



Doug Slater
Director, Regulatory Affairs

Gas Regulatory Affairs Correspondence
Email: gas.regulatory.affairs@fortisbc.com

Electric Regulatory Affairs Correspondence
Email: electricity.regulatory.affairs@fortisbc.com

FortisBC
16705 Fraser Highway
Surrey, B.C. V4N 0E8
Tel: (778) 578-3874
Cell: (778) 214-3842
Fax: (604) 576-7074
Email: doug.slater@fortisbc.com
www.fortisbc.com

February 19, 2020

British Columbia Public Interest Advocacy Centre
Suite 803 470 Granville Street
Vancouver, B.C.
V6C 1V5

Attention: Ms. Leigha Worth, Executive Director

Dear Ms. Worth:

Re: British Columbia Hydro and Power Authority (BC Hydro) and FortisBC Energy Inc. and FortisBC Inc. (FortisBC)

Evacuation Relief Tariff Amendment Applications (Applications)

Response to the British Columbia Public Interest Advocacy Centre representing the British Columbia Old Age Pensioners' Organization, Active Support Against Poverty, Disability Alliance BC, Council of Senior Citizens' Organizations of BC, Together Against Poverty Society, and the Tenant Resource and Advisory Centre et al. (BCOAPO) Information Request (IR) No. 1

In accordance with BCUC Order G-256-19 setting out the Regulatory Timetable for the review of the above noted Applications, FortisBC respectfully submits the attached response to BCOAPO-FortisBC IR No. 1.

If further information is required, please contact the undersigned.

Sincerely,

on behalf of FORTISBC

Original signed:

Doug Slater

Attachments

cc (email only): Commission Secretary
Registered Parties

British Columbia Hydro and Power Authority (BC Hydro), FortisBC Energy Inc. (FEI) and FortisBC Inc. (FBC) Evacuation Relief Tariff Amendment Applications (Applications)	Submission Date: February 19, 2020
Response to British Columbia Public Interest Advocacy Centre representing the British Columbia Old Age Pensioners' Organization, Active Support Against Poverty, Disability Alliance BC, Council of Senior Citizens' Organizations of BC, Together Against Poverty Society, and the Tenant Resource and Advisory Centre <i>et al.</i> (BCOAPO) Information Request (IR) No. 1	Page 1

1.0 Reference: Exhibit B2-1, pages 2 & 5 and Appendix F (Item #14)

1.1 Please confirm that, for FBC's Residential customers and Small Commercial customers, the Rate Schedule charges referred to under Item #14 include the Late Payment Charge (as is included on the relevant rate schedules).

Response:

Not confirmed. In the Application, FBC has not requested BCUC approval to credit (not charge) Evacuee Customers late payment charges. This is because the current FBC Electric Tariff General Terms and Conditions and Rate Schedules already allows FBC to not apply late payment charges on overdue accounts in certain circumstances. Thus, FBC has the flexibility to work with customers, including Evacuee Customers, with respect to waiving late payment charges, making flexible payment arrangements, or pausing collection-related activities.

1.1.1 If confirmed please reconcile with the statement on page 5 which suggests that Late Payment Charges will only be waived when "reasonable to do so".

Response:

Please refer to the response to BCOAPO-FortisBC IR 1.1.1.

1.2 Please confirm that under FBC's proposal General Service customers with loads up to 499 kW would be eligible for Evacuation Relief and explain why this "cut-off" was chosen as opposed to a higher or lower threshold.

Response:

FortisBC has proposed that Residential, Small Commercial and Large Commercial Rate Schedules be eligible for evacuation relief, which is consistent with the evacuation relief approved by the BCUC in 2017 by Orders G-124-17 and G-124-17A, and in 2018 by Orders G-169-18 and G-170-18. The proposed "cut-off" is consistent with these rate schedules.

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Table 1 in FortisBC's Application¹ identifies FortisBC Residential and Commercial Rate Schedules it proposes to be eligible for evacuation relief, including FBC Rate Schedule (RS) 21, which is classified as Commercial Service (not General Service). In order to be eligible to receive service under FBC RS 21, customers' electric demand must generally be greater than 40 kw but less than 500 kW, supplied through one meter².

In consideration of the potential impact to all customers of larger revenue shortfalls, the use of energy for process load and the likelihood of more readily available contingencies to Industrial customers, such as business interruption insurance, FortisBC has not included Industrial customers in the eligibility for evacuation relief.

1.3 Please explain why FBC RS 21 customers are referenced twice under the definition of an "Evacuee Customer". Is this a duplication or was the intent to include an additional customer class?

