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August 16, 2022

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: FortisBC Energy Inc. (FEI)

**Project No. 1599211** 

Application for a Certificate of Public Convenience and Necessity (CPCN) for Approval of the Advanced Metering Infrastructure (AMI) Project (Application)

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, and the Tenant Resource and Advisory Centre (BCOAPO) Information Request (IR) No. 4 on Evidentiary Update

On May 5, 2021, FEI filed the Application referenced above. In accordance with the regulatory timetable as amended in British Columbia Utilities Commission Order G-206-22 for the review of the Application, FEI respectfully submits the attached response to BCOAPO IR No. 4 on Evidentiary Update.

For convenience and efficiency, FEI has occasionally provided an internet address for referenced reports instead of attaching lengthy documents to its IR responses. FEI intends for the referenced documents to form part of its IR responses and the evidentiary record in this proceeding.

August 16, 2022 British Columbia Utilities Commission FEI AMI CPCN Application Response to the BCOAPO IR No. 4 on Evidentiary Update Page 2



If further information is required, please contact the undersigned.

Sincerely,

FORTISBC ENERGY INC.

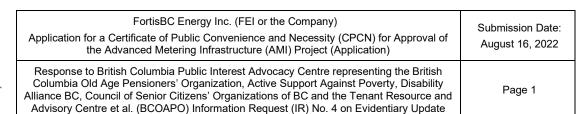
Original signed:

Diane Roy

Attachments

cc (email only): Commission Secretary

Registered Parties





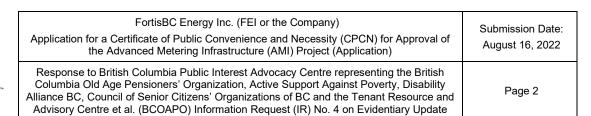
1	1.0 Refer	ence: Exhibit B-30, FEI Evidentiary Update
2 3		Exhibit B-7, FEI responses to BCOAPO Confidential IR Round 1 Exhibit B-7.1, FEI responses to BCOAPO IR Round 1
4		Exhibit B-18, FEI responses to BCOAPO IR Round 2
5 6	Prear	nble: In Exhibit B-30, at Table 1: Revised Pages to the Application FEI Indicates that there are updates to Application on pages
7		<ul> <li>Application, Section 1 Pages 7, 8</li> </ul>
8		<ul> <li>Application, Section 4 Pages 51 to 54; 63 to 66; 68</li> </ul>
9 10		<ul> <li>Application, Section 6 Pages 97 to 102; 105 to 107; 109; 113 to 118</li> </ul>
11 12		In Exhibits B-7, B-7.1, and B-18, FEI provides responses to information requests from BCOAPO.
13 14 15		BCOAPO requires an understanding of any impacts that the evidentiary update will have on the responses to information requests provided to the BCOAPO.
16 17 18 19	1.1	For each response, and appendix or attachment to a response provided in Exhibits B-7, B-7.1, and B-18, please confirm that the response will not change as a result of the evidentiary update provided in Exhibit B-30.
20	Response:	
21 22 23	Evidentiary U	ception of the responses to BCOAPO IR2 7.1 and 8.1, FEI confirms that the lipidate does not materially change the responses to BCOAPO's IRs. Please see updated tables as included in the responses to BCOAPO IR2 7.1 and 8.1

below for the updated tables as included in the responses to BCOAPO IR2 7.1 and 8.1.

### Update to BCOAPO IR2 7.1

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- 25 Please refer to Table 1 below for the updated comparison of NPVs between the AMI Project and
- the Baseline scenario. Please also refer to Attachment 1.1 for the data in Excel format.





