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May 20, 2015

Via Email
Original via Mail

British Columbia Utilities Commission
6th Floor, 900 Howe Street
Vancouver, BC
V6Z 2N3

Attention: Ms. Erica M. Hamilton, Commission Secretary

Dear Ms. Hamilton:

Re: FortisBC Energy Inc. (FEI)

Application for Reconsideration and Variance of British Columbia Utilities Commission Order G-187-14 in the Matter of FEI's Application to Amend the Balancing Gas Charges for Rate Schedules 23, 25, 26 and 27 (the Reconsideration Application)

Pursuant to section 99 of the *Utilities Commission Act*, FEI respectfully submits the attached Reconsideration Application.

If further information is required, please contact Michelle Carman, Manager, Cost of Service at (604) 592-7458.

Sincerely,

FORTISBC ENERGY INC.

Original signed by: Ilva Bevacqua

For: Diane Roy

Attachments

cc (email only): Registered Parties to the Balancing Gas Proceeding

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1. RECONSIDERATION AND REQUESTED RELIEF

FortisBC Energy Inc. (FEI) files this Application for Reconsideration of Order G-187-14 (Reconsideration Application) pursuant to section 99 of the *Utilities Commission Act*. FEI respectfully requests that the British Columbia Utilities Commission (the Commission or BCUC) review and vary Order G-187-14, issued December 1, 2014 with accompanying Decision (the Balancing Gas Decision), denying FEI's request made in its application dated May 13, 2014 (the Balancing Gas Application) to amend the charge for Balancing Gas supplied in Rate Schedules 23, 25, 26 and 27 (the Original Proceeding). In particular, FEI is seeking a reconsideration and variance of item 2 of Order G-187-14 directing FEI to file a rate design application on Monthly Balanced Transportation Service (Monthly Balancing Rate Design Application) by no later than December 1, 2015. The direction at issue states as follows:

*The Panel determines that the rate design review of Monthly Balanced Transportation Service is necessary and that this process should be a separate process from that of the broader rate design application directed in Commission Order G-21-14. FEI is directed to file a rate design application on Monthly Balanced Transportation Service by no later than one year from the date of the order accompanying this decision.*¹

For the reasons set out below, FEI is requesting that the Commission reconsider and vary Order G-187-14 to modify the filing date for the Monthly Balancing Rate Design Application from by no later than December 1, 2015, to by no later than December 31, 2016, in order to align the timing for filing the Monthly Balancing Rate Design Application with FEI's forthcoming Comprehensive Rate Design Application (Comprehensive Rate Design Application). The ground for FEI's reconsideration request is that the requirement of FEI filing a Monthly Balancing Rate Design Application earlier than the Comprehensive Rate Design Application raises a new principle that was not canvassed in the Original Proceeding. Alternatively, FEI submits that there is just cause to reconsider the Balancing Gas Decision.

The principle that arises as a result of the Balancing Gas Decision and warrants reconsideration is that the rate design for the Monthly Balanced Transportation Service should be separate from and prior to the Comprehensive Rate Design Application and that this "would allow impacted stakeholders to participate more effectively".² The reasonableness of this approach was not considered in the Original Proceeding. The intent of FEI's Balancing Gas Application was relatively limited: FEI applied for an increase of the Balancing Gas charge to address a potential arbitrage situation in the market. Although FEI expressed the view that the next rate design application would be the appropriate vehicle to address broader service offering and rate structure issues,³ the specific issue of whether it is reasonable to have the Monthly Balancing Rate Design Application separate from, and prior to, the Comprehensive Rate Design was not examined.

¹ Balancing Gas Decision, at p. 22.

² Balancing Gas Decision, at p. 22,

³ Original Proceeding, Exhibit B-5, Responses to BCUC IR 2.4.1.