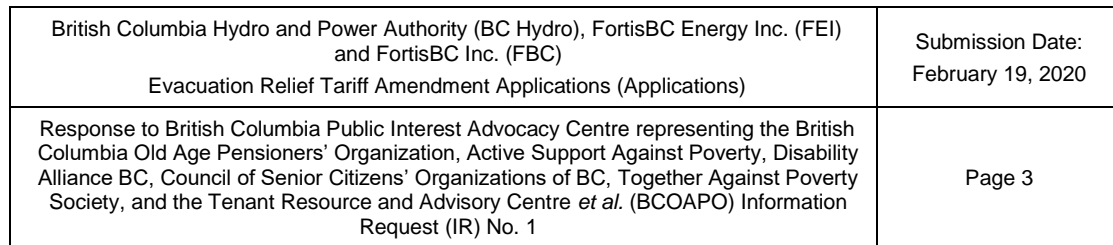
Response:

The duplicate references to FBC RS 21 customers under the definition of an "Evacuee Customer" on page 2 of FortisBC's Application and under recital B of FBC's Draft Order in Appendix B³ were typographical errors and should be deleted. Attachment 1.3 contains corrected Draft Orders for Appendices A and B.

¹ Exhibit B2-1, Table 1: Residential and Commercial Rate Schedules Impacted, page 5.

² FBC GT&Cs and Rate Schedules, RS 21 Commercial Service, Applicability, page R-21.1.

³ The cover page for the Draft Order was inadvertently incorrectly titled as Appendix A when it should have been Appendix B in FortisBC's original Application. In addition, Rate Schedule 3 has been removed from the Evacuee Customer list as it was approved to be removed in the FBC Rate Design Decision and Order G-40-19, and was implemented effective September 1, 2018.



2 Exhibit B1-1, page 6

8 Please refer to the response to BCUC-FortisBC IR 1.2.1

9

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3.0 Reference: Exhibit B2-1, page 3

Exhibit B1-1, page 7

3.1 Why has FortisBC not sought to be provided some discretion, as BC Hydro has done, in the waiving of charges when the Evacuation Order is less than five consecutive days?

Response:

Please refer to the response to BCUC-FortisBC IR 1.3.1.

3.2 It is noted that BC Hydro has proposed that waivers be provided when it becomes aware of an Evacuee Customer within two years of the end of the applicable Evacuation Order. However, FortisBC's Application does not contain a similar limitation. Please confirm that FortisBC is not proposing there be any time limitation after the end of the Evacuation Order for customers to apply for Evacuation Relief.

Response:

Please refer to the response to BCUC-FortisBC IR 1.3.10.

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4.0 Reference: Exhibit B2-1, page 4 and Appendices C & D

4.1 It is noted that neither Appendix includes any applicable timeframe during which the credit would be applicable to customers' bills (e.g. only applicable to bills issued after a certain point in time and/or before the effective date of the Evacuation Relief Tariff – September 1, 2018). Please explain why.

Response:

FortisBC filed its Application on August 1, 2018. It contained two Parts, Part 1 – Evacuation Relief Tariff Application and Part 2 – Exemption Application (for evacuation relief affecting customers in 2018).

- Part 1 of FortisBC's Application is the subject of this proceeding where FortisBC is seeking BCUC approval of tariff changes to allow FortisBC the ability to grant customers under Evacuation Orders relief from certain charges if they meet the qualification criteria. The evacuation relief sought from the proposed tariff changes is intended to address any circumstance in the future that would result in a declaration of a State of Emergency and would apply to any FortisBC customer who came under an Evacuation Order, who met the criteria to qualify for the relief. The evacuation relief is not limited to flooding or wildfire events but includes any event that results in a declaration of a State of Emergency.
- Part 2 of FortisBC's Application sought BCUC approval for an exemption to provide credit or waive applicable charges for certain customers who came under an Evacuation Order specifically related to the 2018 wildfires and flood events that affected FortisBC customers⁴. Part 2 was filed in the event that the BCUC was not able to complete its review of Part 1 in time to address customers who came under Evacuation Orders during 2018.

FortisBC had proposed September 1, 2018 as the effective date for Part 1 of its Application; however, the BCUC delayed review of Part 1 in order to address any proposed tariff changes in a future joint process in conjunction with BC Hydro. As such, the BCUC conducted and completed its review of Part 2 of FortisBC's Application and issued the exemption orders sought for 2018 evacuation relief by Orders G-169-18 and G-170-18. Since that time, there has not been a State of Emergency declared which has resulted in FortisBC's customers coming under Evacuation Orders.

Given the passage of time since the Application was filed, the September 1, 2018 effective date is no longer applicable. Instead, the effective date of the evacuation relief tariff changes, if

⁴ States of Emergency were declared for flooding which occurred in parts of the Interior, Kootenay and Lower Mainland regions of British Columbia during May 2018, and wildfires which affected several areas of the Province in July 2018.

