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May 8, 2020

Movement of United Professionals
c/o Allevato Quail & Roy, Barristers and Solicitors
405-510 West Hastings St.
Vancouver, BC
V6B 1L8

Attention: Ms. Susanna Quail

Dear Ms. Quail

Re: FortisBC Energy Inc. and FortisBC Inc. (collectively FortisBC) Application for Approval of COVID-19 Customer Recovery Fund Deferral Account
Response to Canadian Office and Professional Employees Union, Local 378 (known as Movement of United Professionals or MoveUP) Information Request (IR) No. 1

On April 3, 2020, FortisBC filed the Application referenced above. In accordance with the British Columbia Utilities Commission Order G-97-20 setting out the Regulatory Timetable for the review of the Application, FortisBC respectfully submits the attached response to MoveUP 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



FortisBC Energy Inc. and FortisBC Inc. (collectively FortisBC) Application for Approval of COVID-19 Customer Recovery Fund Deferral Account (the Application)	Submission Date: May 8, 2020
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1 **TOPIC: BILL PAYMENT DEFERRAL FOR RESIDENTIAL AND SMALL COMMERCIAL**
2 **CUSTOMERS**

3 **1.0 Repayment arrangements on and after July 1, 2020**

4 Reference: Exhibit B-1, Application, page 2-3:

5 Residential and small commercial customers who apply and qualify for the three-
6 month bill deferral will also enter into repayment arrangements for their deferred
7 balance to be paid over the twelve months following the deferral period,
8 commencing July 1, 2020.

9 And Reference: Exhibit B-2, FortisBC Response to BCUC IR No. 1, page 4

10 Depending on the state of the economic recovery post COVID-19 pandemic,
11 FortisBC would work with customers on a case-by-case basis given their
12 individual circumstances and enter into different payment arrangements or, if
13 appropriate, FortisBC would institute its regular collections process.

14 1.1 In light of the development of the pandemic, the economic fallout of the
15 pandemic, and the evolving public health orders and guidelines from the date of
16 this application to the present, has FortisBC reconsidered the prudence of July 1,
17 2020 as the proposed end-date of the bill deferral program and commencement
18 of repayment?
19

20 **Response:**

21 FortisBC will work with its customers individually and monitor the impacts of the COVID-19
22 pandemic as it approaches the end of the 90-day deferral period. If FortisBC believes that an
23 extension of the 90-day deferral period is necessary and appropriate, it will request an extension
24 of the COVID-19 relief measures at that time. FortisBC believes it is premature to extend the
25 period for relief measures at this time.

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29 1.2 Does FortisBC have any data to date indicating how many of its customers it
30 expects to take advantage of the bill deferral program?
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1 **Response:**

2 As at May 8, 2020, FortisBC received 14,630 applications for the COVID-19 Customer
3 Recovery Fund, which represents approximately one percent of all residential and small
4 commercial customers for FEI and FBC, respectively.¹

5 The following table provides the number of applications from customers of FEI and FBC, and
6 shows the number of residential and small commercial customer applications contributing to the
7 total. Please note that these figures are subject to change and that the small commercial total
8 also includes customers that have applied for the bill credit program.

COVID-19 Customer Relief Fund Applications	Residential	Small Commercial	Total
FEI	9,137	3,575	12,712
FBC	1,394	524	1,918
Total	10,531	4,099	14,630

9

10 FortisBC expects this number to increase through to the end of June of 2020 as customers can
11 continue to enroll until this time (subject to any program extension requests). In analyzing the
12 potential revenue impacts of the program, FortisBC considered a scenario where approximately
13 30 percent of residential and small commercial customer revenue was impacted by the relief
14 measures² to account for the fact that the duration and impacts of the pandemic were unknown
15 and are expected to continue to evolve.

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1.3 Has FortisBC completed any modelling or forecasting anticipating the number of
customers who will not be in a position to both recommence paying their regular
bills as well as commence paying off the deferred balance as of July 1, 2020?

22

23 **Response:**

24 Because of the dynamic and changing situation created by the COVID-19 pandemic, it is
25 premature for FortisBC to forecast the number of customers that will be unable to recommence
26 paying their bills as of July 1, 2020. Please also refer to the response to BCOAPO IR1 5.1.

