British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC Canada V6Z 2N3
bcuc.com
P: 604.660.4700
TF: 1.800.663.1385
F: 604.660.1102

ORDER NUMBER
F-4-23

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

and

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

BEFORE:
E.B. Lockhart, Panel Chair
C.M. Brewer, Commissioner
A. Pape-Salmon, Commissioner

on February 3, 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. and Order G-166-20 for FortisBC Inc. (FBC) approving a Multi-Year Rate Plan (MRP) for 2020 through 2024 (2020–2024 MRP Decision). In accordance with the 2020–2024 MRP Decision, FBC is to conduct an annual review (Annual Review) process to set rates for each year during the MRP term;

B. On August 5, 2022, FBC submitted its materials for the Annual Review for 2023 Rates (Application). In the Application, FBC requests, among other things, approval of a general rates increase of 3.99 percent over 2022 rates, effective January 1, 2023, on an interim basis pending the outcomes of Stage 1 of the BCUC's generic cost of capital proceeding and FBC's Application for Acceptance of Demand Side Management (DSM) Expenditures Plan for the Period Covering 2023 to 2027 (DSM Plan) proceeding;

C. The regulatory timetable for the review of the Application, established by Order G-193-22 included one round of BCUC and intervener information requests, a workshop, FBC's response to undertakings at the workshop, and written final and reply arguments;

D. The following interveners registered in the proceeding:

- Movement of United Professionals (MoveUP);
- BC Sustainable Energy Association (BCSEA);
- British Columbia Old Age Pensioners' Organization, Active Support Against Poverty, Disability Alliance BC, Council of Senior Citizens' Organizations of BC, and Tenants Resource and Advisory Centre (BCOAPO);
- British Columbia Municipal Electrical Utilities (BCMEU);

- Residential Consumer Intervener Association (RCIA);
- Industrial Customers Group (ICG); and
- The Commercial Energy Consumers Association of British Columbia (the CEC); and

E. On December 16, 2022, by Decision and Order G-371-22, the BCUC issued its decision on FBC's DSM Plan;

F. On December 22, 2022, by Decision and Order G-382-22, the BCUC issued its final decision on the Application, approving permanent rates effective January 1,2023, among other items as outlined in the Decision;

G. The following interveners filed Participant Assistance/Cost Award (PACA) applications with the BCUC with respect to their participation in the proceeding:

Date	Participant	Application
November 27, 2022 and revised December 15 and 22, 2022	MoveUP	$4,721.92
November 29, 2022	ICG	$20,314.00
December 2, 2022 and revised December 13, 2022	The CEC	$30,906.93
December 7, 2022	BCSEA	$8,841.70
December 23, 2022 and revised January 3, 2023	RCIA	$ 10,305.75

H. By letter dated January 22, 2023, FBC 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 with 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 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 for their participation in the FBC Annual Review for 2023 Rates proceeding:

Participant	Award
MoveUP	$4,721.92
ICG	$16,550.80
The CEC	$21,647.08

BCSEA	$8,841.70
RCIA	$10,305.75

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

DATED at the City of Vancouver, in the Province of British Columbia, this 3rd day of February 2023.

BY ORDER

Original signed by:

E. B. Lockhart
Commissioner

Attachment

FortisBC Inc.
Annual Review for 2023 Rates

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. and Order G-166-20 for FortisBC Inc. (FBC) approving a Multi-Year Rate Plan (MRP) for 2020 through 2024 (2020–2024 MRP Decision). In accordance with the 2020–2024 MRP Decision, FBC is to conduct an annual review (Annual Review) process to set rates for each year during the MRP term.

On July 15, 2022, the BCUC established the regulatory timetable for the Annual Review of FBC’s 2023 Rates, including one round of BCUC and intervener information requests, a workshop, FBC's response to undertakings at the workshop, and written final and reply arguments.[1]

On August 5, 2022, FBC filed its Annual Review for 2023 Rates (Application) seeking, among other things, approval of a general rates increase of 3.99 percent over 2022 rates, effective January 1, 2023, on an interim basis pending the outcomes of Stage 1 of the BCUC’s generic cost of capital proceeding and FBC’s Application for Acceptance of Demand Side Management (DSM) Expenditures Plan for the Period Covering 2023 to 2027 (DSM Plan) proceeding. Following the close of the evidentiary record for the proceeding, on December 16, 2022, the BCUC issued its decision on FBC’s DSM Plan.

On December 22, 2022, by Decision and Order G-382-22, the BCUC issued its final decision on the Application approving, among other items, permanent rates effective January 1,2023, subject to final adjustments as outlined in the Decision.

The BCUC received applications for Participant Assistance/Cost Award (PACA) funding from five interveners with respect to their participation in the proceeding.

2.0 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.

Order G-97-17, dated June 15, 2017, 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 considers the following 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?

[1] Order G-193-22.

(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.

