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September 8, 2020

British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC
V6Z 2N3

Attention: Ms. Marija Tresoglavic, Acting Commission Secretary

Dear Ms. Tresoglavic:

Re: City of Coquitlam (City) Application for Reconsideration and Variance of Order G-80-19 in the matter of the FortisBC Energy Inc. (FEI) Application for Use of Lands under Sections 32 and 33 of the *Utilities Commission Act (UCA)* in the City of Coquitlam for the Lower Mainland Intermediate Pressure System Upgrade Projects (Reconsideration)

FEI Information Requests (IR) to the City of Coquitlam's Evidence on the Cost Allocation Formula

In accordance with the British Columbia Utilities Commission Order G-202-20A, attached please find FEI's IRs to the City of Coquitlam in respect of the Cost Allocation Formula.

If further information is required, please contact the undersigned.

Sincerely,

FORTISBC ENERGY INC.

Original signed:

Diane Roy

Attachments

cc (email only): Registered Parties

City of Coquitlam – Application for Reconsideration and Variance of Order G-80-19 in the matter of the FortisBC Energy Inc. Application for Use of Lands under Sections 32 and 33 of the <i>Utilities Commission Act</i> in the City of Coquitlam for the Lower Mainland Intermediate Pressure System Upgrade Projects – Project No. 1599008 Regarding Cost Allocation Formula	Submission Date: September 8, 2020
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1 **1.0 Reference: Exhibit B-12, City Evidence**

2 On PDF page 2 (letter from Mr. Webb dated August 25, 2020) the City states:

3 The City submits that paragraph 2 of Order G-80-19 should be varied to this
4 effect, and to require FEI to pay any and all incremental costs of the City that
5 result from FEI’s decommissioned NPS 20 pipes remaining in Como Lake
6 Avenue.

7 On PDF pages 146 and 147 (Mark Zaborniak Evidence dated August 25, 2020, pages 2
8 and 3) the City states:

9 Further, if the BCUC has such jurisdiction and allows FEI to abandon its
10 decommissioned NPS 20 pipes in Como Lake Avenue subject to the BCUC
11 directing FEI to remove portions of the pipe on a case-by-case basis as needed
12 to accommodate infrastructure projects of others that the BCUC deems to be
13 necessary, the City’s position is that FEI should be required to pay any and all
14 incremental costs of the City that result from FEI’s decommissioned pipes
15 remaining in Como Lake Avenue, including the additional costs the City will incur
16 when the pipes have to be removed.

17 1.1 Please explain what the City means by “incremental costs”.

18 1.2 Please explain if some or perhaps all of the “incremental costs” to the City could
19 be avoided if the City worked cooperatively with FEI to have FEI remove the
20 decommissioned NPS 20 IP gas line in the course of the City’s infrastructure
21 project (for example, at the same time that the City has already excavated in the
22 vicinity of the NPS 20 IP gas line for its project).

23 1.3 Please provide an explanation of how the City’s “incremental costs” approach
24 would apply between the parties in a hypothetical scenario where for a new City
25 infrastructure project:

- 26 • the City requested the removal of a section of the NPS 20 IP gas line;
- 27 • \$100 of work was required to excavate a trench for the installation of the new
28 infrastructure (such as a water main) in the vicinity of that section of the NPS
29 20 IP gas line; and
- 30 • \$20 of additional work was required to remove that section of the NPS 20 IP
31 gas line (including disposal).

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1 1.4 Please provide an explanation of how the City’s “incremental costs” approach
2 would apply between the parties in a hypothetical scenario where for a new City
3 infrastructure project:

- 4 • the City requested the removal of a section of the NPS 20 IP gas line;
- 5 • no excavation was to occur for the installation of new infrastructure (such as
6 a water main) in the vicinity of that section of the NPS 20 IP gas line;
- 7 • \$100 of work was required to excavate a trench to remove that section of the
8 NPS 20 IP gas line; and
- 9 • \$20 of additional work was required to remove that section of the NPS 20 IP
10 gas line (including disposal).
- 11

12 **2.0 Reference: Exhibit B-12, City Evidence**

13 On PDF page 149 (Mark Zaborniak Evidence dated August 25, 2020, page 5) the City
14 states:

15 In addition, BC Hydro has major transmission facilities along Como Lake Avenue
16 in various alignments, and is currently adding underground infrastructure in the
17 eastern section of Como Lake Avenue in Coquitlam. This facility consists of a 9-
18 way concrete encased duct bank and associated manholes. This new BC Hydro
19 facility will extend for approximately 1400m along Como Lake Avenue, and will
20 occupy one of the few remaining utility corridors along this section of this
21 roadway, which highlights the need to remove FEI's NPS 20 pipes to make way
22 for other utility lines.

23 2.1 Has BC Hydro advised the City that portions of the NPS 20 IP gas line will need
24 to be removed for this work?

