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BCUC File 47845

May 23, 2019

British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC
V6Z 2N3

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

Dear Mr. Wruck:

Re: FortisBC Inc. (FBC)

Application for Approval of Stepped and Stand-by Rates for Transmission Voltage Customers (Stand-by Rate Process) - British Columbia Utilities Commission (BCUC) Stage II Decision and Order G-46-15 Compliance Filing

FBC Submissions on Proposed Principles in Setting Future Customer's Stand-by Billing Demand for Rate Schedule 37 (RS 37)

On March 24, 2015, as part of its Stage II Decision in the above noted Application along with Order G-46-15 (collectively, the Stage II RS 37 Decision), the BCUC directed:

Therefore, FortisBC is also directed to file for approval a Tariff Supplement to Electric Tariff RS 37 that establishes the principles to be considered in setting future customer's Stand-by Billing Demand, no later than ninety days after the Commission issues a final decision on the FortisBC Self-Generation Policy Application, which is currently underway as directed by Order G-60-14....

On February 27, 2019, the BCUC issued the final decision on the FBC Self-Generation Policy Application (the Stage II SGPA Decision) and FBC therefore provides the following summary, comments and potential tariff supplement for the BCUC's consideration. For ease of reference, FBC has set out below at some length passages from the various BCUC decisions relevant to the issue.

1 BACKGROUND

1.1 Rate Schedule 37

Rate Schedule 37 is for “Stand-by Service”. As described in that rate schedule, “Stand-by Service”:

- is “a Back-Up and Maintenance Service intended to provide the Customer with a firm supply of electric power and energy when the Customer’s generating facilities are not in operation or are operating at less than full rated capability”;
- “is available only to those Customers that normally supply all or some portion of load from self-generation and is strictly for the continued operation of Customer facilities at times when the Customer-owned generation is unavailable”;
- “cannot be used by the Customer in the fulfillment of any power sales obligation”; and
- is “only available to a Customer contracted to receive service under Rate Schedule 31 (RS 31)”.

Zellstoff-Celgar Limited Partnership (Celgar) is the only customer of FBC that is on RS 37.

To FBC’s knowledge, Celgar is the only FBC customer that is eligible to be on RS 37 under its approved terms. FBC is also not aware of any other potential customer who might become eligible for RS 37. As noted in the bullet points above, in order to be eligible a customer would need to be both a self-generating customer and contracted to receive service under Rate Schedule 31 (RS 31), which is a rate schedule available to transmission customers who are “industrial Customers with loads of 5,000 kVA or more, subject to written agreement.”

1.2 “Stand-by Billing Demand”

As the Direction indicates, the present filing relates to principles for the determination of “future customer’s Stand-by Billing Demand” (which is commonly abbreviated as SBBB). The principles are to apply only to “future” customers. Celgar has an SBBB which was determined in the BCUC’s decision of September 22, 2015 (the Stage IV Stand-By Decision).

The concept of SBBB is described in RS 37, but only operative in RS 31. Rate Schedule 31 refers to the SBBB for RS 37 customers as part of the definition of “Billing Demand”, which is a concept used in the calculation of the “Wires Charge” that is part of the “Monthly Rate”. Rate Schedule 31 provides as follows:

MONTHLY RATE: A Customer Charge of \$3,116.03

 plus: A Wires Charge of \$4.93 per kVA of Billing Demand; and

 plus: Power Supply Charge of \$2.77 per kVA of maximum Demand in current billing month

plus: An Energy Charge of 5.516¢ per kW.h

“Billing Demand”

The greatest of:

- or
- i. eighty percent (80%) of the Contract Demand,
 - ii. The maximum Demand in kVA for the current billing month; or
 - iii. eighty percent (80%) of the maximum Demand in kVA recorded during the previous eleven month period.

Plus, for Customers with a Stand-by Billing Demand under RS 37 (except when RS 37, Special Provision 7 applies);

Stand-by Billing Demand.