3.0 PACA Applications

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

Date	Participant	Application
November 27, 2022 and revised December 15 and 22, 2022	Movement of United Professionals (MoveUP)	$4,721.92
November 29, 2022	Industrial Customers Group (ICG)	$20,314.00
December 2, 2022 and revised December 13, 2022	The Commercial Energy Consumers Association of British Columbia (the CEC)	$30,906.93
December 7, 2022	BC Sustainable Energy Association (BCSEA)	$8,841.70
December 23, 2022 and revised January 3, 2023	Residential Consumer Intervener Association (RCIA)	$10,305.75

Pursuant to Section 14 of the PACA Guidelines, on January 22, 2023, FBC provided its comments on the PACA applications. FBC states that it has no 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.

4.0 Review of the PACA Applications

The Panel, in its review of the PACA applications, is guided by the PACA Guidelines. The Panel is satisfied that all participants meet the eligibility criteria outlined in the BCUC's PACA Guidelines for a cost award in this proceeding because they represent the direct interests of ratepayer groups or are directly or sufficiently affected by the BCUC's decision.

Having concluded that all participants are eligible for PACA funding, the Panel needs to establish the cost award each participant is entitled to receive. The Panel considers that all interveners actively participated in the proceeding and contributed to a better understanding of the issues raised in the proceeding. **The Panel finds the amounts in the PACA applications for MoveUP, BCSEA and RCIA to be fair and reasonable and awards those participants their respective funding amounts as applied for.**

The Panel concludes, however, that a partial cost award should be approved for ICG and the CEC. These reasons for decision explain the Panel's decision with respect to the adjustment to the funding award for ICG and the CEC.

4.1 ICG

In its PACA application, ICG seeks a cost award of $20,314.00, inclusive of applicable taxes, based on $7,770.00 (4.0 funding days) for consulting fees and $12,544.00 for legal fees (4.0 funding days) from Mr. Elroy Switlishoff and Mr. Robert Hobbs, respectively.

Panel Determination

While the Panel considers that ICG is eligible for PACA funding and contributed to a better understanding of the issues in the proceeding, the Panel finds that ICG's claimed funding days do not reflect fair and reasonable costs as the number of days claimed for legal counsel is equal to the number of days claimed for consultants. In the Panel's view, the issues in the proceeding did not warrant the same amount of legal effort as that of a consultant and as such, it would not be reasonable to award costs based on the same number of legal and consulting days. The Panel finds the amount of legal effort required should be less than the consulting effort for this proceeding.

Therefore, the Panel awards the ICG $16,550.80, inclusive of applicable taxes, which is based on a reduction of 30 percent to the legal funding days claimed. The award is calculated as follows:

	Daily Rate	Funding Days[2]	GST	PST	Total
Mr. Elroy Switlishoff – Consultant	$1,850	4.00	$370.00	N/A	$7,770.00
Mr. Robert Hobbs – Legal Counsel	$2,800	2.80	$392.00	$548.80	$8,780.80
Total Award		**6.80**	**$762.00**	**$548.80**	**$16,550.80**

4.2 The CEC

In its PACA application, the CEC seeks a cost award of $30,906.93, inclusive of applicable taxes, based on $17,968.13 for consulting fees and $12,938.80 for legal fees[3], comprising:

- 9.25 funding days for consultants Mr. David Craig and Ms. Janet Rhodes;
- 3.125 funding days for legal counsel from Mr. Christopher P. Weafer; and
- 1.475 funding days for legal counsel from Mr. Patrick J. Weafer.

Panel Determination

As noted above, the Panel recognizes that the CEC is eligible for PACA funding and contributed to a better understanding of the issues in the proceeding. The Panel notes, however, that the CEC has claimed 9.25 funding days for consultants and 4.6 funding days[4] for legal counsel, which the Panel does not consider to be

[2] Funding days awarded are rounded to two decimal places.
[3] Calculated as: $9,800.00 + $3,138.80 = $12,938.80.
[4] 3.125 funding days + 1.475 funding days = 4.6 funding days.

commensurate with the CEC's contributions in the proceeding, nor representative of fair and reasonable costs. By way of comparison, the CEC has claimed a substantially higher number of consulting days than all other interveners.

Considering the CEC's contributions to the Panel's understanding of the issues in the proceeding, the Panel finds instead, that reducing the CEC's applied-for funding days by 30 percent will result in an award that is fair and reasonable. **Accordingly, funding is awarded to the CEC in the amount of $21,647.08, inclusive of applicable taxes.** The award is calculated as follows:

	Daily Rate	Funding Days[5]	GST	PST	Total
Mr. David Craig and Ms. Janet Rhodes – Consultants	$1,850	6.48	$599.40	N/A	$12,587.40
Mr. Christopher P. Weafer – Legal Counsel	$2,800	2.19	$306.60	$429.24	$6,867.84
Mr. Patrick J. Weafer – Legal Counsel	$1,900	1.03	$97.85	$136.99	$2,191.84
Total Award		**9.70**	**$1,003.85**	**$566.23**	**$21,647.08**

[5] Funding days awarded are rounded to two decimal places.