



**ORDER NUMBER**  
**G-38-16**

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

and

FortisBC Energy Inc.  
2015 Price Risk Management Application

**BEFORE:**

D. A. Cote, Panel Chair/Commissioner  
B. A. Magnan, Commissioner  
R. D. Revel, Commissioner

On March 18, 2016

**ORDER**

**WHEREAS:**

- A. On December 23, 2015, FortisBC Energy Inc. (FEI) filed with the British Columbia Utilities Commission (Commission) the 2015 Price Risk Management Application (Application), which includes the following requests for approval:
- the implementation of enhancements to the quarterly commodity rate setting mechanism, as it applies to FEI, including the following components:
    - i. a revision to the commodity rate setting mechanism to add a \$1.00 per gigajoule (\$1.00/GJ) commodity rate change limit (increase or decrease), and
    - ii. incorporation of criteria to assist in determining when consideration is to be given to the appropriateness of commodity rate proposals for timeframes beyond the standard 12-month outlook.
  - the implementation of a medium-term hedging strategy based on pre-defined market price targets and maximum volume limits;
- B. On January 27, 2016, the Commission issued Order G-10-16 establishing a regulatory timetable for the review of two parallel written regulatory review processes:
- Scope A is FEI's proposed revisions to the quarterly gas cost reporting and commodity rate setting guidelines as currently set out in Commission letters L-5-01 and L-40-11; and
  - Scope B is FEI's proposed medium-term hedging strategy.
- C. Commercial Energy Consumers Association of British Columbia (CEC) and British Columbia Old Age Pensioners' *et al.* (BCOAPO) are registered as interveners in the subject proceeding;

- D. On March 1, 2016, FEI filed a letter requesting an extension to the deadline for filing its responses to Scope A and Scope B Information Request No. 1 and proposed a regulatory timetable to accommodate the requested extension;
- E. On March 3, 2016, the Commission granted the extension and issued the amended Regulatory Timetable as proposed by FEI;
- F. On March 8, 2016, FEI filed its responses to Scope A and Scope B Information Requests No. 1;
- G. On March 14, 2016, CEC and BCOAPO filed their comments on the further regulatory process. Both CEC and BCOAPO indicated they did not require further information requests and that the review should proceed to written argument;
- H. On March 16, 2016, FEI filed its reply submission on further process, submitting that the review process should proceed to written argument. FEI also proposes a regulatory timetable taking into account its resource constraints; and
- I. The Commission reviewed FEI's responses to Scope A and B Information Requests No. 1 and the submissions from the parties on further process and considers that the regulatory timetable as proposed by FEI should be established for the remainder of the regulatory process.

**NOW THEREFORE** the British Columbia Utilities Commission orders that the Regulatory Timetable for the remainder of the review of the FortisBC Energy Inc. 2015 Price Risk Management Application is established as set out in Appendix A to this order.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 21<sup>st</sup> day of March 2016.

BY ORDER

*Original signed by:*

D. A. Cote  
Panel Chair/Commissioner

Attachment

FortisBC Energy Inc.  
2015 Price Risk Management Application

**REGULATORY TIMETABLE**

ACTION	DATE (2016)
Scope A and Scope B FEI Final Argument	Wednesday, April 6
Scope A and Scope B Intervener Final Arguments	Thursday, April 14
Scope A and Scope B FEI Reply Argument	Friday, April 22