Rate Schedule 37 describes SBBB, though does not use the concept itself. Rate Schedule 37 contains the following passage under the heading “SPECIAL PROVISIONS”, as the first of the listed provisions:

1. Stand-by Billing Demand (SBBB) – Billing under this rate schedule requires the establishment of a SBBB, expressed in kVA. SBBB for a customer using this rate schedule will be set at an amount between zero and 100 percent of the Customer's SBDL and is to be used in the determination of the Wires Charge in RS 31. The SBBB is to be agreed to between the Customer and the Company and is specified in the GSA between the Company and the Customer. If the Customer and the Company cannot come to an agreement, the SBBB will be set by the BCUC.

As RS 37 provides, “[i]f the Customer and the Company cannot come to an agreement, the SBBB will be set by the BCUC.” In the case of FBC's only RS 37 customer, Celgar, the parties were not able to come to an agreement. The BCUC set the SBBB at 16.8 MVA in the Stage IV Stand-by Decision.

1.3 Origin of Principles for Use in the Determination of SBBB for Future Customers

At pages 55-57 of its Stage I decision of May 26, 2014 in the Stand-by Rate Process (the Stage I RS 37 Decision), the BCUC said the following about “Stand-by Contract Demand”, which later came to be referred to as SBBB:

The Panel considers that the key focus in determining the appropriate stand-by demand charge should ensure that it does not discourage on-site generation that is fully economical and cost effective but for the inclusion of

standby charges. Further, the stand-by demand charge should also take into consideration BC energy objectives.

As a solution the Panel suggest that 'Stand-by Contract Demand' in RS 37 should be established between the customer and the utility at an amount somewhere between zero and 100 percent of the Contract Demand established in the underlying Rate. This RS 37 Stand-by Contract Demand would ideally remain unchanged over the life of the investment in self-generation.

The Panel would expect that Contract Demand in the underlying rate to be established by FortisBC and its customer with distributed generation on the same basis as it does for any other Transmission Customer on rate (RS 31). The Contracted Demand would define the maximum level of Capacity and Energy that FortisBC would commit to supplying to a self-generation customer whether taking service under the underlying rate (RS 31) or the Stand-by Rate. RS 37 stand-by Contract Demand would then be established to reflect the benefits of self-generation based on a set of Commission approved principles. Given the limitations in a one size fits all network services charge concept, the Panel considers it more appropriate to use a principled base approach to identify the benefits of self-generation.

Any final approved Stand-by Rate is intended to be suitable for all customers, current and future, with self-generation taking service at transmission voltage. The Panel wishes to address current and future customers separately.

3.8.5.1 Future Customers

The resultant RS 37 stand-by Contract Demand should ultimately reflect both the costs and the benefits distributed generation provides to BC, and provide a level of price certainty regarding network charges for stand-by service to customers considering making self-generation investments.

By way of example, the Panel considers that the following principles could be a reasonable starting point in the development of principles used to determine Stand-by Contract Demand for future customers:

1. Economic efficiency: stand-by wires charges should not discourage on-site generation that is fully economical and cost-effective but for the inclusion of stand-by charges. Specifically, stand-by charges should not be (i) so low as to promote uneconomic bypass of the grid or inefficient maintenance of customer owned generation assets, or (ii) so high as to discourage the growth of cost effective self-generation.
2. Fairness: cost-causation principles should be applied in assigning costs to differently situated customers. However, diametrically opposed interpretations of the user pay principle could make it difficult

to justify a high or low stand-by rate design solely based on the fairness principle.

3. Consideration of BC Energy Policy: the stand-by wires charge should take into consideration whether stand-by rates should be adjusted higher or lower to support BC energy objectives.
4. Simplicity and transparency: stand-by wires charges should be easy to understand and administer, and designed so that prospective users can estimate what their charges will be, based on a few known cost determinants.
5. Stability: optimal stand-by wires charges can vary between customers and over time. However, once set, stand-by wires charges for a particular customer should not be subject to material changes (other than, for example, where there is a material change to the corresponding retail rate design) during the term of financing a generator project, usually 15-20 years.

