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May 3, 2017

British Columbia Utilities Commission  
6<sup>th</sup> Floor, 900 Howe Street  
Vancouver, BC  
V6Z 2N3

Attention: Mr. Patrick Wruck, Commission Secretary and Manager, Regulatory Support

Dear Mr. Wruck:

**Re: FortisBC Inc. (FBC)**

**Project No. 3698896**

**2016 Long Term Electric Resource Plan (LTERP) and Long Term Demand Side Management Plan (LT DSM Plan)**

**Mr. Andy Shadrack Information Request (IR) No. 2 – Questions Out of Scope**

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FBC writes in regard to Mr. Shadrack's IR No. 2 in the LTERP proceeding. FBC has reviewed Mr. Shadrack's questions and determined that a number of questions are of no relevance to the LTERP proceeding and, therefore, FBC believes they are out of scope. As a result, FBC declines to respond to these questions.

FBC provides this notice to the British Columbia Utilities Commission (the Commission) in advance, so that Mr. Shadrack is forewarned and can prepare his evidence accordingly based on the current Regulatory Timetable as set out by the Commission in Order G-197-16.

The following table provides the specific questions, of which there are 15, and the topics the questions relate to, which FBC have determined are out of scope.

IR	Topic
1i	Residential service sizes.
1ii	Net Metering rates. FBC's Net Metering Tariff was recently reviewed (Order G-199-16) <sup>1</sup> .

<sup>1</sup> On March 17, 2017, FBC filed an Application for Reconsideration and Variance of Order G-199-16, which is currently before the Commission.

IR	Topic
1iii	Questions automation of bi-directional meters.
2	Rate structure.
4ii	Follow-up to IR responses in Net Metering Tariff Update Application.
4iii	Follow-up to IR responses in Net Metering Tariff Update Application.
4iv	Net Metering rates.
4v	Net Metering rates.
4vi	Net Metering rates.
5	Net Metering rates.
6ii	Comparison of FBC and BC Hydro Net Metering programs.
7	Comparison of FBC and BC Hydro Net Metering programs.
14i	Cost components of residential rate and comparison to BC Hydro.
24iii	Fixed versus variable costs in COSA.
24iv	Fixed versus variable costs in COSA.

Questions 1i, 1iii, 2, 14i, and 24iii and 24iv are not subjects dealt with in the LTERP, rather these are matters that would be part of a future Rate Design<sup>2</sup> application. The remaining questions 1ii, 4ii through 7 relate to the Net Metering Tariff which are also not subjects dealt with in the LTERP, instead there was a recent opportunity in the Net Metering Tariff proceeding to have considered these issues, and the future Rate Design may also be another opportunity to consider the Net Metering Tariff.

Mr. Shadrack sets out in his letter to the Commission of April 6, 2016 (Exhibit C10-3), his intention to file evidence in the LTERP proceeding

...on Unit Energy Costs and Unity Capacity Costs for Net Metering (NM) Solar PV installations in the Kaslo area, as well as 2016 purchase and transfer MWh values and attributable sales dollar values relating to FortisBC service and transfer dollar values attributable to NM customers, and other additional evidence as deemed appropriate.

Although FBC is uncertain as to the type or specific purpose of the evidence that Mr. Shadrack intends to file (other than the Unit Energy Costs and Unit Capacity Costs for solar PV installations). Evidence related to Net Metering tariffs and the appropriate compensation rate for net metering installations should be addressed either in separate Net Metering proceedings, such as the one recently completed, or potentially in rate design proceedings if they relate to appropriate recovery of costs from Net Metering customers.

FBC believes that Mr. Shadrack's IR No. 2 questions on topics identified above are out of scope for the LTERP proceeding and respectfully declines to respond.

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<sup>2</sup> FBC is currently developing its next COSA and Rate Design application, planned to be filed in later in 2017 or early 2018.

If further information is required, please contact Joyce Martin at 250-368-0319.

Sincerely,

**FORTISBC INC.**

***Original signed:***

Diane Roy

cc (email only): Registered Parties