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28

¹ As compared to 2020 forecast average total residential and small commercial customers for April of approximately 1 million for FEI and 138,500 for FBC.

² Please refer to the response to BCUC IR1 2.5.



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1
2 1.4 Has FortisBC developed a forecast of the workload it anticipates will be
3 generated for its customer service employees on and after July 1, 2020 to work
4 with customers on a case-by- case basis to enter into different payment
5 arrangements if they are not yet in a position to commence repayment?
6

7 **Response:**

8 At this time, the number of customers that may need to enter into different payment
9 arrangements after July 1, 2020 is unclear. However, FortisBC believes that this workload can
10 be handled by existing customer service personnel similar to how the applications for COVID-19
11 relief measures are currently being handled.

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14
15 1.5 Has FortisBC developed a forecast of the workload it anticipates will be
16 generated for its customer service employees on and after July 1, 2020 to
17 institute regular collections processes for outstanding deferred amounts?
18

19 **Response:**

20 FortisBC expects to continue to manage all customer service activities, including collection
21 activities once appropriate, with existing planned staffing levels. However, FortisBC recognizes
22 that the impact and duration of the pandemic is uncertain and customer support needs may
23 change, which may also require reconsideration of workload requirements and staffing needs as
24 the situation progresses.

25 The expectations for the workload at this point in time are influenced by the program design in
26 that, when applying for bill payment deferral, customers are automatically set up on a 12-month
27 repayment plan. Depending on the customer circumstance and extension of relief measures,
28 regular collections processes for these deferred amounts will generally commence at the end of
29 the 12-month repayment period for any remaining balances associated with these accounts.

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33 1.6 What protocols and plans has FortisBC developed for directing and supporting
34 customer service employees to meet any increased customer service demands
35 on and after July 1, 2020, related to the end of the bill deferral program and
36 transition to repayment of deferred balances?
37



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1 **Response:**

2 As discussed in the response to CEC IR1 3.1, the process by which customer deferred bill
3 payment balances will be transitioned to repayment plans is largely automated. To the extent
4 that this transition results in customers contacting FortisBC, it is anticipated that these activities
5 can be managed by existing staffing levels. Similar to how FortisBC implements and manages
6 consistent customer service practices generally, customer service personnel will be provided
7 with relevant guidance and training and will be supported by team leaders and managers.

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1 **TOPIC: COVID-19 CUSTOMER RECOVERY FUND DEFERRAL ACCOUNTS**

2 **2.0 Unrecovered Revenue Deferral Account**

3 Reference: Exhibit B-1, Application, page 3:

4 (1) Unrecovered revenue due to COVID-19: The deferral account will capture any
5 unrecovered revenue resulting from customers in any rate class being unable to
6 pay their bills due to the COVID-19 pandemic.

7 And Reference: Exhibit B-2, FortisBC Response to BCUC IR No. 1, page 11

8 Fortis BC will seek to determine the cause of unrecoverable amounts based on
9 the communications record with the customer and the circumstances on a case-
10 by-case basis. FortisBC will only record amounts in the deferral account if the
11 customer indicates that the payments are unrecoverable due to COVID-19
12 related causes.

13 2.1 What is a “COVID-19 related cause”? Does this include business failure as a
14 result of the economic impact of the COVID-19 pandemic, or does it only include
15 more direct cause-and- effect relationships such as a business closure pursuant
16 to an Order of the Provincial Health Officer?

17
18 **Response:**

19 A COVID-19 related cause would be an impact directly or indirectly related to the COVID-19
20 pandemic, and would include business failure as a result of the economic impact of COVID-19.

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24 2.2 What protocols has FortisBC developed for customer service employees to
25 determine, in their communications with customers, whether an amount is
26 unrecoverable due to COVID-19 related causes?

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28 **Response:**

29 Please refer to the response to BCOAPO IR1 3.2.

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33 2.3 What additional resources, including training, published guidelines, and
34 additional time, does FortisBC anticipate its customer service employees will



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1 require in order to carry out the task of determining whether a payment is
2 unrecoverable due to COVID-19 related causes?

3
4 **Response:**

5 FortisBC does not anticipate the need for additional resources to manage the COVID-19 relief
6 for customers, at this time. Similar to how FortisBC implements and manages consistent
7 customer service practices generally, customer service employees will be provided with relevant
8 guidance and training and will be supported by team leaders and managers.

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