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January 13, 2014

**Via Email**

British Columbia Utilities Commission  
Sixth Floor, 900 Howe Street  
Vancouver, B.C. V6Z 2N3

Attention: Ms. Erica M. Hamilton, Commission Secretary

Dear Ms. Hamilton:

**Re: FortisBC Energy Inc. (FEI) and FortisBC Inc. (FBC) (collectively the Companies)  
Applications for Approval of a Multi-Year Performance Based Ratemaking Plan  
for 2014 through 2018 (the Applications)  
Submission on the Remainder of the Regulatory Timetable**

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On December 18, 2013, the British Columbia Utilities Commission (the Commission) issued Order G-218-13 (Exhibit A-16) requesting that all parties make submissions regarding the remainder of the Regulatory Timetable.

The Companies submit that the following dates are appropriate for the remainder of the Regulatory Timetable.

<b>ACTION</b>	<b>DATE (2014)</b>
FEI Evidentiary Update (non PBR methodology)	Friday, February 21
Rebuttal Evidence	Monday, March 3
Oral Hearing on PBR Methodology	Wednesday, March 12
Final Argument on All Issues	Friday, April 11
Intervener Final Argument on All Issues	Monday, April 28
Reply Argument on All Issues	Monday, May 12

### ***POTENTIAL FOR INFORMATION REQUESTS ON EVIDENTIARY UPDATE***

FEI will be filing an Evidentiary Update to its Application as a result of Special Direction No. 5 to the Commission (Order in Council No. 557, dated November 27, 2013) and Commission Order G-210-13 issued December 11, 2013 in FEI's Biomethane Post Implementation Report and Permanent Program Application. FEI has also committed to updating its 2013 Base O&M and Capital, if required, based on actual 2013 results. FEI will provide a discussion in its Evidentiary Update of how actual results have or have not impacted 2013 Base O&M and Capital. None of these requirements apply to FBC, as was explained in the response to the Industrial Customers Group (ICG) IR 2.23.1. As a result, FBC does not plan on filing a further Evidentiary Update.

Since FEI's Evidentiary Update will be based on specific directions and will include a discussion of 2013 Base O&M and Capital, FEI submits that there is no requirement for Information Requests (IRs) on the Evidentiary Update. If the Commission determines that IRs are required, they should be limited to the changes that have been made in the Evidentiary Update. Since these IRs would not be related to PBR methodology, they could be accommodated in the above timetable, with the Commission and Interveners providing IRs to FEI on Monday, March 3<sup>rd</sup>, and FEI replying on Friday, March 21<sup>st</sup>, subsequent to the completion of the Oral Hearing.

### ***NON-PBR METHODOLOGY REBUTTAL EVIDENCE AND IRs***

FEI and FBC will be filing rebuttal evidence, both related to the PBR methodology and to non-PBR methodology issues. The non-PBR methodology rebuttal evidence will be primarily related to Demand Side Management (DSM).

Rebuttal evidence filed on the PBR methodology can be canvassed in the Oral Hearing and therefore does not require IRs. The Companies also believe that there is no requirement for IRs on non-PBR rebuttal evidence as these issues can be dealt with in final argument. This approach has been taken in the GCOC Stage 2 and the FEU Common Rates and Amalgamation Reconsideration proceedings, for example.

In the event that the Commission believes that IRs are required on the non-PBR rebuttal evidence, then the Companies believe this can be accommodated in their proposed schedule. This could be accomplished through eliminating the second round of IRs related to non-PBR intervenor evidence. If the second round of IRs on non-PBR intervenor evidence is eliminated, then FEI and FBC would propose filing their rebuttal evidence on DSM and any other non-PBR items earlier than the PBR rebuttal evidence, on February 14, 2014. Any IRs on the Companies' non-PBR rebuttal evidence could then be accommodated within the same timing as any IRs on FEI's Evidentiary Update (i.e. IRs to FEI on Monday, March 3<sup>rd</sup>, and FEI replying on Friday, March 21<sup>st</sup>).

### ***ORAL HEARING ON PBR METHODOLOGY AND ARGUMENT PHASES***

The Companies submit that the original dates that were established for the Oral Hearing and Argument submissions should not be changed by any more than the dates set out above, for the following two reasons: (1) Timeliness of the process to reaching a decision; and (2) scheduling of witnesses. The Companies address each reason in more detail below.

**(1) Timeliness:**

As discussed during the Procedural Conference, and as summarized in Order G-150-13, the Companies regard one of the principles that should be at play in the determination of the regulatory process is timeliness. Timeliness, *“recognizes that there is a real interest on the part of the utility in particular that’s applying for orders to recognize that there is risk associated with a process that takes us well into whatever the test period may be, and because the revenues are uncertain but the costs continue to roll in and have to be paid, and in the context of a generic cost of capital proceeding we’d refer to this as a regulatory lag issue.”*<sup>1</sup> The Panel generally agreed with the principles put forward by the Companies at the Procedural Conference, and stated that it was, *“...mindful of these principles, in particular that of timeliness.”*<sup>2</sup> Given that the regulatory timetable already extends well into 2014, the Companies submit that effort should be made to limit the timelines to what has been proposed by the Companies, which provides parties with a reasonable opportunity to participate in a comprehensive process without unreasonable delay in the process.

**(2) Scheduling of Witnesses:**

All parties to the proceeding had confirmed their witnesses and counsel availability and had set aside the dates as originally scheduled for the Oral Hearing which was to commence on Monday, March 10, 2014. The Companies submit that holding the Oral Hearing in the week originally proposed is still reasonable based on the Regulatory Timetable proposed above, as it provides six full business days for parties to review the rebuttal evidence in advance of the Oral Hearing.

If the commencement of the Oral Hearing were to be more significantly delayed, the Companies anticipate scheduling conflicts for their company witnesses and their expert witness. Should the Commission find it necessary to alter the original Oral Hearing commencement date by more than the two days proposed in the Regulatory Timetable set out above, the Companies respectfully request that they be allowed an opportunity to confirm the availability of all their required witnesses prior to the Commission setting a new date for the Oral Hearing commencement.

If further information is required, please contact the undersigned.

Sincerely,

**FORTISBC ENERGY INC. and  
FORTISBC INC.**

***Original signed by: Diane Roy***

**For:** Diane Roy and Dennis Swanson

cc (email only): Registered Parties

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<sup>1</sup> Transcript, Volume 1, Page 11, lines 5-13, and Order G-150-13 (Exhibit A-9), Appendix B, Page 2.

<sup>2</sup> Order G-150-13 (Exhibit A-9), Appendix B, Page 4.