



May 7, 2018

Sent via eFile

<b>FORTISBC INC. 2017 COST OF SERVICE ANALYSIS &amp; RATE DESIGN</b>	<b>EXHIBIT A-8</b>
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Ms. Diane Roy  
Vice President, Regulatory Affairs  
FortisBC Inc.  
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**Re: FortisBC Inc. – 2017 Cost of Service Analysis and Rate Design Application – Project No. 1598939 – Request for Submissions and Suspension of Regulatory Timetable**

Background

By Orders G-23-18 dated January 25, 2018 and G-62-18 dated March 16, 2018, the British Columbia Utilities Commission (BCUC) established a regulatory timetable for the above-noted proceeding.

By letter dated April 10, 2018, FortisBC Inc. (FBC) requested an amendment to the regulatory timetable to extend the time to respond to BCUC and Intervener Information Request (IR) No. 1 from April 24, 2018 to May 8, 2018. FBC further proposed that the remaining dates in the regulatory timetable be deferred in order to account for the extension and proposed a revised regulatory timetable.

Kaslo Seniors Community Association Branch #81 (KSCA) submitted a letter to the BCUC on April 10, 2018 expressing support for FBC's requested extension to the IR No. 1 responses. In the letter, KSCA also requested that the sequence of the regulatory timetable established by Orders G-23-18 and G-62-18 be amended so that submissions and a decision on further process take place in advance of the deadline for intervener evidence (KSCA Request).

In response to FBC and KSCA's submissions, the BCUC issued a letter on April 16, 2018 granting FBC's requested extension to the IR No. 1 response deadline to May 8, 2018. In the letter, the BCUC also sought submissions from all parties on the revised dates in FBC's proposed regulatory timetable and on KSCA's request to amend the sequence of the regulatory timetable specifically as it relates to intervener evidence.

Submissions

The following parties submitted comments to the BCUC on April 18 and April 19, 2018:

- FBC;
- BC Sustainable Energy Association and Sierra Club BC (BCSEA-SCBC);
- Anarchist Mountain Community Society and Regional District of Okanagan-Similkameen (AMCS/RDOS);
- Commercial Energy Consumers Association of British Columbia (CEC);
- Irrigation Ratepayers Group (IRG);
- Resolution Electric Ltd. (Resolution); and
- Industrial Customers Group (ICG).

FBC and KSCA subsequently filed reply submissions on April 24, 2018.

In its April 18, 2018 submission, FBC states it has no objection to the KSCA Request provided that accommodating this request does not unnecessarily lengthen the proceeding. In addition, with respect to KSCA's request to amend the sequence of the regulatory timetable, FBC submits that:

From a procedural fairness viewpoint, without the benefit of intervener evidence being filed before making submissions on further process, FBC would reserve the right to make further procedural submissions to the Commission should anything in the intervener evidence, once filed, warrant it.

FBC accordingly proposed an amended timetable which provided for submissions on further process in advance of the filing of intervener evidence.<sup>1</sup>

CEC states it has no objections to the regulatory timetable proposed by FBC in its April 10, 2018 letter, and Resolution states it has no objection to FBC's request for an extension to the deadline for IR responses.<sup>2</sup>

AMCS/RDOS does not object to KSCA's request for more time to prepare intervener evidence; however, it does oppose the request to move the BCUC's decision on further process ahead of filing intervener evidence, as it considers understanding the nature and scope of the intervener evidence essential to making an informed decision on further process. Accordingly, AMCS/RDOS does not support FBC's proposed amended timetable provided in its April 18, 2018 letter.<sup>3</sup>

IRG supports KSCA's request to schedule intervener evidence after further process is determined and has no objection to the revised regulatory timetable proposed by FBC in its April 18, 2018 letter.<sup>4</sup>

BCSEA-SCBC makes submissions on the entirety of the regulatory timetable and specifically states that a determination should be made by the Panel at this time that a second round of IRs is required and that the deadline for intervener evidence should be moved to occur after FBC's responses to IR No. 2.<sup>5</sup> ICG supports BCSEA-SCBC's proposal for IR No. 2 to occur prior to the filing of intervener evidence and that the Panel should determine at this time that IR No. 2 is required.<sup>6</sup>