1 As FEI did not have the opportunity to address this issue in the Original Proceeding, FEI
2 submits that the Commission should reconsider this aspect of its direction in light of the
3 evidence and submissions of FEI on the reasonableness of the direction. As more fully
4 explained in section 4 below, FEI submits that the timing for preparing and reviewing the
5 Monthly Balancing Rate Design Application should be in alignment with the upcoming
6 Comprehensive Rate Design Application for the following reasons:

- 7 1. Interrelationship with the Comprehensive Rate Design Application: The rate design for
8 the Monthly Balancing Gas service is interrelated with the comprehensive rate design
9 and, as such, should be considered in the context of other rate design components or
10 options for FEI's services, including whether Monthly Balancing Gas service should
11 continue, be expanded to other rate schedules or be replaced by daily Balancing Gas
12 service.
- 13 2. Efficiency and Avoidance of Wasted Expenditures: Preparing and reviewing the Monthly
14 Balancing Gas Rate Design Application at the same time as the Comprehensive Rate
15 Design Application will allow for a more efficient use of FEI's internal resources and
16 provide a more efficient and wholesome consultation process with stakeholders.
17 Further, given the interrelationship between the Monthly Balancing Gas Rate Design
18 Application and the Comprehensive Rate Design Application, proceeding with the two
19 application together will eliminate the risk of wasted expenditures due to duplicated effort
20 and the potential need to undo or modify the Monthly Balancing Gas rate design as a
21 result of the outcome of the Comprehensive Rate Design Application.
- 22 3. No Material Harm from One Year Delay: As directed by the Commission in the
23 Balancing Gas Application, FEI will continue to make use of the existing tariff provisions
24 to encourage compliance with the tariff and to minimize potential negative consequences
25 for natural gas core customers.

26
27 FEI submits that the evidence and submission in this Reconsideration Application establish a
28 *prima facie* case for reconsideration and variance of Order G-187-14 and, further, that on the
29 merits, that the Reconsideration Application should be approved.

30 In the sections below, FEI describes the reconsideration process, details its grounds for
31 reconsideration, sets out its evidence and reasons in support of reconsideration, discusses the
32 material implications of the direction at issue and addresses whether the Commission should
33 hear new evidence or from new parties.

34

2. PROCEDURE FOR RECONSIDERATION AND PROCESS FOR THIS APPLICATION

As reflected in the Reconsideration and Appeals section of “Understanding Utility Regulation: A Participant’s Guide to the B.C. Utilities Commission,” the Commission’s default process for addressing reconsideration applications is to proceed in two phases. The following is a description of these two phases.

The first phase is a preliminary examination in which the application is assessed in light of some or all of the following questions:

- Should there be a reconsideration by the Commission?
- If there is to be reconsideration, should the Commission hear new evidence and should new parties be given the opportunity to present evidence?
- If there is to be reconsideration, should it focus on the items from the application for reconsideration, a subset of these items or additional items?

The Commission also considers whether the claim of error is substantiated on a prima facie basis and/or the error has significant material implications in deciding whether to proceed to the second phase.

After the first phase evidence has been received, the Commission generally applies the following criteria to determine whether or not a reasonable basis exists for allowing reconsideration:

1. the Commission has made an error in fact or law;
2. there has been a fundamental change in circumstances or facts since the Decision;
3. a basic principle had not been raised in the original proceedings; or
4. a new principle has arisen as a result of the Decision.

In addition, the Commission will exercise its discretion to reconsider, in other situations, wherever it deems there to be just cause.

Where an error is alleged to have been made the application must meet the following criteria to advance to the second phase of reconsideration:

- the claim of error is substantiated on a prima facie basis; and
- the error has significant material implications.

1 If the applicant is successful, the Commission makes a determination based on the merits of the
2 application.

3 In some cases, the Commission has addressed stages 1 and 2 at the same time as a means of
4 enhancing the efficiency of the process. FEI submits that such approach is appropriate in the
5 present case. The scope of the reconsideration is limited to deferring the timeline for complying
6 with a single direction from Order G-187-14. FEI thus respectfully requests that the
7 Commission compress the reconsideration process into one stage.

