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## ORDER NUMBER F-10-20

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

and

Ravens Landing Industrial Park Ltd.

Application for Exemption pursuant to section 88(3) of the *Utilities Commission Act*Participant Assistance/Cost Award Application

#### **BEFORE:**

R. I. Mason, Panel Chair W.M. Everett, QC, Commissioner

on April 3, 2020

#### **ORDER**

## **WHEREAS:**

- A. On April 15, 2019, Ravens Landing Industrial Park Ltd. (RLIP) filed an application with the British Columbia Utilities Commission (BCUC) for a partial exemption from Part 3 of the *Utilities Commission Act* (UCA) (Application);
- B. RLIP is a 27-unit phased development commercial/industrial strata park located in Saanichton, BC. With the sale of electricity via third-party submeters contracted through Quadlogic Meters Canada Inc., RLIP acknowledges its public utility status as defined by the UCA. Due to the varying composition of RLIP's occupants (which include tenants and owners) and the nature of their businesses, RLIP indicates the owner-occupied units to which it sells electricity are not currently included in any potential class exemptions that have been granted by the BCUC;
- C. By Order G-124-19 dated June 6, 2019, the BCUC established a regulatory timetable for the review of the Application, which was subsequently amended by orders G-133-19 and G-206-19. The timetables included one round of BCUC and intervener information requests, submissions from stakeholders and final and reply arguments;
- D. On July 4, 2019, the Commercial Energy Consumers Association of British Columbia (CEC) and Eppic Waterjet Inc. (Eppic Waterjet) registered as interveners. FortisBC Inc. registered as an interested party on June 11, 2019;
- E. By letters dated November 21, 2019 and January 29, 2020, respectively, the BCUC issued a draft and amended order requesting the advance approval from the Ministry of Energy, Mines and Petroleum Resources to partially exempt RLIP from Part 3 of the UCA;

F. The following participant filed a Participant Assistance/Cost Award (PACA) application with the BCUC with respect to its participation in the proceeding:

Date	Participant	Application
November 13, 2019	Commercial Energy Consumers Association of British Columbia (CEC)	\$1,846.01

- G. By letter dated February 10, 2020, RLIP provided its comments on the PACA application. CEC submitted a response to RLIP's comments by letter dated February 20, 2020;
- H. Pursuant to section 118(2) of the UCA, the BCUC may pay all or part of the costs of participants in the proceeding, if the BCUC considers it to be in the public interest; and
- The BCUC has reviewed the PACA application and the submissions of the parties in accordance with the
  criteria and rates set out in the PACA Guidelines attached to BCUC Order G-97-17 and section 118(2) of the
  UCA and considers the following determinations are warranted.

**NOW THEREFORE** pursuant to section 118(2) of the UCA and for the reasons outlined in Appendix A to this order, the BCUC approves the cost award and will pay the following intervener the amount listed below for its participation in RLIP's application for exemption pursuant to section 88(3) of the UCA:

Participant	Award
Commercial Energy Consumers Association of British Columbia	\$1,846.01

**DATED** at the City of Vancouver, in the Province of British Columbia, this

3rd

day of April 2020.

**BY ORDER** 

Original signed by:

R. I. Mason Commissioner

Attachment

# Ravens Landing Industrial Park Ltd. Application for Exemption pursuant to section 88(3) of the *Utilities Commission Act*

### **REASONS FOR DECISION**

### 1.0 Introduction

By Order G-177-18 dated September 24, 2018, the British Columbia Utilities Commission (BCUC), having been granted advance approval by the Minister of Energy, Mines and Petroleum Resources (Ministry) responsible for the administration of the Hydro and Power Authority Act, ordered a class exemption for all British Columbia Hydro and Power Authority (BC Hydro) customers with lease arrangements where the Lessor, not otherwise a public utility, provides electricity only to the Lessee, where the lease period is greater than five years, if the service or commodity is not resold to or used by others and meets the criteria of BC Hydro Electric Tariff Terms and Conditions for the Resale of Electricity and where all other requirements of the *Utilities Commission Act* (UCA) are met.

On April 15, 2019, Ravens Landing Industrial Park Ltd. (RLIP) filed an application with the BCUC for a partial exemption from Part 3 of the UCA (Application). RLIP is a 27-unit phased development commercial/industrial strata park. RLIP is comprised of 9 units owned directly by their respective occupant, with the remaining 18 units owned by RLIP and rented by tenants, some with lease terms greater than five years.

RLIP acknowledges its public utility status as defined by the UCA given the sale of electricity via third-party submeters contracted through Quadlogic Meters Canada Inc. Due to the varying composition of its of RLIP's occupants (which include tenants and owners) and the nature of their businesses, RLIP indicates the owner-occupied units to which it sells electricity are not currently included in any potential class exemptions that have been granted by the BCUC.

