



ORDER NUMBER
G-41-16

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

and

FortisBC Energy Inc.
Proposal for Depreciation and Net Salvage Rate Changes

BEFORE:

D. A. Cote, Panel Chair/Commissioner
D. J. Enns, Commissioner

on March 24, 2016

ORDER

WHEREAS:

- A. On December 7, 2015, the British Columbia Utilities Commission (Commission) issued Order G-193-15 establishing interim delivery rates for FortisBC Energy Inc. (FEI) effective January 1, 2016;
- B. On December 21, 2015, the Commission issued its Reasons for Decision in support of Order G-193-15. As part of these Reasons for Decision, the Commission did not approve FEI's requested changes to depreciation and net salvage rates and directed FEI to maintain existing depreciation and net salvage rates until otherwise directed by the Commission. The Commission further directed FEI to submit additional information and analysis on its proposed depreciation and net salvage rate changes by February 29, 2016;
- C. On February 29, 2016, FEI filed the additional information and analysis as requested by the Commission. This included additional background information on the depreciation methodology utilized by FEI as well as information on an alternative methodology which would reduce the asset losses being experienced by FEI (Proposal for Depreciation and Net Salvage Rate Changes); and
- D. The Commission has reviewed the Proposal for Depreciation and Net Salvage Rate Changes and considers that establishment of a regulatory timetable is warranted.

NOW THEREFORE the British Columbia Utilities Commission orders as follows:

- 1. The Regulatory Timetable for review of the FortisBC Energy Inc. Proposal for Depreciation and Net Salvage Rates Changes is set out in Appendix A to this order.
- 2. Interveners who wish to participate in the regulatory proceeding are to register with the Commission by completing a Request to Intervene Form, available on the Commission's website at <http://www.bcuc.com/Registration-Intervener-1.aspx>, by the date established in the Regulatory Timetable attached as Appendix A to this order and in accordance with the Commission's Rules of Practice and Procedure.

3. Interested parties who wish to receive electronic notification of filings for this proceeding, should register online as an interested party available on the Commission's website at <http://www.bcuc.com/Registration-InterestedParty.aspx>, by the date established in the Regulatory Timetable attached as Appendix A to this order and in accordance with the Commission's Rules of Practice and Procedure.
4. The following evidence from the FortisBC Energy Inc. Annual Review of 2016 Delivery Rates proceeding will form part of the evidentiary record in the current proceeding:
 - Section 12.3.2 of Exhibit B-2;
 - Appendix D1 of Exhibit B-2;
 - FEI Responses to BCUC IRs 1.27 and 1.28 filed in Exhibit B-5;
 - FEI Response to BCOAPO IR 1.6, including Attachment 6.1, filed in Exhibit B-6; and
 - Undertaking No. 6 filed in Exhibit B-13.

DATED at the City of Vancouver, in the Province of British Columbia, this 24th day of March 2016.

BY ORDER

Original signed by:

D. A. Cote
Commissioner

Attachment

FortisBC Energy Inc.
Proposal for Depreciation and Net Salvage Rate Changes

REGULATORY TIMETABLE

ACTION	DATE (2016)
Intervener and Interested Party Registration	Wednesday, April 6
Commission and Intervener Information Request (IR) No. 1	Wednesday, April 20
FEI Response to Commission and Intervener IR No. 1	Wednesday, May 4
FEI and Intervener Submissions on Further Process	Monday, May 9