



ORDER NUMBER
G-132-18

IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

FortisBC Energy Inc.
2017 Long Term Gas Resource Plan

BEFORE:

K. A. Keilty, Commissioner/Panel Chair
A. K. Fung, QC, Commissioner
R. D. Revel, Commissioner

on July 18, 2018

ORDER

WHEREAS:

- A. On December 14, 2017, FortisBC Energy Inc. (FEI) filed its 2017 Long Term Gas Resource Plan (LTGRP) for acceptance by the British Columbia Utilities Commission (BCUC), in accordance with section 44.1(2) of the *Utilities Commission Act*;
- B. On February 7, 2018, the BCUC issued Order G-33-18 which established the regulatory process for the review of the FEI 2017 LTGRP. The regulatory timetable included a deadline for Intervener Notice on Filing Intervener Evidence and outlined that further process beyond the second round of information requests would be determined at a later date;
- C. In accordance with the deadline for Intervener Notice on Filing Intervener Evidence established by G-33-18, the BC Sustainable Energy Association and Sierra Club BC (BCSEA) provided notice that it intends to file expert evidence in this proceeding regarding FEI's long-term demand-side management plan (Exhibit C2-4);
- D. On June 28, 2018, BCSEA provided a submission regarding the nature and scope of the evidence it intends to file and further regulatory process. On July 6, 2018 FEI filed a response to BCSEA's June 28, 2018 submission. On July 9, 2018 BCSEA filed a letter requesting permission to file a reply submission, and that request was granted by the BCUC on July 12, 2018. Following that determination, the BCUC reviewed BCSEA's reply submission which it had filed concurrently for review should the BCUC grant its request; and
- E. The Panel has considered the submissions from FEI and BCSEA and has made determinations regarding BCSEA's proposed intervenor evidence and further regulatory process.

NOW THEREFORE for the reasons attached as Appendix A to this order, the British Columbia Utilities Commission grants the BCSEA request to file intervener evidence and orders that the review of the FEI 2017 LTGRP shall proceed in accordance with the regulatory timetable set out in section 3.0 of the attached reasons.

DATED at the City of Vancouver, in the Province of British Columbia, this 18th day of July 2018.

BY ORDER

Original signed by:

A. K. Fung, QC
Commissioner

Attachments

FortisBC Energy Inc.
2017 Long Term Gas Resource Plan

REASONS FOR DECISION

1.0 Background

On May 30, 2018, BC Sustainable Energy Association and Sierra Club BC (BCSEA) as an intervener filed a submission to the British Columbia Utilities Commission (BCUC) providing notification of its intent to file expert evidence in the FortisBC Energy Inc. (FEI) 2017 Long Term Gas Resource Plan (LTGRP) proceeding. BCSEA's proposed evidence pertains to FEI's Long Term Demand-Side Management (DSM) Plan.

Pursuant to section 44.1(6) of the *Utilities Commission Act (UCA)*, the BCUC reviews a long term resource plan to determine whether or not it is in the public interest. With regards to DSM, the long term resource plan must include:

- a plan of how the public utility intends to reduce demand for energy by taking cost-effective demand-side measures pursuant to section 44.1(2)(b) of the UCA;
- an estimate of the demand for energy that the public utility expects to serve after it has taken cost-effective demand-side measures pursuant to section 44.1(2)(c) of the UCA; and
- an explanation of why the demand for energy to be served by any proposed facilities and energy purchases are not planned to be replaced by demand-side measures, pursuant to section 44.1(2)(f) of the UCA.

In determining whether to accept a long term resource plan, the BCUC must consider:

- the applicability of British Columbia's energy objectives, pursuant to UCA section 44.1(8)(a);
- whether the plan shows that the public utility intends to pursue adequate, cost-effective demand-side measures,¹ pursuant to UCA section 44.1(8)(c); and
- the interests of persons in British Columbia who receive or may receive service from the public utility, pursuant to UCA section 44.1(8)(d).

2.0 Scope of Intervener Evidence

By letter dated June 28, 2018, BCSEA provided information regarding the expert evidence it intends to file. BCSEA's proposed evidence will be provided by Mr. Jim Grevatt, a Managing Consultant with Energy Futures Group (EFG), and will address two points:

1. the potential for using DSM for capacity savings to defer infrastructure investments; and
2. the estimation of long term DSM energy savings.²

BCSEA submits the expert evidence it proposes is relevant and material to the BCUC's review of the 2017 LTGRP within the statutory framework.³ BCSEA requests three weeks to prepare and file its evidence and two weeks to file responses to information requests (IRs) on its evidence following the deadline for IRs.

¹ As defined in the DSM Regulation, B.C. Reg. 117/2017.

² Exhibit C2-5, p. 2.

³ Exhibit C2-5, pp. 3 to 4.

On July 6, 2018, FEI filed a response to BCSEA's June 28, 2018 submission. FEI submits that the proposed evidence is unnecessary and will only extend the proceeding without any discernable benefit, and that BCSEA can make any further submissions that it wishes on these topics in its final argument.⁴ FEI submits that should the BCUC decide to receive expert evidence, FEI will require the opportunity to submit rebuttal evidence.⁵ On July 9, 2018, BCSEA filed a letter requesting permission to file reply submissions contesting the submissions made by FEI. The Panel granted that request on July 12, 2018, after which it reviewed the BCSEA reply submission which BCSEA had filed concurrently for review in the event that the BCUC grant its request.

In its reply submission, BCSEA distinguishes expert opinion regarding a technical issue (i.e., adjudicative facts) from legal argument and indicates that the former is the basis of the proposed intervenor evidence. BCSEA further submits that FEI's arguments that the proposed evidence is unnecessary requires the Panel to reject the content of the proposed evidence before receiving and considering it, which would amount to a procedural error.

BCUC Determination

The Panel has reviewed the submissions of BCSEA and FEI and determines that the expert evidence proposed by BCSEA in its June 28, 2018 submission, should be accepted for filing with the BCUC. To accommodate FEI's right to have the opportunity to file rebuttal evidence, the Panel proposes two options for the remainder of the regulatory timeline as set out in section 3.0 below.

In making this determination, the Panel finds that the two areas (DSM capacity savings and estimation of long term DSM savings) that BCSEA proposes to address in the proposed intervenor evidence are within the scope of relevant and material issues in the Panel's review of a long term resource plan. The Panel finds that the proposed expert evidence could supplement the existing evidentiary record and may assist in the Panel's determination of whether FEI's 2017 LTGRP is in the public interest, pursuant to section 44.1(6) of the UCA. Accordingly, the Panel grants the request by BCSEA to file intervenor evidence.

⁴ Exhibit B-8, p. 1.

⁵ Exhibit B-8, p. 5.

3.0 Regulatory Timetable

The table below contains the schedule for further regulatory process. FEI is directed to notify the BCUC and interveners electronically by Wednesday, September 19, 2018, whether it proposes to file rebuttal evidence or to proceed directly to final argument.

Action	Date (2018)	
BCSEA to file Intervener Evidence	Thursday, August 9	
Information Requests (IRs) on Intervener Evidence	Thursday, August 30	
BCSEA Response to IRs on Intervener Evidence	Thursday, September 13	
	Without Rebuttal Evidence	With Rebuttal Evidence
FEI Rebuttal Evidence		Thursday, October 11
IRs on FEI Rebuttal Evidence		Thursday, November 1
FEI response to IRs on Rebuttal Evidence		Thursday, November 15
FEI Final Argument	Thursday, September 27	Thursday, November 22
Intervener Final Argument	Thursday, October 11	Thursday, December 6
FEI Reply Argument	Thursday, October 25	Thursday, December 20