



**bcuc**  
British Columbia  
Utilities Commission

**Patrick Wruck**  
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July 6, 2021

Sent via eFile

**FEI CPCN FOR THE AMI PROJECT  
EXHIBIT A-3**

Ms. Diane Roy  
Vice President, Regulatory Affairs  
FortisBC Energy Inc.  
16705 Fraser Highway  
Surrey, BC V4N 0E8  
[gas.regulatory.affairs@fortisbc.com](mailto:gas.regulatory.affairs@fortisbc.com)

**Re: FortisBC Energy Inc. – Application for a Certificate of Public Convenience and Necessity for the Advanced Metering Infrastructure Project – Project Number 159921 – Regulatory Timetable and Public Notice**

Dear Ms. Roy:

Further to your May 5, 2021 filing of the above-noted application, enclosed please find British Columbia Utilities Commission Order G-204-21 establishing a regulatory timetable for the review of your application.

Sincerely,

*Original signed by:*

Patrick Wruck  
Commission Secretary

AJ/dg  
Enclosure



**ORDER NUMBER**  
**G-204-21**

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

and

FortisBC Energy Inc.  
Application for a Certificate of Public Convenience and Necessity for the  
Advanced Metering Infrastructure Project

**BEFORE:**

R. I. Mason, Panel Chair  
C. Brewer, Commissioner  
E. B. Lockhart, Commissioner

on July 6, 2021

**ORDER**

**WHEREAS:**

- A. On May 5, 2021, FortisBC Energy Inc. (FEI) filed an application with the British Columbia Utilities Commission (BCUC) for a Certificate of Public Convenience and Necessity (CPCN) pursuant to sections 45 and 46 of the *Utilities Commission Act* (UCA) for FEI's Advanced Metering Infrastructure (AMI) Project (Application);
- B. The AMI Project includes the following:
  - 1. Installation of approximately 1,100,000 residential, commercial, and industrial advanced meters and meter retrofits of communication modules capable of remote gas consumption measurement;
  - 2. Installation of approximately 1,100 communication modules on the gas network to increase operational awareness of the gas system state; and
  - 3. Installation of the AMI network and infrastructure to communicate with customer meters and other communication modules on the FEI gas network;
- C. In the Application, FEI also requests approval, pursuant to sections 59 to 61 of the UCA, to create 4 new asset accounts with associated depreciation and net salvage rates for the proposed meters to be installed as part of the AMI Project, as follows:
  - 1. 478-10 / AMI Meter Hardware, with a depreciation rate set to 5 percent, with no net salvage;
  - 2. 474-00 / AMI Meter Installation, with a depreciation rate set to 5 percent, with 1.58 percent net salvage;
  - 3. 402-06 / AMI Software, with a depreciation rate set to 10 percent; and
  - 4. 488-30 / AMI Communications and Equipment, with a depreciation rate set to 6.67 percent, with no net salvage;

- D. FEI also seeks approval, pursuant to sections 59 to 61 of the UCA, to create 4 new deferral accounts as follows:
1. A non rate base AMI Application and Feasibility cost deferral account attracting a weighted average cost of capital return until it is placed into rate base, to capture development and application costs for the AMI Project, to be amortized over 3 years;
  2. A non rate base AMI Foreign Exchange (FX) Mark to Market Valuation deferral account to isolate the impact of any foreign exchange hedging used to reduce foreign exchange risk of the AMI Project;
  3. A rate base Existing Meter Cost Recovery deferral account to capture the remaining costs of the meters to be exchanged as part of the AMI Project with a rolling 5 year amortization period; and
  4. A rate base Previously Retired Meter Cost Recovery deferral account to capture the remaining rate base value of previously retired meters with an amortization period of 10 years;
- E. By letter dated May 28, 2021, the BCUC requested FEI to provide further information and clarification of confidential treatment of portions of the Application and appendices;
- F. On June 21, 2021, FEI filed supplemental information (Exhibit B-2 and Exhibit B-2-1) including additional information, removing some of the information from its confidentiality request and providing reasons for the information that remained subject to the request; and
- G. The BCUC has commenced its review of the Application and considers that the establishment of a public hearing and a regulatory timetable are warranted.

