



ORDER NUMBER
G-144-18A

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

and

FortisBC Energy Inc.
Application for Use of Lands under Sections 32 and 33 of the *Utilities Commission Act* in the City of Coquitlam for the Lower Mainland Intermediate Pressure System Upgrade Projects

BEFORE:

D. A. Cote, Panel Chair/Commissioner
W. M. Everett QC, Commissioner

on August 1, 2018

ORDER

WHEREAS:

- A. On October 16, 2015, the British Columbia Utilities Commission (BCUC) issued a Certificate of Public Convenience and Necessity by Order C-11-15, which granted FortisBC Energy Inc. (FEI) approval for the Lower Mainland Intermediate Pressure System Upgrade (LMIPSU) Projects, a component of which is a new Nominal Pipe Size (NPS) 30 Intermediate Pressure (IP) gas line that starts at the Coquitlam Gate Station and proceeds in a westerly direction through the cities of Coquitlam, Burnaby and Vancouver, and ends at the East 2nd Avenue Woodland Station in Vancouver (Project);
- B. On April 6, 2018, the City of Coquitlam (City) submitted to the BCUC responses to information requests from BCUC staff with respect to the Material Change Report for the LMIPSU Projects;
- C. On June 28, 2018, FEI made an application to the BCUC pursuant to sections 32 and 33 of the *Utilities Commission Act* (UCA) for an order setting the terms for FEI's use of the City's lands for the construction and operation of LMIPSU Projects (Application);
- D. The Application also states that, despite agreement in principle to the "Terms Agreed To", the traffic management plans and engineering drawings attached thereto as documented in confidential Appendix E-2 to the Application ("Terms Agreed To"), the City has declined to provide formal approval for the Project's engineering drawings unless FEI first agrees to two conditions:
 - 1. FEI paves the entire width of a 5.5 kilometre segment of Como Lake Avenue, at an estimated cost of \$5 million, despite FEI's construction only disturbing primarily two out of four lanes; and

2. FEI removes, at its own cost (estimated at \$5.5 million), approximately 380 metre segment of the NPS 20 IP gas line that is authorized to be abandoned in place, despite the operating agreement between the parties dated January 7, 1957.¹
- E. FEI requests that the BCUC establish a two-phase review process for the Application. Phase one addressing the approval to proceed with the LMIPSU Projects in the City, in accordance with the “Terms Agreed To” (Phase One) and phase two addressing the City’s two conditions (Phase Two);
 - F. FEI states they require confirmation that it can proceed based on the “Terms Agreed To” before August 31, 2018 in order to avoid delays in completing construction through the City segment, which will result in increased construction costs;²
 - G. By letter dated July 11, 2018, the BCUC requested submissions from the City and FEI regarding the Application and regulatory process for the review of the Application, specifically requesting that:
 1. The City confirms that it concurs with the description of the agreed and outstanding Project issues as outlined in in sections 4 and 5 of the Application (Project Issues).
 2. If the City is not in agreement with the description of the Project Issues, the City is requested to submit its position on the issues or provide additional information on issues it believes have not been raised.
 3. The City provides submissions on the regulatory process and timetable.
 4. FEI provides a reply to the City’s submission on the Application and process.
 - H. By letter dated July 19, 2018, the City filed its submission regarding the regulatory procedure for the Application. In its letter, the City confirmed the immediate issues are those identified and summarised in the Project Issues, as follows:
 1. Protocols and processes to guide FEI and the City's interactions relating to the LMIPSU Projects;
 2. Traffic management plans;
 3. Engineering drawings;
 4. Removal of 380 metres of the decommissioned NPS 20 IP gas line under Como Lake Avenue between North Road and Clarke Road in the Burquitlam area; and
 5. Repair and repaving of damage to Como Lake Avenue caused by the Project;
 - I. The City stated that it expects to be able to make a submission on each of the Project Issues by August 3, 2018;
 - J. By letter dated July 24, 2018, FEI filed its reply to the City’s letter of July 19, 2018; and
 - K. The BCUC has reviewed the submissions of FEI and the City and considers that establishing a two-phase regulatory process is warranted.

¹ Exhibit B-1, pp. 2–3.

² Exhibit B-1, p. 3.

NOW THEREFORE with Reasons for Decision to follow, the BCUC orders as follows:

1. A two-phase regulatory process for the review of the Application is established. Phase One of the proceeding will address Project Issues 1, 2, and 3, as outlined in recital H of this order and Phase Two of the proceeding will address Project Issues 4 and 5.
2. A written hearing process for Phase One of the proceeding is established in accordance with Appendix A to this order.
3. Phase Two of the proceeding will be a written public hearing process, with information requests and arguments on Phase Two issues. The regulatory schedule will be addressed as outlined in Appendix A.
4. FEI is directed to identify any proposed redactions for commercial sensitivity or asset security reasons of the City's April 6, 2018 responses to BCUC staff questions in the context of the Material Change Report, by Friday, August 3, 2018.

DATED at the City of Vancouver, in the Province of British Columbia, this 1st day of August 2018.

BY ORDER

Original Signed by:

D. A. Cote
Commissioner

Attachment

FortisBC Energy Inc.
Application for Use of Lands under Sections 32 and 33 of the Utilities
Commission Act in the City of Coquitlam for the Lower Mainland Intermediate Pressure System
Upgrade Projects

REGULATORY TIMETABLE

Action	Date (2018)
City to file submission on Project Issues	Friday, August 3
FEI to file any supplementary evidence on Phase One issues	Friday, August 3
BCUC and FEI Information Requests (IRs) on City's submissions (Phase One issues only)	Friday, August 10
BCUC and City IRs on FEI's submissions (Phase One issues only)	Friday, August 10
City and FEI responses to IRs	Friday, August 17
FEI final argument on Phase One issues	Wednesday, August 22
City final argument on Phase One issues*	Monday, August 27
FEI reply argument on Phase One issues*	Wednesday, August 29
Intervener Registration for Phase Two	Wednesday, September 5
Further process on Phase Two	To be determined

*Deadline is 12:00pm.