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British Columbia Utilities Commission
Sixth Floor – 900 Howe Street
Vancouver, B.C. V6Z 2N3

Attention: Patrick Wruck, Commission Secretary

Dear Mr. Wruck:

City of Coquitlam
Application to the British Columbia Utilities Commission (BCUC) for
Reconsideration and Variance of BCUC Order No. G-80-19 (Application)
BCUC Project No. 1599008

On behalf of the City of Coquitlam (the **City**), we write to provide the City's submission in response to the BCUC's January 27, 2021 letter (Ex. A-16 in the proceeding) in connection to FortisBC Energy Inc.'s (**FEI**) letter of January 26, 2021 (Ex. C1-14).

While the City has no objection to FEI providing clarification of its position, in our view Ex. C1-14 provides limited clarification in respect of the issues in the Reconsideration Final Phase.

For ease of reference, paragraph 2 of Order G-80-19 provides as follows (underlining added):

Pursuant to section 32 of the *UCA*, upon request by the City in circumstances where it interferes with municipal infrastructure, the costs of removal of any portion of the decommissioned NPS 20 Pipeline shall be shared equally between FEI and the City.

The City argues in this Reconsideration Final Phase that the double-underlined portion of paragraph 2 of Order G-80-19 (that is, the 50:50 cost sharing component) is neither necessary nor appropriate. It is not necessary because the single-underlined portion of paragraph 2 (and the BCUC's findings pursuant to the Order G-75-20 Decision that the BCUC retains perpetual jurisdiction over the NPS 20 pipes even once permanently decommissioned) means that FEI is not required to remove NPS 20 pipes unless the pipes interfere with municipal infrastructure.¹

¹ The City's position is that the BCUC does not have jurisdiction to make this Order, and that is an issue in the appeal. However, the single-underlined term of the BCUC's order is accepted for the purposes of this Reconsideration Final Phase, as submitted in the reply argument. The double-underlined term of the BCUC's order it at issue in this Reconsideration Final Phase.

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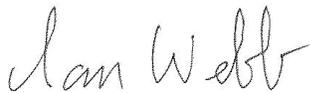
Cost allocation is not required to support avoidance of unnecessary NPS 20 pipe removal because this is addressed by the specific term of the BCUC's Order.

As we understand FEI's arguments, FEI takes the position that the double-underlined portion of paragraph 2 of Order G-80-19 is required because without it the City might request NPS 20 pipe removal that is considered unnecessary or unreasonable and FEI might be required to comply with such request even if removal is deemed unnecessary or unreasonable. To our knowledge, FEI simply does not address in its final argument why the double-underlined component is necessary given the single-underlined term of the Order. Paragraph 24 of FEI's final argument goes so far as to suggest that the cost sharing approach could avoid the need for any BCUC involvement – that being the BCUC involvement otherwise required by the single-underlined portion of paragraph 2 of the Order and the BCUC's findings pursuant to the Order G-75-20 Decision that the BCUC retains perpetual jurisdiction over the NPS 20 pipes even once permanently decommissioned.

In reply argument, we therefore felt compelled to infer that FEI is proposing that the BCUC rescind the single-underlined term of paragraph 2 of Order G-80-19. FEI has now made clear in its Ex. C1-14 submission that it does not propose that and indeed proposes no change to paragraph 2 of Order G-80-19. What remains unaddressed by FEI, to our knowledge, is why the double-underlined component is necessary given the single-underlined term and the ongoing BCUC jurisdiction inherent in it per the Order G-75-20 Decision.

Yours very truly,

LAWSON LUNDELL LLP



Ian Webb

cc. Stephanie James, City of Coquitlam
Regulatory Affairs, FortisBC Energy Inc.
Registered Interveners