**NOW THEREFORE** the BCUC orders as follows:

1. A public hearing is established for the review of the Application in accordance with the regulatory timetable as set out in Appendix A to this order.
2. FEI must publish the Public Notice, attached as Appendix B to this order, in print/display-ad format in appropriate news publications, such as but not limited to, local and community newspapers to provide adequate notice to those parties who may have an interest in or be affected by the Application, as soon as reasonably possible, but no later than Tuesday, August 3, 2021.
3. As soon as practicable, but not later than Tuesday, August 3, 2021, FEI must publish notice of this Application on its website and social media platforms. It must also publish weekly reminder notices on each platform until the conclusion of the intervener registration period on Thursday, September 9, 2021.
4. FEI must provide an electronic copy of the Application and this order by no later than Tuesday, August 3, 2021 to registered interveners in the FEI and FortisBC Inc. Multi-Year Rate Plan for 2020 to 2024 proceeding.
5. Persons who wish to actively participate in this proceeding must complete a [Request to Intervene Form](#), available on the BCUC's website at <https://www.bcuc.com/get-involved/get-involved-proceeding.html> by Thursday, September 9, 2021 as established in the regulatory timetable attached as Appendix A to this order, and in accordance with the [BCUC's Rules of Practice and Procedure](#).

6. The BCUC accepts FEI's confidentiality requests, as filed, until a final determination is made on the Application.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 6<sup>th</sup> day of July 2021.

BY ORDER

*Original signed by:*

R. I. Mason  
Commissioner

Attachment

FortisBC Energy Inc.  
Application for a Certificate of Public Convenience and Necessity for the  
Advanced Metering Infrastructure Project

**REGULATORY TIMETABLE**

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| Action   | Date (2021)            |
|--|------------------------|
| FEI to publish notice of the Application       | Tuesday, August 3      |
| Intervener registration deadline               | Thursday, September 9  |
| BCUC Information Request (IR) No. 1 to FEI     | Thursday, September 9  |
| Intervener IR No. 1 to FEI                     | Thursday, September 16 |
| FEI responses to BCUC and Intervener IRs No. 1 | Wednesday, October 20  |
| Submissions on further process                 | Wednesday, November 3  |



# We want to hear from you

## FortisBC Energy Inc.'s Application for a Certificate of Public Convenience and Necessity for the Advanced Metering Infrastructure Project

On May 5, 2021, FortisBC Energy Inc. filed its Application for a Certificate of Public Convenience and Necessity for the Advanced Metering Infrastructure (AMI) Project (Application). The purpose of the AMI Project is to automate the meter reading process for all of FEI's natural gas customers. In addition to other benefits, the AMI Project will provide a cost-effective, long-term solution to alleviate the cost and service risks of manual reading. The Application includes replacing most existing customer natural gas meters with advanced meters, retrofitting meters that are not replaced with AMI communication modules, installing the associated AMI network and infrastructure to support delivery of hourly gas consumption and other metering information from the advanced meters/modules at customer premises back to FEI, and installing communication modules on the gas network and pipeline assets to enable the remote collection of information on FEI's gas system integrity. The estimated total cost of the project in as-spent dollars is \$638.4 million, which includes Allowance for Funds Used During Construction.

### HOW TO PARTICIPATE

- **Submit a letter of comment**
- **Register as an interested party**
- **Request intervener status**

For more information about the Application, please visit the [Proceeding Webpage](#) on bcuc.com under "Regulatory Activities – Current Proceedings." To learn more about getting involved, please visit our website at [www.bcuc.com/get-involved](http://www.bcuc.com/get-involved) or contact us at the information below.

### IMPORTANT DATES

1. **Thursday, September 9, 2021** – Deadline to register as an intervener with the BCUC

## GET MORE INFORMATION

### FortisBC Energy Inc.



16705 Fraser Highway  
Surrey, BC V4N 0E8



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### British Columbia Utilities Commission



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