



bcuc
British Columbia
Utilities Commission

Patrick Wruck
Commission Secretary

Commission.Secretary@bcuc.com
bcuc.com

Suite 410, 900 Howe Street
Vancouver, BC Canada V6Z 2N3
P: 604.660.4700
TF: 1.800.663.1385
F: 604.660.1102

February 20, 2020

Sent via email/eFile

BCUC INDIGENOUS UTILITIES REGULATION INQUIRY
EXHIBIT A-50

Mr. Doug Slater
Director, Regulatory Affairs
FortisBC Group of Companies
16705 Fraser Highway
Surrey, BC V4N 0E8
gas.regulatory.affairs@fortisbc.com;
electricity.regulatory.affairs@fortisbc.com

**Re: British Columbia Utilities Commission – Indigenous Utilities Regulation Inquiry – Project No. 1598998
Panel Information Request No. 1 to FortisBC Group of Companies**

Dear Mr. Slater:

Enclosed please find Panel Information Request No. 1 to FortisBC Group of Companies. Pursuant to Order G-26-20, please file your responses no later than Friday, February 28, 2020.

Sincerely,

Original signed by Ian Jarvis for:

Patrick Wruck
Commission Secretary

/ad



British Columbia Utilities Commission
Indigenous Utilities Regulation Inquiry

PANEL INFORMATION REQUEST NO. 1 TO FORTISBC GROUP OF COMPANIES

**1.0 Reference: EXISTING UTILITIES' SERVICE AREA
Final Argument, p. 8**

On page 8 of its Final Argument, the FortisBC Group of Companies (FortisBC) states:

...as BC Hydro notes, an “indigenous utility” extending service into the service territory of a pre-existing utility (e.g., FortisBC) precludes the latter from capturing those customers or can erode its customer base and load. This adversely impacts the existing customers of the pre-existing utility. Lower load means that the pre-existing utility’s costs of operating the system must be recovered from fewer customers. Left unchecked, assets may ultimately be underutilized or stranded. The risk associated with the erosion of load can also adversely impact the pre-existing utility’s cost of capital, which is borne by ratepayers. In considering the appropriate regulatory approach for “indigenous utilities”, the BCUC should be mindful of the regulatory risks created by the interplay between utilities operating in the same area.

- 1.1 Please provide the geographic boundary of FortisBC Inc. (FBC) and FortisBC Energy Inc.’s (FEI) service territory.
 - 1.1.1 Please clarify whether FBC and/or FEI’s service territory is limited to a certain distance from the nearest existing transmission or distribution line.
- 1.2 Please provide documentation of any agreement establishing FBC and FEI’s service territory, and any exclusive rights to provide service therein.
 - 1.2.1 In the absence of any such agreement, please provide a view on what legal or regulatory barriers exist, if any, for other utilities wishing to operate and sell to customers within FBC and FEI’s service territory.
 - 1.2.2 Please also provide FortisBC’s view on the jurisdiction and role of the BCUC in determining whether another utility can operate and sell to customers within FBC and FEI’s service territory.