



ORDER NUMBER
F-2-23

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

and

FortisBC Energy Inc.
Annual Review for 2023 Delivery Rates
Participant Assistance/Cost Award Application

BEFORE:

A. K. Fung, KC, Panel Chair
W. M. Everett, KC, Commissioner
B. A. Magnan, Commissioner

on January 27, 2023

ORDER

WHEREAS:

- A. On June 22, 2020, the British Columbia Utilities Commission (BCUC) issued its Decision and Order G-165-20 for FortisBC Energy Inc. (FEI) and Order G-166-20 for FortisBC Inc., approving a Multi-Year Rate Plan (MRP) for 2020 through 2024 (MRP Decision). In accordance with the MRP Decision, FEI is to conduct an annual review (Annual Review) process to set its delivery rates for each year;
- B. By Orders G-194-22 and G-240-22, the BCUC established and later amended the regulatory timetable for the Annual Review of FEI's 2023 delivery rates, which included FEI filing its Annual Review materials, intervener registration, one round of information requests, a workshop, FEI's response to undertakings at the workshop, and written final and reply arguments;
- C. On July 29, 2022, FEI submitted its materials for the Annual Review for 2023 Delivery Rates Application (Application). In the Application, FEI requests, among other things, a 7.42 percent delivery rates increase over the 2022 delivery rates, on an interim basis, effective January 1, 2023;
- D. On October 24, 2022, FEI filed an evidentiary update (Evidentiary Update) to the Application which adjusted FEI's requested 2023 interim delivery rates increase from 7.42 percent to 7.69 percent;
- E. The following interveners registered in the proceeding:
 - Movement of United Professionals (MoveUP);
 - BC Sustainable Energy Association (BCSEA);
 - Commercial Energy Consumers Association of British Columbia (the CEC);

- BC Old Age Pensioners' Organization, Council of Senior Citizens' Organizations of BC, Disability Alliance BC, Tenant Resource and Advisory Centre, and Together Against Poverty Society (BCOAPO); and
 - Residential Consumer Intervener Association (RCIA);
- F. On December 5, 2022, by Decision and Order G-352-22, the BCUC approved, among other matters, FEI to recover the 2023 revenue requirement and to increase delivery rates for 2023 by 7.69 percent on an interim and refundable/recoverable basis, effective January 1, 2023, pending the outcomes of Stage 1 of the BCUC's current Generic Cost of Capital proceeding and FEI's Application for Acceptance of Demand Side Management Expenditures for 2023 proceeding;
- G. The following participants filed Participant Assistance/Cost Award (PACA) applications with the BCUC with respect to their participation in the proceeding:

Date (2022)	Participant	Application
November 27 and revised December 15 and 20	MoveUP	\$7,349.44
December 2	BCSEA	\$18,355.05
December 3	RCIA	\$23,189.25
December 5	BCOAPO	\$15,901.18
December 6 and revised December 7 and 19	The CEC	\$28,391.40

- H. By letter dated January 9, 2023, FEI provided its comments on the PACA applications, stating 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 the BCUC's criteria and requirements; and
- I. The BCUC has reviewed the PACA applications in accordance with the criteria and rates set out in the PACA Guidelines attached to BCUC Order G-97-17 and FEI's comments and makes the following determinations.

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

1. Funding is awarded to the following interveners in the listed amounts, inclusive of applicable taxes, for their respective participation in the FEI Annual Review for 2023 Delivery Rates proceeding:

Participant	Award
MoveUP	\$7,349.44
BCSEA	\$18,355.05
RCIA	\$23,189.25
BCOAPO	\$15,901.18
The CEC	\$24,989.96

2. FEI 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 27th day of January 2023.

BY ORDER

Original signed by:

A. K. Fung, KC
Commissioner

Attachment

FortisBC Energy Inc.
Annual Review for 2023 Delivery Rates
Participant Assistance/Cost Award Application

REASONS FOR DECISION

1.0 BACKGROUND

On June 22, 2020, the British Columbia Utilities Commission (BCUC) issued its Decision and Order G-165-20 for FortisBC Energy Inc. (FEI) and Order G-166-20 for FortisBC Inc., approving a Multi-Year Rate Plan (MRP) for 2020 through 2024 (MRP Decision). In accordance with the MRP Decision, FEI is to conduct an annual review (Annual Review) process to set its delivery rates for each year.

On July 29, 2022, FEI submitted its materials for the Annual Review for 2023 Delivery Rates Application (Application). In the Application, FEI sought, among other things, a 7.42 percent delivery rates increase over the 2022 delivery rates, on an interim basis, effective January 1, 2023. Subsequently, on October 24, 2022, FEI filed an evidentiary update (Evidentiary Update) to the Application which amended the 2023 interim delivery rates sought by FEI from 7.42 percent to 7.69 percent.