However, for future stand-by customers the Panel finds these principles should not be addressed in this Proceeding but are better suited to be determined through the FortisBC's Comprehensive Self-Generation Policy Application that has been directed pursuant to Order G-60-14....

The BCUC noted at the conclusion of this passage of the Stage I RS 37 Decision that "*these principles...are better suited to be determined through the FortisBC's Comprehensive Self-Generation Policy Application that has been directed pursuant to Order G-60-14.*" The Self-Generation Policy Application was a separate process that proceeded in two stages. The first stage of this separate process commenced in January 2015 and concluded with the BCUC's decision of March 4, 2016 (the Stage I SGPA Decision). The second stage of that process commenced in November 2016 and concluded with the BCUC's decision of February 27, 2019 (as defined earlier, the Stage II SGPA Decision).

The Direction that the BCUC made in the Stage II RS 37 Decision provided:

Consistent with the Stage I Decision, once the principles have been approved in a separate process, FortisBC is directed to amend RS 37 such that it includes language stating that the setting of Stand-by Billing Demand will be based on principles as set out in the attached Tariff Supplement. [p. 24]

1.4 Stage II RS 37 Decision

In issuing the direction that is the subject of the present filing, the BCUC noted as follows at pages 23-24 of its Stage II RS 37 Decision:

Further highlighted by the Stage I Decision, and consistently applied here, any final approved Stand-by Rate is intended to be suitable for all customers, including both current and future.

Stand-by Billing Demand for future customers should ultimately reflect both the costs and the benefits distributed generation provides to BC, and provide a level of price certainty regarding network charges for Stand-by Service to customers considering making self-generation investments. Any considerations in setting the SBBB for future customers must be consistent with the directions provided in Section 3.8.5 of the Stage I Decision for SBCD, and must reflect the benefits/detriments of self-generation. Specifically, SBBB for future customers must be based on a set of Commission-approved principles attached to the Stand-by Rate as a Tariff Supplement (TS). The Commission provided examples of some principles that could be included in the TS in the Stage I Decision which it still considers to be relevant.

1.5 Stage IV RS 37 Decision

The BCUC had a further occasion to comment on or utilize principles in relation to the setting of SBBB when determining the appropriate SBBB for Celgar, though this was a present rather than “future” customer. The BCUC noted at page i:

In arriving at this determination [that Celgar’s SBBB should be set at 16.8 MVA] the Panel applied the framework for the evaluation established in the Stage I Decision that relates to setting a SBBB. Namely, the principles of economic efficiency, fairness, the BC Energy Policy, as well as the last contract demand that the parties agreed to. In addition, the divergent views in the design of Wires Charges were also considered. After addressing cost causation principles, and cost recovery matters the Panel determined that FortisBC failed to justify its proposed 42 MVA SBBB for Celgar as the basis for Wires Charges in the Stand-by Rate and rejected FortisBC’s proposal. The Panel then considered the benefits of Celgar’s self-generation to FortisBC and other ratepayers, planning reserve margins, availability of Stand-by Service and the last contract demand the parties agreed to and found none of them determinative by themselves; however the Panel did find them to be indicators that assisted in testing the order of magnitude for a reasonable SBBB for Celgar. The Panel finds that there is no single, correct approach to setting a SBBB for Celgar. As observed numerous times, setting SBBB is more of an art than a science. Accordingly, the Panel explored these various different avenues to arrive at its final determination.

1.6 Self-Generation Policy Application

Certain further guidance in relation to the SBBB principles in relation to future customers was provided through FBC’s Self-Generation Policy Application.

In the Stage I SGPA Decision, the BCUC wrote as follows at pages 16-17 with reference to the Stage I RS 37 Decision and the Stage II RS 37 Decision:

6.1.1 Compliance with Orders G-67-14 and G-46-15

The Stand-by Rate filed for approval in the FortisBC Application for Stepped and Stand-by Rates for Transmission [Voltage] customers is a rate for supplying electric power and energy when the customer's self-generation facilities are not in operation or are operating at less than full rated capability.

