



ORDER NUMBER
G-8-16

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

and

FortisBC Energy Inc.
Application regarding the 2016 Core Market Administration Expense Budget

BEFORE:

D. M. Morton, Commissioner
H. G. Harowitz, Commissioner
K. A. Keilty, Commissioner
R. D. Revel, Commissioner

on January 21, 2016

ORDER

WHEREAS:

- A. On June 18, 2014, in the decision accompanying Order G-79-14 (2014 CMAE Decision), the British Columbia Utilities Commission (Commission) approved the FortisBC Energy Inc. (FEI) 2014 Core Market Administration Expense (CMAE) budget at an amount of \$4,344,200;
- B. In the 2014 CMAE Decision the Commission determined that until such time as FEI files its next revenue requirements application, FEI is directed to submit future CMAE budgets separately to the Commission at least two weeks prior to the fourth quarter gas cost report to allow the Commission sufficient time to review the CMAE budget and to determine if there are sufficient variances from the previous CMAE budget to warrant a more fulsome review;
- C. On February 20, 2015, pursuant to Order G-23-15, the Commission approved the FEI 2015 CMAE budget as requested at \$5.139 million;
- D. In Order G-23-15, the Commission directed FEI to use the revised template format set out in Appendix B to the order for future CMAE budget applications;
- E. On November 10, 2015, FEI submitted its 2016 CMAE budget application (2016 CMAE Budget Application), requesting Commission approval of the 2016 CMAE budget of \$5.102 million;
- F. In the 2016 CMAE Budget Application, FEI also requests approval of the allocation of the 2016 CMAE, between the Commodity Cost Reconciliation Account and Midstream Cost Reconciliation Account based on the existing allocation percentages of 30% and 70%, respectively;
- G. On December 23, 2015, FEI filed an application for recovery of price risk management workshop participant funding requests (Funding Application) in which FEI seeks approval for recovery of \$10,329.28 in participant funding costs through FEI's flow-through gas cost accounts;

- H. On January 12, 2016, FEI filed its responses to the Commission staff information request dated December 24, 2015, confirming that FEI has recorded the subject price risk management participant funding costs in the 2015 CMAE amount pending approval of the Funding Application; and
- I. The Commission reviewed the 2016 CMAE Budget Application and finds that the 2016 CMAE budget should be approved as requested.

NOW THEREFORE pursuant to section 61(4) of the *Utilities Commission Act*, the British Columbia Utilities Commission orders as follows:

1. The FortisBC Energy Inc. (FEI) 2016 Core Market Administration Expense (CMAE) budget of \$5,102,000 is approved as requested.
2. The allocation of the 2016 CMAE between the Commodity Cost Reconciliation Account (CCRA) and Midstream Cost Reconciliation Account (MCRA) is approved based on the allocation percentages of 30% and 70%, respectively.
3. FEI is directed to include reporting on the treatment of the price risk management workshop participant funding costs in the 2015 CCRA and MCRA status report that FEI is required to file with the Commission by April 30, 2016.

DATED at the City of Vancouver, in the Province of British Columbia, this 21st day of January 2016.

BY ORDER

Original signed by:

D. M. Morton
Commissioner