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January 16, 2020

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: British Columbia Utilities Commission (BCUC) An Inquiry into the Regulation of
Municipal Energy Utilities (Inquiry)**

Project No. 1599027

**FortisBC Energy Inc., FortisBC Inc., and FortisBC Alternative Energy Inc.
(collectively FortisBC) Submission on Further Process**

FortisBC writes in response to BCUC Order G-316-19 and its request for submissions on further process in this proceeding.

In FortisBC's Letter of Comment (Exhibit C5-3), we identified our intention to file evidence in this proceeding. FortisBC confirms that it intends on filing evidence (including expert evidence) to respond to the issues raised by the BCUC in Order G-177-19. FortisBC anticipates its evidence focussing on the following topics:

- The policy rationale and historical context that may have justified the exclusion of municipalities from the definition of a "public utility" in the past¹;
- An assessment of the current policy and technological context in which the municipal exclusion has recently been relied on;
- An economic and regulatory analysis of the five ownership structures on which the BCUC has specifically sought comment;

¹ In this regard FortisBC supports the submission of Mr. Flintoff (Ex. C3-5) in which he has similarly identified the need for the "background, purpose and rational that resulted in the original exclusion being included in the UCA" to be elucidated in this proceeding. In FortisBC's submission, understanding this historical context is a necessary prerequisite to assessing the forward looking issues raised by the BCUC in this Inquiry. FortisBC intends to provide evidence (including expert evidence) that addresses this central issue.

- Potential risks to the public interest arising from the continued utilization of the municipal exclusion; and
- Potential alternatives to the municipal exclusion.

FortisBC generally agrees with the BCUC's proposed procedural steps, but is concerned that given the breadth and scale² of this proceeding that the BCUC's proposed regulatory timetable is compressed. In addition, an expert that FortisBC has considered engaging for this proceeding has previous commitments that make it impossible to meet the February 13, 2019 deadline for intervener evidence.

Given these concerns, FortisBC submits that the BCUC should schedule the filing of intervener evidence at least six weeks after it issues a procedural order. Doing so will ensure that interveners have a fair opportunity to prepare and file quality evidence. FortisBC also suggests that the BCUC consider avoiding procedural deadlines during spring break which, for most school, is between the dates of March 16 to 27, 2020, as the availability of some participants may be affected during that period.

With these thoughts in mind, if the BCUC were able to issue a procedural order by January 23, 2020, FortisBC proposes the following regulatory timetable:

Action	Date (2020)
Intervener Evidence	Thursday, March 5, 2020
BCUC Information Requests (IRs) on Intervener Evidence	Thursday, April 9, 2020
Intervener IRs on Intervener Evidence	Thursday, April 16, 2020
Intervener Responses to IRs on Intervener Evidence	Thursday, May 7, 2020
Further Process	To be determined

FortisBC does not currently anticipate a need for an oral hearing in this proceeding.

If further information is required, please contact the undersigned.

Sincerely,

on behalf of FORTISBC

Original signed:

Doug Slater

cc (email only): Registered Parties

² FortisBC notes that greater than 25 interveners and 23 interested parties have registered, including numerous municipalities, utilities, regional districts, ratepayer groups, and ratepayers.