In the Stand-by Rate Decision – Stage I, released concurrently with Order G-67-14 the Commission established a means to set the Stand-by Billing Demand (SBB), a demand component of the rate to recover wires charges, somewhere between zero and 100 percent of the customer's Stand-by Demand Limit. The principles to be considered in setting future customer's SBB are to reflect the costs and benefits that distributed generation provides to the Province.

In the Stand-by Rate Decision - Stage I, the Commission found that the development of principles that SBB are to reflect would best be determined through FortisBC's SGP Application.

However, after the Commission issued Stand-by Rate Decision - Stage I (Order G-67-14), it issued Order G-46-15, dated March 24, 2015, in the matter of the Stand-by Rate Decision- Stage II which stated:

Therefore, FortisBC is also directed to file for approval a Tariff Supplement to Electric Tariff RS 37 that establishes the principles to be considered in setting future customer's Stand-by Billing Demand, no later than ninety days after the Commission issues a final decision on the FortisBC Self-Generation Policy Application, which is currently underway as directed by Order G-60-14 (TS to RS 37 Application).

The TS to RS 37 Application is meant to set criteria for determining the net benefits of self-generation for a particular customer. In the Panel's view, the net benefits reflected in the SBB should be informed by the broader comprehensive FortisBC SGP; however, until the Commission approves such a policy this cannot be realized. This was likely the reason Order G-46-15 required the TS to RS37 Application to be filed after a determination was made on the SGP Application.

In additions, SBB was established and approved under a net-of-load construct. In the SGP Application FortisBC is proposing a GBL construct. Furthermore, the Stand-by Rate only applies to customers who are using self-generation to off-set their load, and is not available to customers in the fulfillment of any power sales obligation.

In the Panel's view it is premature as part [of] the Stage I Decision to make any recommendations or provide guidance on the net benefits that should be reflected in the SBB until after FortisBC has a Commission approved comprehensive SGP. As such, the Panel will only address the net benefits of

self-generation as they relate to the comprehensive SGP to be filed in Stage II.

In the Stage II SGPA Decision, the BCUC dismissed FBC's Self-Generation Policy Application, including Appendix B (Calculation of Stand-By Billing Demand). Further, the BCUC wrote at pages 16-17:

The Panel is of the opinion that requiring the net benefits on self-generation to be shared was flawed. To be clear, this is not the reason the Panel is not approving the Application. However, the Panel considers that it is useful to the parties to provide the reasons for the Panel's opinion in this matter.

The New PPA Decision acknowledged there might be benefits to the Province of British Columbia from self-generation. However, in the New PPA Decision, the BCUC did not determine that the benefits of self-generation must be measured, nor shared, but merely that they should be considered. In the SGP Stage I proceeding, FBC took the position that both costs and benefits should be recognized and accrue to both the self-generating customer and other FBC customers on a shared basis, and recommended that the net benefits should be shared by adjusting a self-generating customer's stand-by billing demand level rather than by setting a baseline above which self-generators could sell energy. In issuing the SGP Stage I Decision, the BCUC disagreed with FBC and established that net benefits would be shared between the self-generator and FBC's other customers by setting a baseline above which the self-generator could sell energy.

FBC's responses to IRs highlighted above reveal that the benefits of self-generation can only be established on a case-by-case basis, and cannot be established in the general case and embodied in a policy of general application. These points have been noted and supported by many interveners in their arguments. Further, FBC argues that there are considerable difficulties in measuring and valuing net benefits of specific self-generation installations and that such determinations are "potentially contentious."

The Panel agrees that measuring the net benefits of self-generation in an individual case is difficult and contentious, and that it should not be presumed that the net benefits of self-generation are positive. Therefore, the Panel concludes it is not possible to establish a general rule that fairly apportions the presumed net benefits of self-generation without introducing the risk of harm to ratepayers.

