



ORDER NUMBER
G-177-17

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

and

FortisBC Energy Inc.
Annual Review for 2018 Delivery Rates

BEFORE:

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

on December 4, 2017

ORDER

WHEREAS:

- A. On September 15, 2014, the British Columbia Utilities Commission (Commission) issued its decision and Order G-138-14 for FortisBC Energy Inc. (FEI) approving a Multi-Year Performance Based Ratemaking (PBR) Plan for 2014 through 2019 (PBR Decision). In accordance with the PBR Decision, FEI is to conduct an annual review process to set delivery rates for each year under the PBR Plan;
- B. By letter dated July 24, 2017, FEI proposed a regulatory timetable for its annual review for 2018 delivery rates;
- C. By Order G-115-17 dated July 27, 2017, the Commission established a regulatory timetable for the annual review for 2018 delivery rates which included the anticipated date for FEI to file its annual review materials, the deadline for intervenor registration, one round of information requests, a workshop, FEI's response to undertakings requested at the workshop, and written final and reply arguments;
- D. On August 4, 2017, FEI submitted its Annual Review for 2018 Rates Application materials (Application) and on September 26, 2017, FEI submitted an Evidentiary Update to the Application, seeking effective January 1, 2018, pursuant to sections 59 to 61 of the *Utilities Commission Act* (UCA), to maintain delivery rates at the existing 2017 levels, to set various rate riders, and to record the 2018 forecast revenue surplus in the 2017-2018 Revenue Surplus deferral account;
- E. On November 30, 2017, FEI requested approval, pursuant to sections 59 to 61 and 89 of the UCA, to maintain delivery rates at the existing 2017 rates and to set delivery rate riders at the proposed rates in the Application, on an interim basis, effective January 1, 2018 (Interim Rate Application); and
- F. The Commission has reviewed the Interim Rate Application and considers that approval is warranted.

NOW THEREFORE pursuant to sections 59 to 61 and 89 of the UCA, the Commission orders as follows:

1. FEI's Interim Rate Application to set existing delivery rates as interim effective January 1, 2018 is approved.
2. FEI's Interim Rate Application to set the following delivery rate riders, on an interim basis, effective January 1, 2018, is approved:
 - a. A Biomethane Variance Account Rate Rider for 2018 (Rate Rider 3) in the amount of \$0.026 per gigajoule (GJ) from all non-bypass rate customers;
 - b. Rate Rider 5 – Revenue Stabilization Adjustment Mechanism (RSAM) Rate Rider for 2018 in the amount of \$(0.041) per GJ for Rate Schedules 1/1B/1U/1X, 2/2B/2U/2X, 3/3B/3U/3X and 23;
 - c. Rate Rider 2 – Phase-in Rider Balancing Account Rate Rider per GJ to be set to zero for all applicable rate schedules; and
 - d. Rate Rider 4 – Rate Stabilization Deferral Account Rate Rider per GJ to be set to zero for all applicable rate schedules.
3. FEI is directed to refund/recover the difference between the interim and permanent rates, as determined by the Commission following the final determination of the Application, with interest calculated on any refundable amounts at the average prime rate of FEI's principle bank for its most recent year.
4. FEI is directed to file with the Commission, within 30 days of the issuance of this order, amended tariff pages in accordance with the terms of this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 4th day of December 2017.

BY ORDER

Original signed by:

D. J. Enns
Commissioner