8 FEI submits that this Reconsideration Application establishes a *prima facie* case for
9 reconsideration and variance of Order G-187-14 and justifies proceeding to the second phase.

10 FEI also submits that on the merits its Reconsideration Application should be approved.

11

1 **3. GROUNDS FOR RECONSIDERATION – A NEW PRINCIPLE RAISED**
2 **AS A RESULT OF THE BALANCING GAS DECISION**

3 FEI is seeking reconsideration of item 2 of Order G-187-14 which directs FEI “to file a rate
4 design application on Monthly Balanced Transportation Service by no later than one year from
5 the date of this order” because this direction raises a new principle, or in the alternative,
6 provides just cause to reconsider Order G-187-14.

7 The principle arising as a result of the Balancing Gas Decision is that a rate design review of the
8 Monthly Balanced Transportation Service should proceed earlier than FEI’s Comprehensive
9 Rate Design Application and that this “would allow impacted stakeholders to participate more
10 effectively”.⁴ However, the reasonableness of this approach was not explored in the Original
11 Proceeding.

12 The purpose of the Original Proceeding as articulated in FEI’s May 13, 2014 application was
13 narrow. FEI was seeking a modest increase of FEI’s Monthly Balancing Gas service charge to
14 address a market condition. Although questions were raised during the Original Proceeding
15 about other service offering options, FEI stressed that such broader issues were more
16 appropriate for the next rate design application.⁵ However, the scope and timing of the next rate
17 design application, the inter-dependence of the Monthly Balancing Gas Application and the
18 Comprehensive Rate Design Application, and the impacts of changing one rate design
19 component on other rate design components and service options were not at issue in the
20 Original Proceeding and were thus not explored. Because FEI did not have the opportunity or
21 reason to address the interrelationship between the Monthly Balanced Transportation Service
22 and the contemplated Comprehensive Rate Design in the Original Proceeding, FEI submits that
23 the Commission should reconsider the reasonableness of the direction that orders FEI to
24 prepare and review the Monthly Balancing Gas Application separately from, and prior to, the
25 Comprehensive Rate Design in light of evidence and submissions of FEI. FEI further submits
26 that the timing for the preparation and review of the Monthly Balancing Rate Design Application
27 should be aligned with the timing of the Comprehensive Rate Design Application.

28 FEI notes that it does not object to filing the Monthly Balancing Rate Design Application as a
29 separate component of the Comprehensive Rate Design or as a separate application along with
30 the Comprehensive Rate Design.

31

⁴ Balancing Gas Decision, at p. 22,

⁵ E.g., Exhibit B-5, BCUC IR 2.4.1, 2.4.1.2, 2.4.2.1.

4. SUBMISSIONS AND EVIDENCE ON NEW PRINCIPLE RAISED BY ORDER G-187-14

In this section, FEI presents its submissions and evidence on the new principle raised by Order G-187-14.

4.1 INTERRELATIONSHIP WITH THE COMPREHENSIVE RATE DESIGN APPLICATION

The Monthly Balancing Rate Design should proceed at the same time as the Comprehensive Rate Design because the two rate designs are interrelated. Specifically, the Monthly Balancing Gas service is part of FEI's Transportation Service that will be reviewed as part of FEI's Comprehensive Rate Design Application and the Monthly Balancing Gas service has implications for, and can be impacted by, broader rate design decisions in the Comprehensive Rate Design Application.

In this subsection, FEI will first discuss the Monthly Balancing Gas service in the context of FEI's service offerings, followed by a discussion of the potential impacts of the Comprehensive Rate Design Application on the Monthly Balancing Gas service.