In accordance with the regulatory timetables established by the BCUC, the following public review process was undertaken for this proceeding:¹

- One round of BCUC and intervener information requests (IRs);
- A workshop in hybrid format allowing for in-person and virtual attendance on October 14, 2022 (Workshop);
- Written final arguments from interveners filed by October 27, 2022; and
- FEI's written reply argument filed by November 3, 2022.

On December 5, 2022, by Decision and Order G-352-22, the BCUC approved, among other matters, FEI to recover the 2023 revenue requirement and to increase delivery rates for 2023 by 7.69 percent on an interim and refundable/recoverable basis, effective January 1, 2023, pending the outcomes of Stage 1 of the BCUC's current Generic Cost of Capital proceeding and FEI's Application for Acceptance of Demand Side Management Expenditures for 2023 proceeding.

The BCUC received Participant Assistance/Cost Award (PACA) applications from five participants with respect to their participation as interveners in the proceeding:

- Movement of United Professionals (MoveUP);
- BC Sustainable Energy Association (BCSEA);
- Commercial Energy Consumers Association of British Columbia (the CEC);
- BC Old Age Pensioners' Organization, Council of Senior Citizens' Organizations of BC, Disability Alliance BC, Tenant Resource and Advisory Centre, and Together Against Poverty Society (BCOAPO); and
- Residential Consumer Intervener Association (RCIA).

¹ Orders G-194-22 and G-240-22.

1.1 Legislative Framework

Section 118 of the *Utilities Commission Act* (UCA) provides 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.²

BCUC 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.

2.0 PACA APPLICATIONS

The following interveners filed PACA applications with the BCUC with respect to their participation in the proceeding:

Date (2022)	Participant	Application
November 27 and revised December 15 and 20	MoveUP	\$7,349.44
December 2	BCSEA	\$18,355.05
December 3	RCIA	\$23,189.25
December 5	BCOAPO	\$15,901.18
December 6 and revised December 7 and 19	The CEC	\$28,391.40

The table below summarizes the number of funding days requested by interveners in their respective PACA applications:³

² UCA, RSBC 1996, c. 473, s. 118.

³ The following funding days are rounded to two decimal places in the table: MoveUP legal counsel funding days of 2.41250 days; BCOAPO consultant funding days of 1.90625 days; and the CEC legal counsel funding days of 4.525 days and consultant funding days of 10.8125 days.

Participant	Legal Counsel	Consultant	Total
MoveUP	2.41	0.00	2.41
BCSEA	4.80	1.70	6.50
RCIA	0.20	13.30	13.50
BCOAPO	4.30	1.91	6.21
The CEC	4.53	10.81	15.34

On January 9, 2023, FEI provided its comments with respect to the above PACA applications, stating 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 time claimed for participation is reasonable and appropriate in the circumstances of the proceeding, and that the level of participation has met the BCUC's criteria and requirements.

Panel 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 participants their respective funding amounts 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 intervenor actively participated in the proceeding, and except for the CEC, the number of funding days claimed for legal or consulting services meet the expectations of the Panel.

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. However, the Panel notes that CEC's total requested funding days attributable to legal and consulting services are higher than the funding days sought by other participants. In the Panel's view, the CEC's contribution to the proceeding did not exceed the relative effort and contribution made by the other intervenors. Viewed in that light, the Panel considers that the CEC's cost award as applied for is excessive relative to those of the other intervenors and therefore, is not considered to be fair and reasonable.

Instead, the Panel finds a maximum of 13.50 total funding days, equivalent to the next highest total funding days claimed by another intervenor, namely, RCIA, to be fair and reasonable for the regulatory effort necessary to participate fully in the proceeding having regard to the CEC's level of contribution. **Therefore, the Panel awards the CEC \$24,989.96, inclusive of applicable taxes, based on a reduction of its total funding days to 13.50 days which are to be allocated proportionately to the number of funding days claimed for the CEC's legal counsel and consultants. The award is calculated as follows:**⁴

⁴ The following funding days are rounded to two decimal places in the table: For consulting services at the \$1,850 daily rate, the funding days are 4.51100 days; for consulting services at the \$1,000 daily rate, the funding days are 5.00611 days; for legal counsel services at the \$2,800 daily rate, the funding days are 2.47555 days; and for legal counsel services at the \$1,900 daily rate, the funding days are 1.50733 days.

	Daily Rate	Days	GST	PST	Total
Consulting Services	\$1,850	4.51	\$417.27	N/A	\$8,762.62
Consulting Services	\$1,000	5.01	\$250.31	N/A	\$5,256.42
Legal Counsel	\$2,800	2.48	\$346.58	\$485.21	\$7,763.32
Legal Counsel	\$1,900	1.51	\$143.20	\$200.48	\$3,207.60
Total Award		13.50			\$24,989.96