FBC has stated in this proceeding that it would not have submitted the present Application in its current form were it not for the direction that net benefits are to be shared. Further, it has stated that the risk of harm to ratepayers arises directly from the sharing of net benefits.

4.0 Closure of this process

The development of an SGP by FBC was initiated by Directive 5 of the New PPA Decision:

FortisBC Inc. is directed to initiate a concurrent consultation process in its service territory to address or ensure:

(i) the potential benefits of self-generation;

FortisBC Inc. is further directed to file a resultant Self-Generation Policy application with the Commission by December 31, 2014, that establishes high level principles for its service territory.

In the SGP Stage I proceeding, FBC described its consultation activities:

Specifically, FBC consulted with key stakeholders on the following items:

i. The potential benefits of self-generation (G-60-14); ...

In this proceeding, FBC filed an SGP with high-level principles in response to BCUC IR 1.1.1.

Having completed its consultation activities and submitted an SGP with high-level principles, **the Panel finds that FBC has fulfilled its obligations set out in Directive 5 of the New PPA Decision.**

Further, in the SGP Stage I Decision, FBC was directed as follows:

Within 120 days of the date of this order, FortisBC Inc. (FortisBC) is directed to file a Stage II Self-Generation Policy Application, which includes both a comprehensive Self-Generation Policy and Generator Baseline Guidelines, in accordance with the decision issued concurrently with this order.

In this proceeding, FBC has filed an SGP application including a policy and generator baseline guidelines. Therefore, **the Panel finds that FBC has fulfilled its obligations set out in Directive 1 of the SGP Stage I Decision.**

[emphasis in original]

FBC is making the present filing on the assumption that the Stage I SGPA Decision does not entirely or automatically supersede the direction that the BCUC made in the Stage II RS 37 Decision. However, given the traditional association between the SBBB and the benefits of self-generation, as reflected in the Stage I SGPA Decision, this is not entirely clear to FBC. As returned to below, FBC would be content not to have a tariff supplement and to leave the SBBB for future consideration and determination should it ever be approached by a customer to whom an SBBB would be relevant.

2 RATE SCHEDULE 37 TARIFF SUPPLEMENT

2.1 Whether a RS 37 Tariff Supplement is required

In light of the history described above, FBC is not entirely certain whether a tariff supplement is still expected or whether the direction made in the Stage II RS 37 Decision has been superseded.

Although as noted below under heading (b), FBC has provided a tariff supplement, it is doing so simply in order to comply with the direction and does not believe that one is required; indeed it may be somewhat counterproductive.

In this regard, RS 37 can function without the addition of a tariff supplement. Specifically:

- An SBBB is already in place for Celgar, which is the only customer affected.
- RS 37 has been part of the FBC Electric Tariff for an extended period without inclusion of a supplement. It has been effective in its present form since May 29, 2015.
- The RS 37 tariff supplement was to be directed to future customers, but FBC is not aware of any potential customer for this service.
- If a future customer were to emerge seeking stand-by service and determination of SBBB came to be required:
 - RS 37 in its present form already provides for agreement on or Commission determination of SBBB. Neither of these is dependent on having an RS 37 tariff supplement.
 - Other provisions in the Electric Tariff contemplate agreement between FBC and a customer without setting out further principles that would underpin that agreement, as the tariff supplement would have done. RS 37 itself includes the following two portions in which no tariff supplement is associated with customer-FBC agreement or BCUC determination (bolded emphasis added):

AVAILABILITY

.....
RS 31 Contract Demand is the Customer's Contract Demand expressed in kilovolt Amperes (kVA) and specified in the General Service Agreement (GSA) between the Company and the Customer. If the Customer and the Company cannot come to an agreement, the RS 31 Contract Demand will be set by the British Columbia Utilities Commission.