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1 approved by the BCUC, will be based on the effective date the BCUC determines in that
2 decision. Please refer to Attachment 1.3 provided in response to BCOAPO-FortisBC IR 1.1.3
3 for revised Draft Orders removing the originally proposed effective date.

4 Thus, if evacuation relief is approved, any customer affected by an Evacuation Order issued
5 after the effective date would be entitled to evacuation relief for the Evacuation Period if they
6 meet the necessary criteria as determined by the BCUC.

7 Please also refer to the responses to BCUC-FortisBC IRs 1.2.3 and 1.3.10, where FortisBC has
8 revised its proposed tariff changes to allow for consideration of requests from customers more
9 than two years after an Evacuation Order has ended.

10
11
12
13 4.2 It is noted that relief is only sought for flood or wildfire Evacuation Orders. Is
14 there any reason why the relief is limited to Orders issued for these types of
15 events?
16

17 **Response:**

18 Please refer to the response to BCOAPO-FortisBC IR 1.4.1.
19

British Columbia Hydro and Power Authority (BC Hydro), FortisBC Energy Inc. (FEI) and FortisBC Inc. (FBC) Evacuation Relief Tariff Amendment Applications (Applications)	Submission Date: February 19, 2020
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5.0 Reference: Exhibit B2-1, page 2

5.1 For those FBC or FEI customers that would not be eligible Evacuee Customers do any of the related Rate Schedules or Terms & Conditions of Service provide relief in situations such as those that would lead to an Evacuation Order?

Response:

Yes, the FEI GT&Cs Sections 5.3 (Waiver of Application Charge) and 13.2 (Right to Restrict) contain provisions which allow for the waiver of the Application Charge⁵, which may provide some limited relief to FEI customers in certain individual situations but is not intended to broadly apply to groups of customers for which Evacuation Orders would apply. Both FEI and FBC⁶ do work with customers, based on their individual circumstances and, when appropriate, the Companies can provide relief in areas of late payment charges, payment arrangements, security deposits and application or reconnection fees, particularly when services are disconnected for safety reasons. However, the Evacuation Relief currently being applied for is intended to cover groups of customers affected by Evacuation Orders and includes the ability for FortisBC to waive or credit service charges including delivery charges (basic charge and variable charges) and energy charges during the Evacuation Period.

Any administrative costs that may be incurred in both sets of circumstances described above are absorbed through operating and maintenance expense. Thus, the recovery of those costs is dependent on the rate setting mechanism approved and in place at that time. For example, in the case of the most recent PBR, variances in O&M would be shared equally between all customers and the shareholder. In the absence of an applicable deferral account or an earning sharing mechanism, variances would typically be to the account of the shareholder.

5.1.1 If yes, please indicate which Rate Schedules these are and what the related relief would be.

Response:

Please refer to the response to BCOAPO-FortisBC IR 1.5.1.

⁵ Under certain conditions, as set out Sections 5.3 and 13.2 of the FEI GT&Cs.

⁶ While FBC does not have specific language in its Electric Tariff, it also has the ability to provide similar limited relief.

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1

2 5.1.2 If yes, please indicate whether the “cost” of any such relief is

3 recoverable through rates or whether it is to the account of the

4 shareholder.

5

6 **Response:**

7 Please refer to the response to BCOAPO-FortisBC IR 1.5.1.

8

Attachment 1.3

Appendix A

**FEI EVACUATION RELIEF TARIFF APPLICATION
DRAFT ORDER**



Suite 410, 900 Howe Street
Vancouver, BC Canada V6Z 2N3
bcuc.com

P: 604.660.4700
TF: 1.800.663.1385
F: 604.660.1102

ORDER NUMBER

G-xx-xx

IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

FortisBC Energy Inc.
Application for Approval of Tariff Changes to Permit Relief for Customers Under Evacuation Orders

BEFORE:

[Panel Chair]
Commissioner
Commissioner

on **Date**

ORDER

WHEREAS:

- A. On August 1, 2018, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (Commission) pursuant to sections 59 to 61 of the *Utilities Commission Act* (UCA) for tariff changes to the FEI General Terms and Conditions (GT&Cs), effective September 1, 2018, to add definitions and a new section to permit Evacuation Relief (Application);
- B. The Application seeks tariff changes to permit relief in the form of a credit, or to not charge customers who receive service under Rate Schedules 1, 1U, 1X, 1B, 2, 2U, 2X, 2B, 3, 3U, 3X, 3B, and 23, for the charges that would otherwise have applied during the period the customer (the Evacuee Customer) was under an Evacuation Order (the Evacuation Period); and
- C. The Commission reviewed the Application and considers that approval is warranted.

