

13 **Response:**

14 Total lease payments from the commencement of the Brilliant Terminal Station lease from
15 November 2003 to May 2013, the date of the last payment, were \$24,606 thousand.
16
17

18
19 18. Page 135 line 6: provide a detailed job description of the vacant position that caused the
20 \$225,000 variance.
21

22 **Response:**

23 The detailed job description for the vacant Communications Advisor position is provided below.
24 This vacant position contributed to less than half of the \$225 thousand variance. The remaining
25 variance is attributable to other factors which are described in the response to CEC IR 1.59.9.

26 The vacant Communications Advisor role was filled in May 2013, as after trying to manage for a
27 period of time without an incumbent in the role, the group struggled to keep up with the
28 workload.

29 The job description for the vacant role is below:

30 **COMMUNICATIONS ADVISOR**

31 **Job Specification:** The Corporate Communications Advisor plays a critical role in building and
32 maintaining the company's public image, and is responsible for the development and
33 implementation of strategic communication and proactive media relations initiatives that help
34 FortisBC achieve its business goals. This role develops and implements strategic

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1 communication plans, establishes and maintains media relationships, identifies public issues,
2 creates stakeholder messaging, and acts as corporate spokesperson. This individual also plays
3 an integral role in the development and implementation of employee communication initiatives.

4 **Job Duties:**

- 5 • Researching, writing, editing and overseeing the production of various communication
6 materials, which may include executive presentations, corporate announcements,
7 corporate profiles, annual reports, news releases, backgrounders, brochures, fact
8 sheets, web pages, newsletters, and advertisements.
- 9 • Fostering strong relationships with internal partners in meeting their communication
10 needs internally and externally.
- 11 • Media Relations including acting as corporate spokesperson for external media
12 (television, radio, newspapers); establishes and maintains these relationships; responds
13 to media enquiries; develops proactive, integrated media relations strategies.
- 14 • Monitors corporate issues through media monitoring including writing letters to editors
- 15 • Ensures there are standard key messages/talking points created for management to use
16 for primary corporate issues when in discussion with stakeholders; provides clients and
17 colleagues with media relations advice and counsel, media training, news release
18 writing, media distribution processes and media monitoring/issues tracking.
- 19 • Creates individual communications plans for specific corporate and departmental
20 initiatives
- 21 • Developing and implementing effective communication strategies and tactics for a
22 variety of audiences in conjunction with communications team members, internal clients
23 and partners.
- 24 • Writes corporate speeches and presentations for senior management
- 25 • Planning and managing various events and stakeholder meetings for internal and
26 external audiences as appropriate.
- 27 • Carrying the media phone, on a rotational basis, as part of the 24/7 on-call departmental
28 emergency response team, to respond to media enquiries in the interest of public safety
29 and customer service

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32

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1 19. Please provide best, lowest risk opportunities to reduce operating expenses by \$250,000
2 for each of Administration, Distribution and Generation groups.

3
4 **Response:**

5 FBC's O&M Expense for the PBR Period is based on its 2013 Approved O&M, which was
6 determined by way of an oral public hearing in 2012, and which followed two successful PBR
7 Plans which, beginning in 1996 have embedded a cumulative productivity improvement factor of
8 approximately 24 percent. The Company believes that it has addressed opportunities over that
9 period of time to reduce O&M Expense to the extent possible and has provided a full
10 explanation of the factors impacting O&M Expense in Section C4 of the Application.

11 An aggregate reduction of \$750,000 (\$250,000 more than has already been put forth in the
12 Application) in O&M Expense on an annual basis is not sustainable, without creating risk in the
13 areas of safety, reliability and customer service.

14
15

16

17 20. What is the total investment in fibre optic communication infrastructure to date

18

19 **Response:**

20 Total fibre optic communication infrastructure investment to date is \$10.2 million.

21

22

23

24 21. What is the total required expenditure to complete all foreseeable fibre optic
25 infrastructure.

26

27 **Response:**

28 The fibre optic infrastructure between Grand Forks and Warfield, discussed in the Application,
29 would complete FBC's fibre optic network. No additional fibre optic infrastructure is anticipated
30 to be needed or built in the foreseeable future, with the exception of short (several spans) spurs
31 from existing fibre cable or leased fibre intended to connect additional assets to the network.
32 FBC notes that substantive changes to the power grid (new substations, transmission lines or
33 generating facilities) could create a need for supplementary builds in the future.

34 As stated in the application, a CPCN detailing costs and estimates for the Grand Forks to
35 Warfield fibre is expected to be submitted in the near future. FBC expects that the impact to



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- 1 ratepayers will be minimal, as a significant portion of the build cost will be offset by direct O&M
- 2 savings and by revenue associated with leasing available fibre to third parties.
- 3