4.1.1 Balancing Gas Service Part of the Transportation Service

Balancing Gas service is a component of FEI's transportation service under Rate Schedule 22 (Large Volume Transportation), Rate Schedule 23 (Commercial Transportation Service), Rate Schedule 25 (General Firm Transportation Service), Rate Schedule 26 (Natural Gas Vehicle Transportation Service), and Rate Schedule 27 (General Interruptible Transportation Service). These rate schedules contain various charges for transportation and auxiliary sales services and encompass all applicable charges for transportation customers, including Balancing Gas charges and volumetric delivery and monthly demand charges (if applicable, with the firm contract demand for these customers being set on a monthly basis). The Balancing Gas service is provided as an auxiliary service to customers under these rate schedules. In some instances, daily balancing is required while in other cases monthly balancing is permitted.

As part of the Transportation Service, the rate design for the Monthly Balancing Gas service will affect not only customers receiving transportation services under these above mentioned rate schedules but also core customers. For instance, costs and recoveries of the Monthly Balancing Gas service are borne by all core customers and thus embedded in the gas costs applicable to core customers. This is acknowledged by the Commission in the Balancing Gas Decision:

"...further review is needed to set an appropriate Balancing Gas charge including the pricing structure for Monthly Balancing service that is fair to the transportation

1 *customers, core customers, and other stakeholders while encouraging the gas supply*
2 *operations are efficiently and effectively managed.”⁶*

3 The Commission thus directed FEI to consider in the Monthly Balancing Gas Rate Design
4 Application, among other things, “the cost to the core customers of providing Monthly Balanced
5 Transportation Service including both the instance where core resources are used to
6 compensate for a positive imbalance as well as for a negative imbalance in a Monthly Balanced
7 Transportation Service account”.⁷

8 **4.1.2 The Scope of Comprehensive Rate Design Application**

9 Pursuant to Order G-21-14 and accompanying Decision (the Amalgamation Decision), the
10 amalgamation of the FortisBC gas utilities occurred on December 31, 2014. Among other
11 things, Order G-21-14 directed the amalgamated entity to file a rate design application no later
12 than two years after the effective date of the amalgamation (i.e. no later than December 31,
13 2016). The basic scope of the future rate design was described on page 22 of the
14 Amalgamation Decision as follows:

15 *“There also is no disagreement among the parties as to the need for a future*
16 *comprehensive Rate Design Review, which, among other things, would address cost*
17 *allocation methodologies, customer segmentation and rate structure design. ...The Rate*
18 *Design Application should include industrial and other special contract customers as*
19 *recommended by CEC in the Original Application. As noted above, it should also*
20 *address the issue of postage stamp rates in terms of their suitability to the Fort Nelson*
21 *region.”*

22 In the Balancing Gas Decision (at page 22), the Commission provides its view of this directive
23 as follows:

24 *“The rate design application contemplated in the Amalgamation Decision would primarily*
25 *focus on the delivery charges for residential, commercial, and industrial customer*
26 *classes...The Panel concludes that a smaller and dedicated rate design application*
27 *focused on Monthly Balanced Transportation Service and any related gas supply issues*
28 *would allow impacted stakeholders to participate more effectively in a regulatory process*
29 *that would conclude prior to a broader rate design application.”*

30 Although the Balancing Gas Decision states that the rate design application contemplated would
31 primarily focus on the delivery charges, FEI, with respect, has not interpreted Order G-21-14
32 this way. As noted above, the Amalgamation Decision referred to a “comprehensive” rate
33 design. FEI has therefore understood that the future rate design as directed by the Commission
34 is to be comprehensive in nature. Consistent with this understanding, FEI is currently in the
35 planning stage of a Comprehensive Rate Design Application that includes a review of its rate
36 schedules for both distribution and transportation services and cost allocations amongst

⁶ Balancing Gas Decision, at page 21.