DEFINITIONS

.....
7. "Stand-by Demand Limit (SBDL)", expressed in kVA, is required to be established under this Schedule for billing purposes. The

SBDL for a Customer using this Schedule will set the maximum demand of service that can be supplied to the Customer under this Schedule. SBDL is to be agreed to between the Customer and the Company and is specified in the GSA between the Company and the Customer. If the Customer and the Company cannot come to an agreement, the SBDL will be set by the BCUC.

- In RS 37 the oversight of the BCUC is expressly identified and preserved in the event of any difficulty arising.
- The presence of an RS 37 tariff supplement is not required in order for customers, FBC and – in the absence of agreement – the BCUC itself to have access and regard to prior BCUC decisions from the stand-by rate process which may suggest factors relevant to an SBD. Consultation of prior BCUC decisions is done in the ordinary course on many issues.

In the Stage IV Stand-By Rate Decision, the BCUC set an SBD for Celgar even in the absence of a tariff supplement.

The idea of referring to a tariff supplement in RS 37 may have originated in FBC's original proposal in its June 26, 2014 compliance filing (pursuant to Order G-67-14) to have a tariff supplement that would fill out the principles associated with the adjusted "Contract Demand" that it then proposed.¹ However, the proposal as captured by FBC long fell by the wayside, and the tariff supplement to which FBC had at that time referred was not drafted.²

In some respects, matters may be better without a tariff supplement. The setting out of principles in that supplement could artificially limit (to the detriment of all involved) the range of factors that might be considered, contrary to the breadth and fluidity suggested by prior BCUC decisions that suggest the SBD determination is "more of an art than a science"³ and involves complex and nuanced considerations; this subject matter does not lend itself to distillation into a tariff supplement.

This is particularly so as a "future customer" who might need an SBD is not on the horizon and, by the time that one emerges, circumstances may again have changed considerably.

2.2 Draft tariff supplement

In the event that the BCUC still considers a RS 37 tariff supplement to be required, however, one is attached as Appendix A based on principles that appear to have been established in

¹ FBC at that time proposed the following wording for RS 37: "**Contract Demand** - Billing under this rate schedule requires the establishment of a Contract Demand, expressed in kilovolt Amps ("kVA"). Contract Demand for a customer utilizing this Rate Schedule will be set with reference to the Customer's maximum potential Demand and may be adjusted as agreed to between the customer and the utility based on principles as set out in the attached Tariff Supplement – "Contract Demand Determination for Customers with Self-Generation": Ex. B-22 (PDF p. 33 of 34).

² Ex. B-30 (FBC response to Celgar IR 21.1) in the Stand-By Rate Process.

³ See Stage IV Stand-By Decision (September 22, 2015) at page i.

the course of the Self-Generation Policy Application and the Stand-By Rates Proceeding. It is possible to draw from these processes that:

- case-by-case consideration should be given to the setting of the SBBB;
- a one-size-fits-all formula is not appropriate;
- the determination is “more of an art than a science”;
- it is “not possible to establish a general rule that fairly apportions the presumed net benefits of self-generation without introducing the risk of harm to ratepayers”;
- the SBBB should not be determined by the calculation that FBC proffered in the Self-Generation Policy Application;
- considerations that may factor into a determination of the SBBB include:
 - fairness;
 - BC Energy Policy;
 - simplicity and transparency;
 - stability;
 - not discouraging the growth of cost-effective generation; and
 - not promoting uneconomic bypass of the grid or inefficient maintenance of customer owned generation assets.

Given all the above, FBC suggests that if the BCUC would still prefer inclusion of a tariff supplement, RS 37 be amended as follows:

SPECIAL PROVISIONS

1. Stand-by Billing Demand (SBBB) – Billing under this rate schedule requires the establishment of a SBBB, expressed in kVA. SBBB for a customer using this rate schedule will be set at an amount between zero and 100 percent of the Customer's SBDL and is to be used in the determination of the Wires Charge in RS 31. The SBBB is to be agreed to between the Customer and the Company and is specified in the GSA between the Company and the Customer. If the Customer and the Company cannot come to an agreement, the SBBB will be set by the BCUC. The setting of SBBB will be based on principles as set out in Tariff Supplement No. 11.

