



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-147-10**

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, BC V6Z 2N3 CANADA
web site: <http://www.bcuc.com>

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

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

and

An Application by FortisBC Inc.
for Approval of 2011 Capital Expenditure Plan

BEFORE: L.A. O'Hara, Panel Chair/Commissioner
A.A. Rhodes, Commissioner September 24, 2010
D.A. Cote, Commissioner

O R D E R

WHEREAS:

- A. On June 18, 2010 FortisBC Inc. (FortisBC, Company) filed a 2011 Capital Expenditure Plan (the Application) with the British Columbia Utilities Commission (the Commission) pursuant to sections 44.2 (1)(a) and (b) and 45(6) of the *Utilities Commission Act* (the Act);
- B. In the Application, FortisBC requests acceptance of its proposed 2011 Capital Expenditures Plan pursuant to section 44.2 (3)(a) and that the Application satisfies the requirements of section 45(6), and the Commission approve the 2011 Capital Expenditure Plan and the capital projects contained in the Application;
- C. The FortisBC 2011 Capital Expenditure Plan consists of expenditures of \$103.3 million in 2011 with a further \$5.3 million in 2012. In the Application, FortisBC states these expenditures are necessary to continue to provide reliable service, ensure public and employee safety, and to deliver Demand Side Management (DSM) programs to the Company's growing customer base;
- D. By Order G112-10 dated June 28, 2010, the Commission established a written public hearing process with one round of Intervener Information Requests to review the Application in accordance with the regulatory timetable in Appendix A indicating that the process for FortisBC's and Interveners' Final Submissions as well as FortisBC Reply Submission will be determined at a later date;
- E. FortisBC held a 2011 Capital Plan Workshop in Kelowna, BC on Wednesday, August 4, 2010, at the Manteo Resort, 3762 Lakeshore Road, Kelowna, BC;

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-147-10

2

- F. By Letter L-64-10 dated August 26, 2010, the regulatory timetable was first extended at the request from Interveners at the Workshop and, by Letter L-66-10 dated August 30, 2010, it was further extended at the request of FortisBC;
- G. The Commission Panel has considered all parties' submissions regarding the further process and concludes that a new Regulatory Timetable providing for a potential oral phase of argument is required to conclude the review of the Application.

NOW THEREFORE as set out in the Reasons for Decision attached as Appendix B to this Order, the Commission orders as follows:

1. The Commission establishes a Regulatory Timetable for Final Submissions as set out in Appendix A to this Order.
2. The Commission will determine whether the oral phase of argument will be required after reviewing FortisBC and Intervener Final Submissions.

DATED at the City of Vancouver, in the Province of British Columbia, this 24th September 2010.

BY ORDER

Original signed by:

Liisa A. O'Hara
Panel Chair and Commissioner

Attachments

FortisBC Inc.
2011 Capital Expenditure Plan

REGULATORY TIMETABLE

ACTION	DATE (2010)
FortisBC Responses to Commission Information Request No. 2 and Intervener Information Requests No. 1	Friday, October 1, 2010
FortisBC Final Written Submission	Friday, October 8, 2010
Intervener Final Written Submissions	Monday, October 18, 2010
FortisBC Written Reply Submission or	Monday, October 25, 2010
Oral Phase of Argument	Wednesday, October 27, 2010



IN THE MATTER OF

FORTISBC INC.
APPLICATION FOR APPROVAL OF THE
2011 CAPITAL EXPENDITURE PLAN

REASONS FOR DECISION

September 24, 2010

BEFORE:

L.A. O'Hara, Panel Chair/Commissioner
A.A. Rhodes, Commissioner
D.A. Cote, Commissioner

TABLE OF CONTENTS

	Page No.
1.0 BACKGROUND	3
2.0 SUBMISSIONS RECEIVED.....	3
3.0 COMMISSION DETERMINATION	4

1.0 BACKGROUND

After receipt of the FortisBC Inc. (FortisBC) application for approval of the 2011 Capital Expenditure Plan (the Application), the British Columbia Utilities Commission (Commission) issued a Regulatory Timetable (Exhibit A-1) for its review of the Application. The Commission proposed that, following completion of written information requests, final submissions on the Application would proceed by a hybrid written and oral process, in an effort to reduce the length of the regulatory process. The participants were encouraged to submit comments on the regulatory review process by August 12, 2010. The Regulatory Timetable also indicated that the process for FortisBC's Final Submission, Intervener Final Submissions, and FortisBC's Reply Submission would be determined by the Commission at a later date.

2.0 SUBMISSIONS RECEIVED

By letter dated August 11, 2010, FortisBC expressed concern regarding the proposed oral argument phase in terms of a potential risk that new evidence might emerge after written submissions have been filed. FortisBC further stated this could lead to further process and that there is also an additional cost to having an oral argument phase. (Exhibit B-3)

The British Columbia Municipal Electrical Utilities (BCMEU), on the other hand, stated in its letter dated August 11, 2010, that it does see a value in the proposed oral phase as the process would provide an opportunity for the Commission Panel to question the Applicant and Interveners on their submissions. BCMEU also submitted that any requirement for an oral phase can be best assessed when the record is complete. Accordingly, BCMEU suggested that the Commission reserve a date for oral argument as a "placeholder" and decide whether it is necessary following its review of the parties' Final Submissions. (Exhibit C2-4)

The British Columbia Old Age Pensioners' Organization *et al.* (BCOAPO) also supports the hybrid written and oral process proposed by the Commission. (Exhibit C4-2)

3.0 COMMISSION DETERMINATION

The Commission Panel has considered the submissions of the parties and appreciates the concerns expressed by FortisBC. However, the Commission Panel agrees with the position put forward by the BCMEU. The Commission Panel agrees that any requirement for an oral argument can best be assessed once it has reviewed the Final Submissions of the parties. The Commission Panel is also of the view that any risk of a party attempting to introduce new evidence at the oral argument phase can be adequately addressed at that time. Accordingly, the Panel will defer its decision on whether an oral phase of argument will be required until it has had an opportunity to consider the Final Submissions of the parties. Therefore, the Commission will issue an amended Regulatory Timetable which reserves a date for a potential oral phase of Argument should that be required.

DATED at the City of Vancouver, in the Province of British Columbia, this 24th day of September 2010.

Original signed by:

LISA A. O'HARA
PANEL CHAIR/COMMISSIONER

Original signed by:

ALISON A. RHODES
COMMISSIONER

Original signed by:

DENNIS A. COTE
COMMISSIONER