

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER

**NUMBER** G-202-14

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# IN THE MATTER OF the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

### FortisBC Energy Inc.

Application for Approval to Include FortisBC Energy (Vancouver Island) Inc. and FortisBC Energy (Whistler) Inc. into the 2014-2019 Multi-Year Performance Based Ratemaking Plan

**BEFORE:** D. M. Morton, Panel Chair/Commissioner

D. A. Cote, Commissioner

N. E. MacMurchy, Commissioner

December 19, 2014

#### ORDER

### WHEREAS:

- A. On September 15, 2014, the British Columbia Utilities Commission (Commission) issued Order G-138-14 and the accompanying Decision, setting out the approved Performance Based Ratemaking (PBR) plan for FortisBC Energy Inc. (FEI) for the period from 2014 through 2019 (PBR Decision);
- B. The PBR Decision, on page 17, directed FEI to provide a detailed review of the historical expenditures of capital and operations and maintenance (O&M) for FortisBC Energy (Vancouver Island) Inc. (FEVI) and FortisBC Energy (Whistler) Inc. (FEW), as well as a formal proposal for including FEVI and FEW within the PBR plan;
- C. On November 14, 2014, FEI filed an application requesting approval of the following:
  - An increase to its 2014 Base O&M by \$39.066 million, which includes an increase of \$36.564 to reflect the O&M required for FEVI and FEW, and a further increase of \$2.502 million to reflect projected FEVI 2014 Company Use Gas;
  - An increase to its 2014 Base Capital by \$28.22 million to reflect the Capital Expenditures required for FEVI and FEW (Application);
- D. On November 24, 2014, Commission Order G-183-14 established a preliminary regulatory timetable that included a procedural conference, and pursuant to Order G-190-14 dated December 3, 2014, the Procedural Conference date was set for Wednesday, December 17, 2014;

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- E. On December 11, 2014, the Commission issued a letter to FEI and registered interveners stating that the Commission has concerns with the deficiencies and lack of detail provided in the Application and provided a list of items which the Commission noted were omitted from the Application or which were included in the Application but required more detailed explanation. The Commission requested that the parties address this issue at the Procedural Conference in addition to discussing the regulatory process. FEI was also requested to discuss the impact, if any, on FEI's 2015 Annual Review filing if the proceeding proves to be more complex than originally anticipated by FEI;
- F. At the Procedural Conference, FEI and all registered interveners provided submissions on the completeness of the Application, the regulatory process, timelines for the Application and other general matters. FEI proposed to file an Evidentiary Update on January 16, 2015 which would provide the information requested by the Commission in the December 11, 2014 letter, including the 2014 Preliminary Actuals for FEVI and FEW and variance explanations;
- G. During the Procedural Conference, FEI and the Commercial Energy Consumers Association of British Columbia (CEC) proposed regulatory timetables for the proceeding. CEC's regulatory timetable was similar to FEI's regulatory timetable but proposed adding a second round of information requests (IRs);
- H. All parties agreed that the evidence from the FEVI 2014 Revenue Requirements and Rates proceeding should be added to the record for the current proceeding;
- I. The Commission considered the views of FEI and the registered interveners expressed at the Procedural Conference.

#### **NOW THEREFORE** the Commission orders as follows:

- 1. The Regulatory Timetable, attached as Appendix A to this order, is established.
- 2. The following exhibits from the FortisBC Energy (Vancouver Island) Inc. (FEVI) 2014 Revenue Requirements and Rates proceeding shall be filed as evidence in this proceeding: B-1; B-1-1; B-1-2; B-2; B-3; B-4; B-4-1; B-7; B-8; B-9; B-10; FEVI and registered interveners' final and reply arguments.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 19<sup>th</sup> day of December 2014.

BY ORDER

Original signed by:

D. M. Morton Commissioner

Attachment

## FortisBC Energy Inc.

Application for Approval to Include FortisBC Energy (Vancouver Island) Inc. and FortisBC Energy (Whistler) Inc. into the 2014-2019 Multi-Year Performance Based Ratemaking Plan

## **REGULATORY TIMETABLE**

ACTION	DATE (2015)
FEI Files Evidentiary Update including FEVI and FEW 2014 Preliminary Actuals and Variance Explanations	Friday, January 16
Commission and Intervener Information Request No. 1	Friday, January 30
FEI Responses to Commission and Intervener Information Request No. 1	Monday, February 16
FEI Submission on Further Process	Wednesday, February 18
Intervener Submissions on Further Process	Friday, February 20
FEI Reply on Further Process	Tuesday, February 24