FBC states in its reply submission that "[c]ontrary to what seems to have been assumed in the BCSEA and ICG submissions, FBC does not understand Exhibit A-6 to have invited submissions from participants on a re-sequencing or reconstitution of steps in the regulatory timetable...." FBC further submits that no change in circumstances has occurred since either the procedural conference held on March 6, 2018 or the BCUC's determinations in Order G-62-18 to make a broader revisiting of the regulatory timetable appropriate. FBC therefore opposes the proposed departures from the sequence and content of the existing regulatory timetable and relies on the arguments made in support of the original timetable established by Order G-62-18.<sup>7</sup>

KSCA states in its reply submission that it concurs with the submissions of BCSEA-SCBC and ICG. KSCA further states that given the large volume of information requests in IR No. 1, it is now likely inevitable that a second

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<sup>1</sup> Exhibit B-6.

<sup>2</sup> Exhibit C9-3, C10-4.

<sup>3</sup> Exhibit C3-4.

<sup>4</sup> Exhibit C8-3.

<sup>5</sup> Exhibit C2-3.

<sup>6</sup> Exhibit C12-3.

<sup>7</sup> Exhibit B-7.

round of IRs will be required and that this was not known when the Panel issued Order G-62-18. Therefore, the circumstances have materially changed since the Panel made its ruling in Order G-62-18.<sup>8</sup>

#### Process going forward

The Panel agrees with FBC that the purpose of the letter issued by the BCUC on April 16, 2018 was limited to the following actions: (i) granting FBC's requested extension to IR No. 1 responses; and (ii) seeking submissions on KSCA's request to move the filing of intervener evidence to occur after parties' submissions on further process.

While the Panel did not request submissions on any topics beyond the ones noted above, many interveners went beyond what was requested and provided submissions on various components of the regulatory timetable or the timetable in its entirety. The Panel is not prepared to consider these submissions at this time as it would be not be procedurally fair to parties who limited their submissions to the issues raised in the BCUC's April 16, 2018 letter.

It is clear to the Panel that there are a number of differing views on the appropriate regulatory timetable. Perhaps most significant of these differences is the timing of intervener evidence. The Panel acknowledges FBC's and interveners' arguments regarding intervener evidence as they relate to issues such as regulatory efficiency and appropriate sequencing of evidence; however we remind all parties that the primary goal in setting the regulatory timetable is to ensure that the Panel is provided with the necessary evidence to reach decisions on the application. Further, with respect to FBC's concerns pertaining to the lengthening of the regulatory process, the Panel notes that FBC's proposed schedule has already created delays and, based on the somewhat limited availability of the Panel and certain interveners in late August and early September, a potential oral hearing would not be able to be held during the proposed week of August 20, 2018. Therefore, the earliest a potential oral hearing could be held now appears to be late September.

**In consideration of the above, the Panel suspends the regulatory timetable established by Order G-62-18 and requests submissions on further process before any further evidence is filed beyond FBC's response to IR No.1, in accordance with the following schedule:**

Action	Date (2018)
Submissions on further process	Friday, May 18 by 12:00pm
FBC reply submission	Thursday, May 24

Specifically, the Panel requests that the parties address the following issues:

1. What the appropriate timing of intervener evidence is and why.
2. Whether or not parties intend to file intervener evidence. Parties must specifically identify the nature of the evidence they intend to file and explain how this evidence is relevant to the issues in the proceeding.
3. Whether or not a second round of IRs is necessary and why. If a second round of IRs is required, please identify any topics which do not need to be included in IR No. 2 and can proceed to written argument.

The Panel expects that when providing submissions on further process, parties will review and take into consideration the evidence gathered through IR No. 1. With respect to item No. 2 above, the Panel notes that it

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<sup>8</sup> Exhibit A-4.

may provide guidance on the appropriateness of the evidence in relation to the scope of the proceeding; thus, it is important that parties include in their submissions an adequate description of their potential evidence.

The Panel will not be making a determination on process beyond the need for and timing of intervener evidence and a second round of IRs (but will include a placeholder date for FBC to file rebuttal evidence). Submissions on the process for testing FBC's rebuttal evidence (if such evidence is filed), the need for and timing of an oral hearing or oral arguments, and the timing of written arguments will be sought at a future date once the evidentiary record is more complete.

Sincerely,

*Original signed by Katie Berezan for:*

Patrick Wruck  
Commission Secretary

SW/ad