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December 2, 2020

British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC, V6Z 2N3
Attn: Marija Tresoglavic, Acting Commission Secretary

By Web Posting

Dear Madam:

Re: FortisBC Energy Inc. (FEI) Biomethane Energy Recovery Charge (BERC) Rate
Methodology - British Columbia Utilities Commission (BCUC) Decision and Order G-
133-16 Compliance Filing – BERC Rate Assessment Report
BCSEA Submission Regarding Process

This is the intervener B.C. Sustainable Energy Association's submission regarding process, pursuant to the regulatory timetable established by Order G-301-20 dated November 30, 2020.¹

1. Background

In 2016, the Commission approved FEI's BERC Rate Methodology Application and required FEI to file a comprehensive assessment report regarding the BERC rate methodology in four years.²

Accordingly, FEI filed the BERC Rate Assessment Report on August 12, 2020.³ In the Assessment Report, FEI submitted that the BERC rate methodology remains appropriate and that a review or changes to the methodology are not necessary at this time.

By Order G-292-20 dated November 12, 2020,⁴ the BCUC established a regulatory timetable that included a request for submissions on a list of preliminary scope items set out in Appendix C. These items address the RNG Program as a whole, including but not limited to the BERC rate methodology.

On November 17, 2020, FEI asked the BCUC to rescind Order G-292-20 and to establish a regulatory review process with two stages or two separate processes. FEI said it has a plan underway for a more comprehensive review of the Renewable Natural Gas (RNG) Program, and it proposed to provide the BCUC and interveners with a status update on or before June 30, 2021, which would include expected timing for its application for RNG Program changes, currently anticipated late in 2021.

¹ Exhibit A-5.

² Decision and Order G-133-16.

³ Exhibit B-1.

⁴ Exhibit A-3.

By letter of November 20, 2020, the BCUC suspended the proceeding pending a review of the regulatory timetable.

2. Process Alternatives

By Order G-301-20, the BCUC invited submissions on process alternatives set out in Appendix B of the Order as follows:

- “1. Amend the dates in the current regulatory timetable but continue with seeking submissions from FEI and registered interveners on the preliminary scope items identified in Appendix C of Order G-292-20.
2. Establish a regulatory review process, consisting of two stages, or two separate processes, as presented by FEI in its letter dated November 17, 2020 (Exhibit B-2).
3. Establish a regulatory review process in 3 stages:
 - i. Stage 1: Review of FEI’s Assessment Report filed as Exhibit B-1;
 - ii. Stage 2: Review FEI’s BERC program to date with the potential to make modifications to the BERC rate methodology; and
 - iii. Stage 3: FEI to file a comprehensive review and assessment of its RNG Program addressing all aspects of the program including, but not limited to, the items identified in Appendix C of Order G-292-20.
4. Any other process alternatives, with rationale.”

3. BCSEA Submissions

BCSEA favours adoption of process alternative number 2: “Establish a regulatory review process, consisting of two stages, or two separate processes, as presented by FEI in its letter dated November 17, 2020 (Exhibit B-2).”

Regulatory efficiency is the rationale for this approach. The BERC Rate Assessment Report focuses on the BERC Rate, not on all the other aspects of the RNG Program. In BCSEA’s view, it would be preferable to have FEI complete a comprehensive review of the RNG Program, formulate proposed changes, and then file the proposed changes with the BCUC for examination in a second stage (or new) proceeding. The proposed changes would focus the BCUC’s examination of the RNG Program. The review of the BERC Rate Assessment Report in the first stage (or first proceeding) would provide information that would be addressed by FEI and stakeholders in the comprehensive review of the RNG Program.

BCSEA would of course live with any process the Commission sets out. However, in BCSEA’s view, a disadvantage of alternative number 1 is that there is no evidentiary record (except regarding the BERC Rate) to support a review of the RNG Program.

Regarding alternative number 3, in BCSEA’s view it could be problematic to modify the BERC rate methodology (in Stage 2) without taking into account a comprehensive examination of the RNG Program as a whole (which would not occur until Stage 3).

BCSEA acknowledges the important questions identified Appendix C of Order G-292-20. BCSEA would expect FEI to address these topics (among other things) in its proposed review of the RNG Program and to identify how these issues have been addressed in the proposed changes it would file with the Commission under alternative number 2.

All the above is respectfully submitted.

Yours truly,

William J. Andrews

A handwritten signature in black ink, appearing to be 'WJ Andrews', written over a horizontal line.

Barrister & Solicitor