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# Table 1: Comparison of Capital and O&M NPVs between the AMI Project and the Baseline Scenario based on the Evidentiary Update

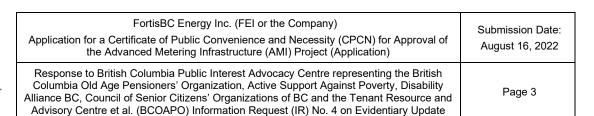
	AMI (Evidentiary Update)	Baseline (Evidentiary Update)	AMI less Baseline
Capital Costs (NPV, \$millions)			
Meter Capital	560.1	422.5	137.6
Project Management	35.2	-	35.2
Software Capital	9.1	-	9.1
Network Capital	17.1	-	17.1
Non-Meter Capital	3.6	4.6	(1.0)
In House Meter Reading Capital	-	7.0	(7.0)
AFUDC	16.0	-	16.0
Total Capital (NPV, \$millions)	641.1	434.1	206.9
O&M Costs (NPV, \$millions)			
Meter Reading Costs	79.1	298.4	(219.3)
Operations, Contact Centre and Meter Shop O&M	14.6	28.7	(14.1)
New O&M	97.9	-	97.9
Total O&M, incl. Capitalized Overhead (NPV, \$millions)	191.6	327.1	(135.5)

### Update to BCOAPO IR2 8.1

- 5 Please refer to Table 2 below for the calculation of the payback period of 13 years based on the
- 6 Evidentiary Update (as opposed to 12 years in the Application), and Table 3 for the calculation of
- 7 the 0.442 percent incremental levelized delivery rate impact in the Evidentiary Update over the
- 8 26-year analysis period (as opposed to the 0.125 percent incremental levelized delivery rate
- 9 impact in the Application).

# Table 2: Calculation of the 13-year Payback Period for the AMI Project based on the Evidentiary Update

Post-Deployment Phase																						
Line	Particular	Reference	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046
1	Post-Deployment Year		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
2																						
3	AMI Incremental Total Project Costs (\$000s)	Table 6-2, Line 17, Col 3	568																			
4																						
5	AMI Capital Savings (\$000s)	Conf. App. G-5, Sch. 6, Ln 37	(39)	(32)	(33)	(33)	(31)	(34)	(34)	(37)	(30)	(27)	(24)	(29)	(30)	(31)	0	(0)	0	0	(4)	0
6	AMI O&M Savings (\$000s)	Conf. App. G-5, Sch. 2, Ln 15	(12)	(13)	(13)	(14)	(14)	(14)	(15)	(15)	(16)	(16)	(16)	(17)	(18)	(18)	(17)	(17)	(18)	(18)	(19)	(19)
7	Total AMI Savings (\$000s)	Line 5 + Line 6	(51)	(45)	(46)	(47)	(45)	(48)	(49)	(52)	(46)	(43)	(40)	(46)	(48)	(49)	(17)	(17)	(18)	(18)	(23)	(19)
8	Cumulative Savings (\$000s)	Cumulative Sum of Line 7	(51)	(96)	(142)	(188)	(234)	(282)	(330)	(382)	(428)	(471)	(511)	(556)	(604)	(653)	(670)	(687)	(705)	(723)	(746)	(764)
9																						
12 10	Payback Period (Yr)	Yr -Line 8 > Line 3	13																			



## FORTIS BC\*

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### Table 3: Calculation of the 0.442 percent Incremental Delivery Rate Impact for the AMI Project based on the Evidentiary Update

L	ine	Particular		Reference	Amount					
	1	NPV of AMI Incre	mental Revenue Requirement - 26 years (\$000s)	Table 4-5 of Application (Evidentiary Update)	53,302					
	2									
	3	2021 Approved D	elivery Margin, non-bypass	G-319-20	879,479					
	4	NPV of 2021 App	roved Delivery Margin, non-bypass (26 Years)	Excel Formula: PV(Discount Rate = 5.47%, 26 years, Line 3)	12,051,984					
	5									
3	6	Incremental Leve	elized Delivery Rate Increase - 26 years (%)	Line 1 / Line 4	0.442%					
4										
5										
5										
6										
7		1.2	For each response, and appendix	or attachment to a response, where FEI cann	ot					
8		provide the confirmation requested in 1.1 above, please provide an updates								
			·							
9				tracked. In the response please clearly cro						
10			reference each change to the s	ection in Exhibit B-30 where the change	is					
11			identified.							
12										
13	<u> </u>	Response:								

## Response:

14 Please refer to the response to BCOAPO IR4 1.1.