On November 19, 2020, the BCUC issued a letter and draft order to the Ministry requesting advance approval to issue an order under section 88(3) of the UCA to grant RLIP partial exemption from Part 3 of the UCA. On January 15, 2020, the BCUC made further amendments to the draft order and invited RLIP and registered interveners to provide comments. As no comments were filed by RLIP and the registered interveners, the BCUC issued a final revised blacklined copy of the order to the Ministry in support of the exemptions sought in the Application.

The following intervener filed a PACA application with the BCUC pursuant to PACA Guideline 14.2.2 with respect to its participation in the proceeding:

Date	Participant	Application
November 13, 2019	Commercial Energy Consumers Association of British Columbia (CEC)	\$1,846.01

## 2.0 PACA Guidelines

The Panel, in its review of the PACA application, was guided by the PACA Guidelines attached as Appendix A to BCUC Order G-97-17, which set out the eligibility requirements and criteria used in assessing cost awards, including the process for applying for a cost award, eligible costs and rates.

#### 3.0 Criteria for a Cost Award

Section 3.1 of the PACA Guidelines outlines the factors for consideration determining participant eligibility for a cost award:

The BCUC will consider whether the participant:

- (a) is directly or sufficiently affected by the Commission's decision; or
- (b) has experience, information, or expertise relevant to a matter before the Commission that would contribute to the Commission's decision-making.

Section 3.2 of the PACA Guidelines describes the general characteristics of a participant in a proceeding that would meet the eligibility criteria. Among those to be considered is whether a participant "...represents the direct interests of ratepayer groups or affected groups in relation to matters that are regulated by the Commission." If the participant is determined to be eligible for a cost award, the Panel would then consider the following in determining the amount of a participant's cost award in accordance with:

- (a) Has the participant contributed to a better understanding by the Commission of the issues in the proceeding?
- (b) To what degree will the participant be affected by the outcome of the proceeding?
- (c) Are the costs incurred by the participant fair and reasonable?
- (d) Has the participant joined with other groups with similar interests to reduce costs?
- (e) Has the participant made reasonable efforts to avoid conduct that would unnecessarily lengthen the duration of the proceeding, such as ensuring participation was not unduly repetitive?
- (f) The funding day calculation for funding in accordance with Sections 4.1 and 4.2, if one is provided.
- (g) Any other matters which the Commission determines appropriate in the circumstances.

## 4.0 PACA Application

Pursuant to Section 14.2.4 of the PACA Guidelines, RLIP was provided with a copy of the CEC's PACA application. By letter dated February 10, 2020, RLIP provided comments on the application requesting the cost award be dismissed given the limited scope and relatively straight-forward nature of the proceeding. RLIP further noted that many of CEC's members would gain positive benefits from an exemption and reduce the administrative and regulatory burden placed on producers.

Pursuant to Section 14.2.5 of the PACA Guidelines, the CEC responded to RLIP's comments by letter dated February 20, 2020. The CEC submits it has a long-standing involvement in BCUC proceedings, that there was no objection to it registering as an intervener and that it provided a valuable contribution to the proceeding by offering additional evidence beyond what was provided on the evidentiary record in a cost-effective manner.<sup>2</sup>

### Panel Determination

After further review of CEC's PACA application, information requests (IR), comments and final argument, the Panel considers CEC's contributions, though limited, resulted in a better understanding of the issues raised in the proceeding. In particular, in its Final Argument CEC states it may be prudent to identify similar situations to

<sup>&</sup>lt;sup>1</sup> Ravens Landing Industrial Park Ltd. (RLIP), letter dated February 10, 2020.

<sup>&</sup>lt;sup>2</sup> Commercial Energy Consumers Association of British Columbia (CEC), letter dated February 20, 2020.

RLIP within BC Hydro's service areas and assess the overall impact they may have on ratepayers if they occurred on a large scale.<sup>3</sup> RLIP noted the merit of this recommendation and concurred with CEC in its Reply Argument.<sup>4</sup>

With respect to sections 4.3 and 7 of the PACA Guidelines, the Panel finds the CEC participated actively and the number of claimed funding days for its professional fees is reasonable for this proceeding and the amount claimed is within the allowable limits provided in the approved rate schedules.

Considering the status of RLIP as smaller utility with no foreseeable plans to expand electrical services beyond what is currently offered by the strata park,<sup>5</sup> the Panel views that directing RLIP to bear and recover the cost award may place an undue rate burden on its ratepayers due to the unique factors of this small utility. The Panel, therefore, finds, pursuant to section 118(2) of the UCA, that it is in the public interest for the BCUC to absorb CEC's cost award for this proceeding.

For the reasons stated above, the Panel awards the full cost award claimed by the CEC in the amount of \$1,846.01, inclusive of applicable taxes, to be paid by the BCUC. The award is calculated based on the equivalent number of funding days per the invoices submitted and multiplied by the appropriate daily rate.

<sup>&</sup>lt;sup>3</sup> CEC Final Argument, p. 3.

<sup>&</sup>lt;sup>4</sup> RLIP Reply Argument, p. 1.

<sup>&</sup>lt;sup>5</sup> Exhibit B-2, RLIP Information Request 2.4.1, p. 4.