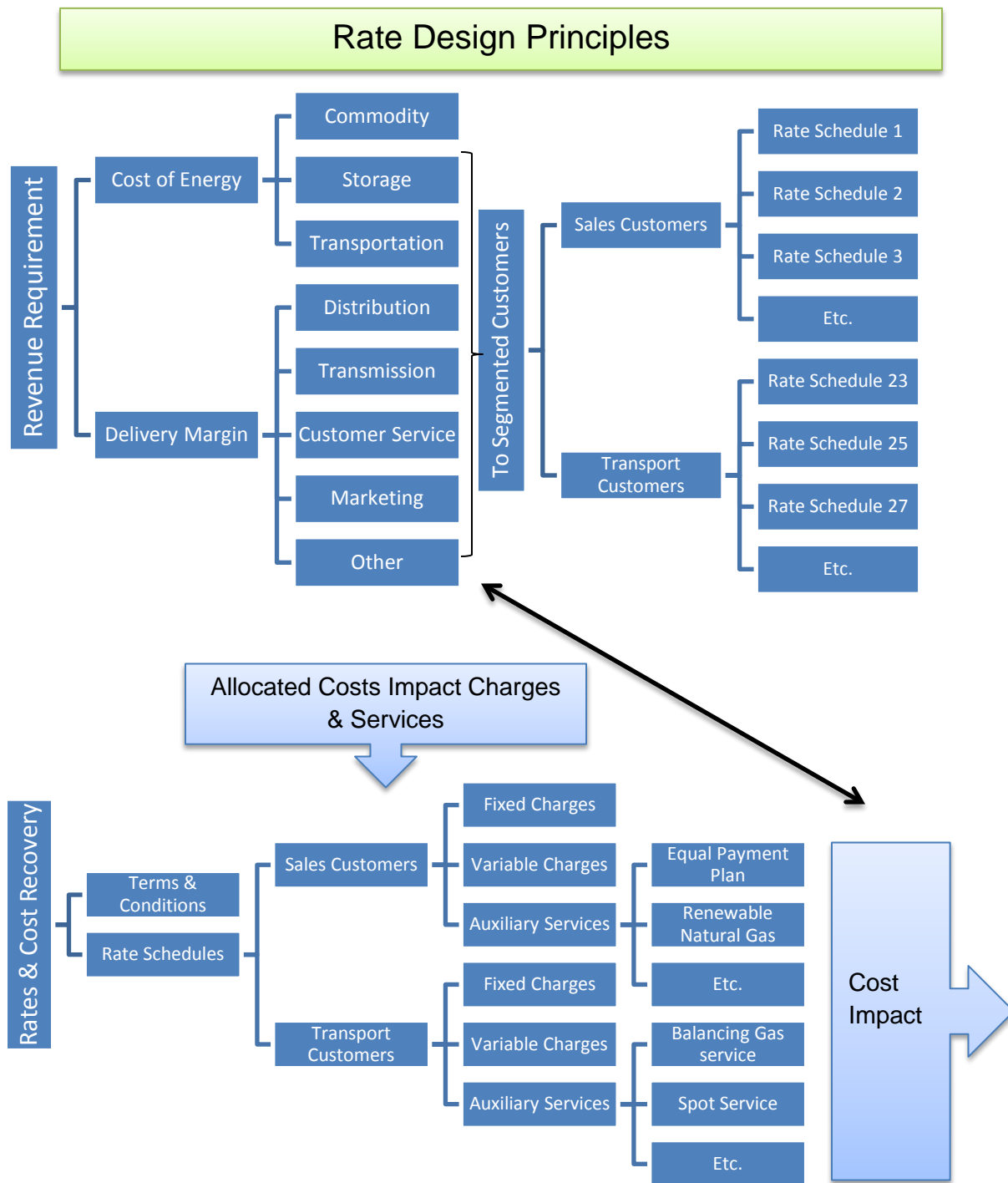
⁷ Balancing Gas Decision, at page 22.

1 customers, including the above mentioned rate schedules that contain the Monthly Balancing
2 Gas service.

