



ORDER NUMBER
F-7-22

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

and

FortisBC Inc.
Annual Review for 2022 Rates
Participant Assistance/Cost Award Application

BEFORE:

A. K. Fung, QC, Panel Chair
W. M. Everett, QC, Commissioner
T. A. Loski, Commissioner

on February 9, 2022

ORDER

WHEREAS:

- A. On June 22, 2020, the British Columbia Utilities Commission (BCUC) issued its Decision and Orders G-165-20 approving a Multi-Year Rate Plan (MRP) for 2020 through 2024 (2020–2024 MRP Decision) for FortisBC Energy Inc. (FEI) and G-166-20 for FortisBC Inc. (FBC), respectively. In accordance with the 2020–2024 MRP Decision, FBC is directed to undergo an annual review (Annual Review) process to establish its rates during the term of the MRP;
- B. On August 6, 2021, FBC submitted its application for the Annual Review to establish rates for 2022 (Application). In the Application, FBC requests, among other things, a 3.46 percent rates increase over 2021 rates, effective January 1, 2022;
- C. The regulatory process for the review of the Application, established by Order G-226-21 included one round of BCUC and intervenor information requests, a workshop, FBC's response to undertakings at the workshop, and written final and reply arguments;
- D. On October 5, 2021 and October 26, 2021, FBC submitted evidentiary updates and responses to workshop undertakings, respectively, and amended, among other things, the 2022 revenue requirements with no resulting change to FBC's proposed 2022 rates increase;
- E. The following interveners registered in the proceeding:
 - BC Sustainable Energy Association (BCSEA);
 - Residential Consumer Intervenor Association (RCIA);
 - The Commercial Energy Consumers Association of British Columbia (the CEC);
 - British Columbia Old Age Pensioners' Organization et al. (BCOAPO);
 - Industrial Customers Group (ICG);

- British Columbia Municipal Electrical Utilities (BCMEU); and
- Movement of United Professionals (MoveUP);

- F. On December 15, 2021, by Decision and Order G-374-21, the BCUC made various determinations on the Application, including granting permanent approval of the requested rate increase, effective January 1, 2022, subject to final adjustments;
- G. The following participants filed Participant Assistance/Cost Award (PACA) applications with the BCUC with respect to their participation in the proceeding:

Date	Participant	Application
December 3, 2021	The CEC	\$35,070.53
December 5, 2021	ICG	\$22,256.50
December 14, 2021	BCSEA	\$9,693.60
December 16, 2021	BCOAPO	\$23,487.14
December 16, 2021	MoveUP	\$ 3,808.00
December 24, 2021	RCIA	\$19,577.25

- H. On February 1, 2022, in accordance with Section 14.2.4 of the BCUC's PACA Guidelines approved by Order G-97-17 (PACA Guidelines), FBC submitted that it has no further comment in respect of the PACA applications if the BCUC is satisfied that the participants have met the eligibility requirements, that the funding days claimed are appropriate, and that the level of participation has met with the BCUC's criteria and requirements; and
- I. The BCUC has reviewed the PACA applications and FBC's comments in accordance with the criteria and rates set out in the PACA Guidelines, attached to BCUC Order G-97-17, and makes the following determinations.

NOW THEREFORE pursuant to section 118(1) of the *Utilities Commission Act* and for the reasons outlined in Appendix A to this order, the BCUC orders as follows:

1. Funding is awarded to the following interveners in the listed amounts for their participation in the FBC Annual Review for 2022 Rates proceeding:

Participant	Award
The CEC	\$25,935.92
ICG	\$22,256.50
BCSEA	\$9,693.60
BCOAPO	\$23,487.14
MoveUP	\$ 3,808.00
RCIA	\$19,577.25

2. FBC is directed to reimburse the above-noted interveners for the awarded amounts in a timely manner.

DATED at the City of Vancouver, in the Province of British Columbia, this 9th day of February 2022.

BY ORDER

Original signed by:

A. K. Fung, QC
Commissioner

Attachment

FortisBC Inc.
Annual Review for 2022 Rates
Participant Assistance/Cost Award Application

REASONS FOR DECISION

1.0 Background

On June 22, 2020, the British Columbia Utilities Commission (BCUC) approved a Multi-Year Rate Plan (MRP) for FortisBC Inc. (FBC) covering a five-year period (2020 to 2024) (MRP Decision). The MRP Decision directed an annual review process (Annual Review) to set FBC's rates.

On August 6, 2021, FBC filed its Annual Review for 2022 Rates Application (Application) with the BCUC seeking, among other things, a 3.46 percent rates increase over 2021 rates, effective January 1, 2022.

On December 15, 2021, by Decision and Order G-374-21, the BCUC made various determinations on the Application, including granting permanent approval of the requested rate increases, subject to final adjustments.