....

TARIFF SUPPLEMENT No. 11

The Customer and the Company will take into account the following principles in negotiating an SBBB as will the BCUC if it sets the SBBB where the Customer and the Company cannot reach agreement:

- fairness;
- BC Energy Policy;
- simplicity and transparency;
- stability;
- not discouraging the growth of cost-effective generation;
- not promoting uneconomic bypass of the grid or inefficient maintenance of customer owned generation assets; and other principles that may be just and reasonable in the circumstances of the Customer and the Company when the occasion to set the SBBB arises.

FBC has included a blacklined version of the proposed change to RS 37 as Appendix B. A draft Order is also attached as Appendix C.

If further information is required, please contact Corey Sinclair at 250-469-8038.

Sincerely,

FORTISBC INC.

Original signed:

Doug Slater

Attachments

Appendix A

PROPOSED TARIFF SUPPLEMENT

TARIFF SUPPLEMENT No. 11

Setting Stand-by Billing Demand (SBB) for SCHEDULE 37 – LARGE COMMERCIAL SERVICE - STAND-BY SERVICE

The Customer and the Company will take into account the following principles in negotiating an SBB as will the BCUC if it sets the SBB where the Customer and the Company cannot reach agreement:

- fairness;
- BC Energy Policy;
- simplicity and transparency;
- stability;
- not discouraging the growth of cost-effective generation;
- not promoting uneconomic bypass of the grid or inefficient maintenance of customer owned generation assets; and
- other principles that may be just and reasonable in the circumstances of the Customer and the Company when the occasion to set the SBB arises.

Appendix B

PROPOSED REVISION TO RATE SCHEDULE 37

Appendix C
DRAFT ORDER



ORDER NUMBER

G-xx-xx

IN THE MATTER OF

the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

FortisBC Inc.

Application for Stepped and Stand-By Rates for Transmission Voltage Customers

BEFORE:

[Panel Chair]
Commissioner
Commissioner

on **Date**

ORDER

WHEREAS:

- A. On March 28, 2013, FortisBC Inc. (FBC) filed an application with the British Columbia Utilities Commission (BCUC) for approval of new rates for transmission voltage customers (Original Application) under sections 58-61 *Utilities Commission Act*;
- B. The Original Application requested, among other things, approval for a Rate Schedule 37 Stand-by Service Rate (RS 37) and a determination of the retroactive application of rates to Zellstoff Celgar Limited Partnership;
- C. On March 24, 2015, the BCUC issued its Decision and Order G-46-15 on the Application, directing, among other things, that FBC is to file for approval a Tariff Supplement to RS 37 that establishes the principles to be considered in setting a future customer's Stand-by Billing Demand (SBBB), no later than ninety days after the BCUC issues its final decision on the FBC Self-Generation Policy Application (SGP Application);
- D. On February 27, 2019, the BCUC issued its final Decision and Order G-41-19 in respect of the FBC SGP Application;
- E. On May 23, 2019, in compliance with Order G-46-15, FBC applied to the BCUC for approval of proposed principles in setting future customers' SBBB for RS 37 (Compliance Filing);
- F. The BCUC has completed its review of the Compliance Filing and finds that approval is warranted.

NOW THEREFORE the BCUC orders as follows:

1. The amendments to Rate Schedule 37 are approved, on a permanent basis, effective the date of this order.
2. The proposed Tariff Supplement No. 11 is approved, on a permanent basis, effective the date of this order.
3. FortisBC Inc. is to file the amended Rate Schedule 37 and Tariff Supplement No. 11 for endorsement within 30 days of the date of this order.

DATED at the City of Vancouver, in the Province of British Columbia, this (XX) day of (Month Year).

BY ORDER

(X. X. last name)
Commissioner