NOW THEREFORE pursuant to sections 59 to 61 of the UCA, the Commission approves FEI's tariff changes to the FEI GT&Cs, as applied for, effective **[date]**, to permit Evacuation Relief for the Evacuation Period for an Evacuee Customer.

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DATED at the City of Vancouver, in the Province of British Columbia, this **(xx)** day of **(Month Year)**.

BY ORDER

(X. X. last name)
Commissioner



ORDER NUMBER

G-xx-xx

IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

FortisBC Energy Inc.
Application for Approval of Tariff Changes to Permit Relief for Customers Under Evacuation Orders

BEFORE:

[Panel Chair]
Commissioner
Commissioner

on Date

ORDER

WHEREAS:

- A. On August 1, 2018, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (Commission) pursuant to sections 59 to 61 of the *Utilities Commission Act* (UCA) for tariff changes to the FEI General Terms and Conditions (GT&Cs), effective September 1, 2018, to add definitions and a new section to permit Evacuation Relief (Application);
- B. The Application seeks tariff changes to permit relief in the form of a credit, or to not charge customers who receive service under Rate Schedules 1, 1U, 1X, 1B, 2, 2U, 2X, 2B, 3, 3U, 3X, 3B, and 23, for the charges that would otherwise have applied during the period the customer (the Evacuee Customer) was under an Evacuation Order (the Evacuation Period); and
- C. The Commission reviewed the Application and considers that approval is warranted.

NOW THEREFORE pursuant to sections 59 to 61 of the UCA, the Commission approves FEI's tariff changes to the FEI GT&Cs, as applied for, effective [date], to permit Evacuation Relief for the Evacuation Period for an Evacuee Customer.

DATED at the City of Vancouver, in the Province of British Columbia, this (XX) day of (Month Year).

BY ORDER

(X. X. last name)
Commissioner

Appendix B

**FBC EVACUATION RELIEF TARIFF APPLICATION
DRAFT ORDER**



Suite 410, 900 Howe Street
Vancouver, BC Canada V6Z 2N3
bcuc.com

P: 604.660.4700
TF: 1.800.663.1385
F: 604.660.1102

ORDER NUMBER

G-xx-xx

IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

FortisBC Inc.

Application for Approval of Tariff Changes to Permit Relief for Customers Under Evacuation Orders

BEFORE:

[Panel Chair]
Commissioner
Commissioner

on **Date**

ORDER

WHEREAS:

- A. On August 1, 2018, FortisBC Inc. (FBC) applied to the British Columbia Utilities Commission (Commission) pursuant to sections 59 to 61 of the *Utilities Commission Act* (UCA) for tariff changes to the FBC Terms and Conditions (T&Cs), effective September 1, 2018, to add definitions and a new section to permit Evacuation Relief (Application);
- B. The Application seeks tariff changes to permit relief in the form of a credit, or to not charge customers, who receive service under Rate Schedules 1, 2A, 3A, 20, 21, 22A, 23A, 60, 61 or 95, for the charges that would otherwise have applied during the period the customer (the Evacuee Customer) was under an Evacuation Order (the Evacuation Period); and
- C. The Commission reviewed the Application and considers that approval is warranted.

NOW THEREFORE pursuant to sections 59 to 61 of the UCA, the Commission approves FBC's tariff changes to the FBC T&Cs, as applied for, effective **[date]**, to permit Evacuation Relief for the Evacuation Period for an Evacuee Customer.

DATED at the City of Vancouver, in the Province of British Columbia, this **(xx)** day of **(Month Year)**.

BY ORDER

(X. X. last name)
Commissioner

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ORDER NUMBER

G-xx-xx

IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

FortisBC Inc.

Application for Approval of Tariff Changes to Permit Relief for Customers Under Evacuation Orders

BEFORE:

[Panel Chair]
Commissioner
Commissioner

on Date

ORDER

WHEREAS:

- A. On August 1, 2018, FortisBC Inc. (FBC) applied to the British Columbia Utilities Commission (Commission) pursuant to sections 59 to 61 of the *Utilities Commission Act* (UCA) for tariff changes to the FBC Terms and Conditions (T&Cs), effective September 1, 2018, to add definitions and a new section to permit Evacuation Relief (Application);
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- C. The Commission reviewed the Application and considers that approval is warranted.

NOW THEREFORE pursuant to sections 59 to 61 of the UCA, the Commission approves FBC's tariff changes to the FBC T&Cs, as applied for, effective [date], to permit Evacuation Relief for the Evacuation Period for an Evacuee Customer.

DATED at the City of Vancouver, in the Province of British Columbia, this (XX) day of (Month Year).

BY ORDER

(X. X. last name)
Commissioner