3 Figure 4-1 below provides a high-level chart showing a high-level view of the components of the
4 Comprehensive Rate Design Application. Please note that this chart is not an exhaustive or
5 final description of the components of the comprehensive rate design, but is provided at this
6 time to illustrate that the Monthly Balancing Gas service is one component of many and that
7 there is an iterative relationship between costs, allocations and rates (including auxiliary
8 services provided).

9

Figure 4-1: High Level Comprehensive RDA Flow Chart Example



5
 6 As shown in the figure above, Balancing Gas service, including daily and monthly, is within the
 7 scope of the comprehensive rate design as currently planned. In the context of the
 8 Comprehensive Rate Design Application, rate design considerations related to Transportation

1 Service will include, but not be limited to, contract demand provisions, firm and interruptible
2 service, fixed and variable rates, terms of service and balancing gas service. Changes to the
3 fundamental design of one component may have implications for the other components, and
4 should therefore be considered together.

5 Furthermore, the rate design for Transportation Service will include consideration of whether the
6 Monthly Balancing Gas service should continue or be expanded to other Transportation Service
7 Rate Schedules. As noted above, currently, some transportation customers are required to
8 balance on a daily basis while others are required to balance on a monthly basis. A potential
9 outcome of the comprehensive rate design may be that FEI proposes that only daily Balancing
10 Gas service should be available to transportation customers. Alternatively, it may be
11 determined that monthly Balancing Gas service should be extended to all transportation
12 customers. Yet another potential outcome is that the current mix of daily and monthly Balancing
13 Gas service is proposed to continue. Any of these proposals would be the result of an overall
14 consideration of Transportation Service and would be subject to review and approval by the
15 Commission.

16 For the reasons explained above, the rate design for Monthly Balancing Gas service is
17 interrelated with and part of the Comprehensive Rate Design Application. The issues that relate
18 to and impact both rate designs should therefore be addressed in a consistent and coordinated
19 manner to ensure the Balancing Gas issues and solutions are appropriately aligned with the
20 overall rate design for all customers and, in particular, for all Transportation Service customers.

21 **4.2 EFFICIENCY AND AVOIDANCE OF WASTED EXPENDITURES**

22 Aligning the timing of the preparation and review of the Balancing Gas issues with the overall
23 rate design will be more efficient and will avoid the potential for wasted expenditures.

24 FEI has planned its resources in order to support the filing of the Comprehensive Rate Design
25 Application by the end of 2016. This includes the creation of a project team and the sourcing of
26 external consultants to support the Comprehensive Rate Design Application. The nature of the
27 work planned to occur in 2015 is related to scoping (issue identification) and planning,
28 development and review of initial cost of service allocation study results, preliminary analysis of
29 the various supporting studies and preliminary investigations into customer segmentation, rate
30 design alternatives and options. Recommended positions on rate design alternatives and
31 corresponding impacts on the rate schedules, the FEI General Terms and Conditions as well as
32 supplemental or auxiliary services are planned to occur in the early part of 2016. As such, the
33 review of Monthly Balancing Gas service would occur in the latter part of 2015 carrying over into
34 2016.

35 If the Monthly Balancing Gas Rate Design Application is to be filed in December 2015, then FEI
36 will have to re-organize its priorities and resources. However, as FEI's available resources from
37 Gas Supply and Regulatory groups are and will be focusing on various other initiatives in 2015,
38 FEI will have to engage contract resources to meet the December 1, 2015 deadline. Additional

1 costs will therefore be associated with a separate Monthly Balancing Gas Rate Design
2 Application including the costs of external consultants and the consultation process.

3 The forecast cost of the Comprehensive Rate Design Application is \$2.5 to \$3.0 million and is
4 inclusive of a review of the supplemental terms and conditions and services provided under
5 each transportation rate schedule. If a separate Monthly Balancing Gas Rate Design Application
6 is filed well in advance of the Comprehensive Rate Design Application, it is expected that the
7 forecast cost of the Comprehensive Rate Design Application will not change or be reduced
8 because the Balancing Gas service will need to be reviewed again in conjunction with all other
9 recommendations and changes.