26 **3.0 Reference: Exhibit B-12, City Evidence**

27 On PDF Page 149 (Mark Zaborniak Evidence dated August 25, 2020, page 5) the City
28 states:

29 It is important for the BCUC to be aware that gravity mains (sanitary sewers and
30 storm sewers that use difference in elevation to move water) must have
31 continuous slope, within specific parameters, to operate properly and safely. In

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1 addition, gravity mains are generally installed at greater depths than other
2 utilities, requiring trench shoring cages and other safety apparatus. This means
3 that if there is a conflict between the required alignment of a gravity main and
4 other infrastructure, for example, the other infrastructure will have to be relocated
5 (or removed in the case of an abandoned utility such as the NPS 20 pipes) to
6 accommodate the gravity main.

7 3.1 If the City was to install such a gravity main that conflicted with the NPS 20 IP
8 gas line, is it possible that the installation work for the gravity main would require
9 excavation to or close to the NPS 20 IP gas line?

10

11 **4.0 Reference: Exhibit B-12, City Evidence**

12 On PDF Pages 149 and 150 (Mark Zaborniak Evidence dated August 25, 2020, pages 5
13 and 6) the City states:

14 The City has many examples of challenges posed by the presence of other
15 utilities in the City's streets, and this is particularly the case for our gravity mains.
16 An example of this is a large sanitary sewer main installed on Barnet Highway
17 with complications crossing a TELUS duct.

18 4.1 Did the City require TELUS to make payments to the City for incremental costs
19 that the City incurred resulting from the pre-existing TELUS duct? If so, what
20 was the nature of these incremental costs, and how were the costs allocated?

21

22 **5.0 Reference: Exhibit B-12, City Evidence**

23 On PDF Page 150 (Mark Zaborniak Evidence dated August 25, 2020, page 6) the City
24 states:

25 The benefit that FEI and the BCUC believe that FEI will receive under this
26 arrangement (*i.e.*, FEI being able to leave its decommissioned NPS 20 pipes in
27 City land until they interfere with City or third-party infrastructure) should not
28 come at the City's expense.

29 5.1 Please explain how FEI leaving the NPS 20 IP gas line in place until it interferes
30 with third party infrastructure imposes costs on the City.

31

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1 **6.0 Reference: Exhibit B-12, City Evidence**

2 On PDF Page 150 (Mark Zaborniak Evidence dated August 25, 2020, page 6) the City
3 states:

4 The BCUC decisions do not address a process for the City or a third party to
5 request and the BCUC to approve removal of decommissioned NPS 20 pipe. I
6 understand that the BCUC’s April 2020 decision effectively makes the BCUC the
7 arbiter, on a case by case basis, of the reasonableness of City and third party
8 projects that require FEI to remove its decommissioned NPS 20 pipes to
9 proceed.

10 6.1 Please explain how the BCUC’s decision relates to a third party request to have
11 FEI remove a portion of the decommissioned NPS 20 IP gas line. Please provide
12 a reference or references in the decision that are the basis for the expressed
13 understanding.

14

15 **7.0 Reference: Exhibit B-12, City Evidence**

16 On PDF Page 151 (Mark Zaborniak Evidence dated August 25, 2020, page 7) the City
17 states:

18 A requirement for a BCUC process to review and approve each request for FEI
19 to remove portions of its decommissioned NPS 20 pipes creates uncertainty
20 around the procedure, timing, and cost of work that the City needs to perform, as
21 well as posing challenges to the City in attempting to properly budget for work,
22 and also challenges to the City in attempting to schedule its work and that of third
23 parties along Como Lake Avenue.

24 7.1 Does the City believe that a BCUC process would be required if the parties,
25 acting reasonably, agreed on the scope of work, timing, and the costs involved in
26 the removal work?

27

28 On PDF Page 151 (Mark Zaborniak Evidence dated August 25, 2020, page 7) the City
29 states:

30 Adding BCUC approval as a prerequisite to installing and replacing City utilities
31 along Como Lake Avenue would complicate the City’s internal design process as
32 the City would be unable to rely on its designs of proposed work as being
33 "constructible" since those designs could be rejected by the BCUC. Adding

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1 BCUC approval process could also delay the design process resulting in the City
2 missing construction windows.

3 7.2 Please provide a reference or references in the decision for the basis of the
4 City's statement that BCUC approval is a prerequisite to installing and replacing
5 City utilities along Como Lake Avenue.

6 7.3 Please provide a reference or references in the decision for the basis of the
7 City's statement that BCUC would review its designs.

8

9 **8.0 Reference: Exhibit B-12, City Evidence**

10 On PDF Page 152 (Mark Zaborniak Evidence dated August 25, 2020, page 8) the City
11 states:

12 Further, in an emergency situation (such as a failed water main), the City is
13 required to act quickly and would not have time to prepare an application to the
14 BCUC for approval to commence emergency work. The existing practice for
15 emergency work in proximity to FEI gas mains it to contact FEI inspectors so that
16 they can assist with the emergency work, but there would not be time to obtain
17 the approval of the BCUC.

18 8.1 Please provide a reference or references in the decision for the basis of the
19 City's belief that it would need BCUC approval before emergency work can be
20 performed.