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October 29, 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 Energy Inc. and FortisBC Inc. (collectively FortisBC)

Project No. 1598996

**Application for Approval of a Multi-Year Rate Plan for 2020 through 2024
(Application)**

Written Submission for Procedural Conference of October 31, 2019

FEI and FBC (together, referred to as "FortisBC") write to provide written submission on the items that the BCUC requested parties address at the October 31, 2019 procedural conference. These items are:

1. Whether FortisBC intends to file rebuttal evidence, and if so, do interveners wish to file Information Requests (IR) on FortisBC's rebuttal evidence if an oral public hearing is not held;
2. Whether the review of the Application should proceed by way of a written or oral public hearing. If an oral public hearing is proposed, please identify the specific matter(s) that should be addressed through that process and the rationale for an oral hearing being required;
3. Steps and timetable associated with the recommended regulatory review process, considering the current placeholder for an oral public hearing to begin the week of December 16, 2019. Please outline any time periods where you are unavailable if an alternative oral public hearing if an alternative oral public hearing date is proposed; and
4. Any other procedural matters that will assist the BCUC to efficiently review the Application.

We address the first three items below. FortisBC has no procedural matters to add at this time. We will elaborate on these submissions at the Procedural Conference.

Item 1 - FortisBC Rebuttal Evidence:

Whether FortisBC intends to file rebuttal evidence, and if so, do interveners wish to file Information Requests (IR) on FortisBC's rebuttal evidence if an oral public hearing is not held

FortisBC will be filing rebuttal evidence in response to the evidence of Mr. Bell. In response to Item 4 below, FortisBC sets out proposed timetables for a fully written process, both with and without IRs on FortisBC's rebuttal evidence. Given the narrow scope of Mr. Bell's evidence, FortisBC expects the rebuttal evidence to be similarly narrow in scope.

Item 2 - Further Process - Oral vs. Written:

Whether the review of the Application should proceed by way of a written or oral public hearing. If an oral public hearing is proposed, please identify the specific matter(s) that should be addressed through that process and the rationale for an oral hearing being required

FortisBC submits that, in light of the way that the process and evidence has unfolded, the proceeding can be fairly and efficiently determined based on the written record.

Written hearing processes and oral hearing processes are equally legitimate ways of resolving regulatory applications. An oral hearing, however, involves considerably more investment by the utility and other participants in terms of time and dollars, with all costs ultimately being borne by customers. It must therefore be considered whether an oral hearing will add real and material value, relative to what can be achieved with a comprehensive written record. In this proceeding, a written hearing process is the best way to achieve a fair, efficient and timely resolution of this Application.

While counsel for FortisBC will speak to this matter in greater detail at the procedural conference, FortisBC highlights here three reasons why a written hearing is preferable in this case:

- (a) We are building off of a significant base of knowledge and history with PBR-like plans, including the 2014 PBR proceeding and the rigorous annual review processes that have occurred under the current PBR plans.
- (b) There is an extensive evidentiary record, including a comprehensive application, approximately 2700 IR responses, and written intervenor evidence from BCOAPO, as well as an opportunity to ask IRs on that evidence, and to provide written rebuttal evidence.
- (c) There has been limited reliance on third party expert evidence in this proceeding, reducing the extent of "dueling" experts that was present in the 2014 PBR proceeding.

In the event that the BCUC determines some form of oral hearing is appropriate, it should be targeted at the areas where it would provide the most value. The candidates for an oral component would be the areas where the substance is new, as opposed to variations on the

theme of the current PBR or more technical matters. These new areas are the Innovation Fund and Targeted Incentives. There are extensive IRs on these topics which has resulted in a very well developed and, in FortisBC’s view, sufficient record. However, these are new areas, and are areas of interest, which makes them the most suitable candidates for inclusion in any oral hearing ordered. All other matters should be addressed in writing regardless.

A carefully scoped oral proceeding, rather than an all-encompassing one, will have the added benefit of being able to be addressed in the time set aside in December. If the oral hearing component cannot be completed in that period, then we will quickly run into scheduling issues with the Holiday period and the oral hearing for BC Hydro’s revenue requirements application.

Item 3 - Timetable for Process Steps:

Steps and timetable associated with the recommended regulatory review process, considering the current placeholder for an oral public hearing to begin the week of December 16, 2019.

FortisBC has set out below three proposed timetables, one for a fully written process without IRs on Rebuttal, one for a fully written process with IRs on rebuttal, and one contemplating an oral hearing component. In all three tables, the first two steps have already been determined by the BCUC.

In Table 1 below, the proposed timelines for written submissions, without IRs on rebuttal, provides a month for intervenor reply submission, recognizing the holiday season.

Table 1: Proposed Regulatory Timetable for Written Proceeding, without IRs on Rebuttal Evidence

| Process Step | Date |
|---|-------------------|
| Intervener Responses to IRs on Evidence | November 19, 2019 |
| FortisBC Rebuttal Evidence | November 26, 2019 |
| FortisBC Final Submission | December 17, 2019 |
| Intervener Final Submission | January 17, 2019 |
| FortisBC Reply Submission | February 7, 2020 |

In Table 2 below, the proposed timetable for a written proceeding with IRs on rebuttal envisions completion of the IRs before the Holiday season. The timetable provides four weeks for intervenor final submissions given the overlap with the BC Hydro oral hearing.

Table 2: Proposed Regulatory Timetable for Written Proceeding with IRs on Rebuttal Evidence

| Process Step | Date |
|--|-------------------|
| Intervener Responses to IRs on Evidence | November 19, 2019 |
| FortisBC Rebuttal Evidence | November 26, 2019 |
| BCUC and Intervener IRs on Rebuttal Evidence | December 6, 2019 |

| Process Step | Date |
|---|-------------------|
| FortisBC Response to IRs on Rebuttal Evidence | December 20, 2019 |
| FortisBC Final Submission | January 10, 2020 |
| Intervener Final Submission | February 7, 2020 |
| FortisBC Reply Submission | February 28, 2020 |

FortisBC's proposed timetable for a proceeding with an oral component is set out in Table 3. This schedule contemplates completing the oral hearing component in the week of December 16, which should be achievable if the hearing is appropriately scoped. The timeline provides approximately four weeks for intervener final submissions given the overlap with the BC Hydro oral hearing. The FortisBC Reply Submission comes just before the start of Spring Break.

Table 3: Proposed Regulatory Timetable for Proceeding With Scoped Oral Component

| Process Step | Date |
|---|---------------------|
| Intervener Responses to IRs on Evidence | November 19, 2019 |
| FortisBC Rebuttal Evidence | November 26, 2019 |
| Oral Hearing | Week of December 16 |
| FortisBC Final Submission | January 24, 2020 |
| Intervener Final Submission | February 20, 2020 |
| FortisBC Reply Submission | March 12, 2020 |

Regarding alternative oral public hearing dates, FortisBC is not available December 23 and 24 and FortisBC's counsel is not available from December 30 to January 3.

Conclusion

Counsel for FortisBC will speak to these submissions at the October 31, 2019 procedural conference and will be pleased to respond to any questions from the BCUC at that time.

If further information is required, please contact the undersigned.

Sincerely,

FORTISBC ENERGY INC.
FORTISBC INC.

Original signed:

Doug Slater

cc (email only): Registered Parties