10 Further, as noted above, the determination of whether or not Monthly Balancing Gas service
11 should continue is a matter that will be determined in the context of the Comprehensive Rate
12 Design. As such, there is a risk that the expenditures required to conduct a separate Monthly
13 Balancing Gas Rate Design may be incurred for a service that may be discontinued within a
14 short time frame. There may also be a duplication or waste of effort with regard to
15 implementation of changes that may only be in place for a limited time. For example, there may
16 be required changes to FEI's transportation rate schedules (and the terms and conditions within
17 each rate schedule) under a separate Monthly Balancing Rate Design. However, the
18 transportation rate schedules (and terms and conditions within each rate schedule) will be
19 subject to review and revision again as part of the Comprehensive Rate Design. The potential
20 for multiple changes to the affected transportation rate schedules that would result from two
21 applications may cause undue customer confusion.

22 For these reasons, FEI submits that it will be more efficient to conduct the monthly Balancing
23 Gas rate design at the same time as the Comprehensive Rate Design Application.

24 **4.3 IMPLICATIONS OF A ONE-YEAR DELAY**

25 FEI proposes to file the Balancing Gas Rate Design Application by December 31, 2016, which is
26 one year later than currently ordered by the Commission. FEI submits that a one-year delay in
27 the review of the rate design for Monthly Balancing Gas charges will not have significant
28 implications. FEI's Monthly Balancing rate has been in place since 2000, and the Balancing
29 Gas Application was limited to a proposed measure to address the potential arbitrage situation
30 in the market. As directed by the Commission in the Balancing Gas Application, until a new
31 Monthly Balancing rate is approved, FEI will continue to make use of the existing tariff
32 provisions to encourage compliance with the tariff and to minimize potential negative
33 consequences for natural gas core customers.

34 Moreover, as noted in the Monthly Balancing Application proceeding, 2013 recoveries from the
35 Monthly Gas Balancing service were approximately \$1.8 million, which, compared to FEI's Gas
36 Sales and Transportation revenue for 2013 of approximately \$1.1 billion, represents
37 approximately 0.16 percent. A one-year delay in the review of the rate design for Monthly
38 Balancing Gas charges should see no or little impact on core natural gas customers given the
39 relatively small magnitude of recoveries.

1 **5. MATERIAL IMPLICATIONS**

2 According to the Commission's procedure for reconsideration, where an error is alleged to have
3 been made the application must meet the following criteria to advance to the second phase of
4 reconsideration:

- 5 • the claim of error is substantiated on a prima facie basis; and
6 • the error has significant material implications.

7 In this Reconsideration Application, FEI is not claiming that the Commission made an error of
8 fact or law, but submits that a new principle was raised on which it should be permitted to make
9 submissions and present evidence. As such, FEI submits it is not necessary for it to meet the
10 criteria above regarding whether an "error has significant material implications". FEI's
11 reconsideration request is instead grounded in its procedural right to be heard on a new
12 principle that was raised by the Decision.

13 Nonetheless, the Commission's decision to direct FEI to file the Monthly Balancing Gas Rate
14 Design Application separate from and ahead of the Comprehensive Rate Design Application
15 does have material implications. Specifically, as demonstrated above, proceeding with the
16 current direction in item 2 of Order G-187-14 will result in wasted expenditures and resources if
17 the service is discontinued as part of the Comprehensive Rate Design Application, as well as
18 regulatory and resource inefficiency that can result in additional costs.

19

1 **6. NEW EVIDENCE AND PARTIES**

2 The Commission's reconsideration process indicates that, if there is to be reconsideration, the
3 Commission will consider the question of whether the Commission should hear new evidence
4 and whether new parties should be given the opportunity to present evidence.