Subsequently, the BCUC received applications for Participant Assistance/Cost Award (PACA) funding from six participants with respect to their participation in the proceeding.

1.1 Legislative Framework

Section 118 of the *Utilities Commission Act* (UCA) states that the BCUC may order a participant in a proceeding before the BCUC to pay all or part of the costs of another participant in the proceeding.¹

Order G-97-17 outlines the BCUC's PACA Guidelines (PACA Guidelines). Section 3.0 of the PACA Guidelines relates to participant eligibility for a cost award and Section 4.0 relates to criteria for a cost award. In accordance with Section 4.3 of the PACA Guidelines, the BCUC will consider the following criteria in determining the amount of a participant's cost award:

- (a) Has the participant contributed to a better understanding by the BCUC 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 BCUC determines appropriate in the circumstances.

¹ UCA, RSBC 1996, c. 473, s. 118.

2.0 PACA Applications Review

The following participants filed PACA applications with the BCUC regarding their respective involvement in the proceeding:

Date	Participant	Application
December 3, 2021	Commercial Energy Consumers Association of British Columbia (the CEC)	\$35,070.53
December 5, 2021	Industrial Customers Group (ICG)	\$22,256.50
December 14, 2021	BC Sustainable Energy Association (BCSEA)	\$9,693.60
December 16, 2021	British Columbia Old Age Pensioners' Organization et al. (BCOAPO)	\$23,487.14
December 16, 2021	Movement of United Professionals (MoveUP)	\$ 3,808.00
December 24, 2021	Residential Consumer Intervenor Association (RCIA)	\$19,577.25

The table below summarizes the number of funding days requested by interveners in their respective PACA applications:

Participant	Legal Counsel	Consultant	Total
The CEC	3.7125	12.69	16.40
ICG	4.00	5.00	9.00
BCSEA	2.10	1.60	3.70
BCOAPO	4.40	5.66	10.06
MoveUP	1.25	0.00	1.25
RCIA	1.20	10.50	11.70

On February 1, 2022, FBC provided its comments with respect to the above PACA applications, in accordance with Section 14.2 of the PACA Guidelines. FBC submitted that it has no further comment in respect of the PACA applications if the BCUC is satisfied that the participants have met the eligibility requirements, that the funding days claimed are appropriate, and that the level of participation has met with the BCUC's criteria and requirements. The PACA applicants did not provide any reply comments.

BCUC Determination

With the exception of the funding applied for by the CEC, the Panel finds the amounts in the PACA applications to be fair and reasonable and awards the respective funding as applied for.

The Panel, having considered the criteria in the PACA Guidelines, finds that all participants are eligible for PACA funding and contributed to a better understanding of the issues raised in this proceeding. Each intervener actively participated in the proceeding, and except for the CEC, the number of funding days claimed for both legal and consulting services are fair and reasonable for the amount of regulatory effort necessary to participate fully in the proceeding.

As noted above, the Panel acknowledges that the CEC participated fully in the proceeding and contributed to a better understanding by the BCUC of the issues in the proceeding. The Panel also finds the cost award for legal

counsel fees applied for by the CEC to be reasonable. However, the Panel notes that the CEC's total requested funding days attributable to legal and consulting services are significantly higher than the funding days sought by other participants. As shown in the table above, the CEC's application for 16.40 total funding days is approximately 40 percent higher than the amount of the next highest participant. In the Panel's view, the CEC's contribution to the proceeding did not exceed the contribution made by any other participant. Therefore, the Panel considers that the CEC's cost award as applied for would not be fair and reasonable. Instead, the Panel finds a maximum of 11.70 total funding days, equivalent to the next highest total funding days claimed by another participant, namely, RCIA, to be fair and reasonable for the amount of regulatory effort necessary to participate fully in the proceeding. **Therefore, the Panel awards the CEC \$25,935.92, inclusive of applicable taxes, which is based on a reduction of its total funding days to 11.70 days. The award is calculated as follows:**

The CEC	Daily Rate	Days	GST	PST	Total
Consulting Services	\$1,850	7.9875	\$738.84	\$0.00	\$15,515.72
Legal Counsel	\$2,800	2.5000	\$350.00	\$490.00	\$7,840.00
Legal Counsel	\$1,900	1.2125	\$115.19	\$161.26	\$2,580.20
Total Award		11.7000			\$25,935.92

The award aligns the CEC's cost award towards the higher end of the PACA applications made by the other participants, while recognizing its contributions towards the relevant issues in this proceeding.

The Panel further notes that the CEC did not submit a budget to the BCUC. Although the lack of a budget was not a consideration in the Panel's determination for a funding award for the proceeding, the Panel reminds all participants that intend to apply for a cost award exceeding \$10,000 to submit a budget in accordance with Section 14.1 of the PACA Guidelines. Submitting a budget would allow participants the opportunity to adjust their planned funding days based on BCUC staff's review prior to incurring all of the expenses.