5 Because the ground for this reconsideration is that a new principle was raised by the Decision,
6 FEI submits that the Commission should hear new evidence that was not presented in the
7 Original Proceeding that is relevant to the new principle. FEI has presented the new evidence
8 that it believes is relevant in the course of its submissions in section 4 above. Given that the
9 prospect of an earlier and separate rate design for a Monthly Gas Balancing Charge was not
10 squarely put to FEI during the Original Proceeding, FEI had no prior opportunity or reason to
11 present this evidence to the Commission. It is submitted that FEI's new evidence as presented
12 in section 4 above is relevant, will assist the Commission in making a determination and should
13 therefore be heard by the Commission.

14 Given that the parties with an interest in this reconsideration request were or should have been
15 involved in the Original Proceeding, FEI submits that it is reasonable to limit participation in this
16 proceeding to interveners and interested parties in the Original Proceeding.

17

1 **7. CONCLUSION AND ORDER SOUGHT**

2 For the reasons discussed above, FEI respectfully submits that Order G-187-14 should be
3 varied to direct FEI to file the Monthly Balancing Gas Rate Design Application at the same time
4 as the Comprehensive Rate Design Application.

5

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER**

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DRAFT ORDER

IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

An Application by FortisBC Energy Inc.
For Reconsideration of BCUC Order G-187-14

BEFORE:

[date]

WHEREAS:

- A. On February 26, 2014, by Order G-21-14, the British Columbia Utilities Commission (the Commission) approved the amalgamation of FortisBC Energy Inc. (FEI) and related natural gas utilities, subject to certain conditions. Order G-21-14, among other things, directed the amalgamated entity to file a comprehensive rate design application by December 31, 2016, which is no later than two years after the effective date of the amalgamation, which was December 31, 2014);
- B. On May 13, 2014, FEI filed an application, seeking to amend the charges for its Monthly Balancing Gas service supplied in Transportation Service Rate Schedules 23, 25, 26 and 27 (the Original Application);
- C. The Original Application was heard by the Commission through a written hearing process which included two rounds of Information Requests;
- D. On December 1, 2014, the Commission issued its Decision and Order G-187-14 (the Decision), which denied FEI's request to amend the Balancing Gas charge as applied for in the Original Application;
- E. Among other things, the Decision also directed FEI to file a rate design application on Monthly Balanced Transportation Service by no later than one year from the date of the Decision (i.e. by December 1, 2015) and determined that the rate design review of Monthly Balanced Transportation Service should be a

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**ORDER
NUMBER**

2

separate process from that of the broader rate design application directed in Commission Order G-21-14 (Directive No. 2);

- F. On May 20, 2015, FEI filed an application to reconsider Order G-187-14. In particular, FEI seeks to reconsider and vary Directive No. 2 for it to file a rate design application for the Balancing Gas service by no later than December 1, 2015, and requests that said application to be filed by December 31, 2016, as a component of the broader rate design application directed in Order G-21-2014, or as a separate application together with the broader rate design application (the Reconsideration Application);
- G. FEI submits that because of the limited nature of the Reconsideration Application, the usual two-step reconsideration process should be compressed; and
- H. The Commission has reviewed the Reconsideration Application, determines that the usual two-step reconsideration process is not necessary, and concludes that the Reconsideration Application as requested should be granted.

NOW THEREFORE, the Commission orders as follows:

1. In Directive No. 2 of Order G-187-14 and elsewhere in the Decision, the required filing date for the Balancing Gas Service Rate Design Application be varied from “by no later than one year from the date of this order” to “by no later than December 31, 2016”. For clarity, Directive No.2 shall now read:
 2. *FEI is directed to file a rate design application on Monthly Balanced Transportation Service by no later than December 31, 2016.*
2. FEI should apply for a rate design on Monthly Balanced Transportation Service as part of a broader rate design application as ordered by G-21-14, or as a separate filing along with the broader rate design application no later than December 31, 2016.
3. All other directives and determinations in the Decision and Order G-187-14 remain effective.

DATED at the City of Vancouver, In the Province of British Columbia, this day of <MONTH>, 20XX.

BY ORDER