



ORDER NUMBER
G-22-18

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

and

FortisBC Energy Inc.
2017 Price Risk Management Plan

BEFORE:

H. G. Harowitz, Commissioner/Panel Chair
D. J. Enns, Commissioner
B. A. Magnan, Commissioner

On January 24, 2018

ORDER

WHEREAS:

- A. On January 5, 2018, FortisBC Energy Inc. (FEI) filed with the British Columbia Utilities Commission (Commission) the 2018 Price Risk Management Plan (2018 PRMP) Application, in compliance with Order G-168-17 directing FEI to file a revised application and/or addenda to the 2017 Price Risk Management Plan Application (2017 PRMP).
- B. On June 13, 2017, FEI filed the 2017 PRMP;
- C. On June 17, 2016, by Orders E-10-16 and L-15-16, the Commission approved the 2015 PRMP Application, which included the medium-term hedging strategy based on the pre-defined price targets and maximum hedging percentages as defined within Section 2 of the 2015 PRMP Application. The Commission denied the extension of the hedging program beyond March 31, 2019 (2015 PRMP Decision);
- D. On August 25, 2017, by Order G-133-17 and accompanying Reasons for Decision (2017 PRMP Scoping Decision), the Commission set out the initial regulatory timetable for review of the 2017 PRMP, including an invitation to FEI and Interveners to provide comments on the appropriate scope and process for the proceeding;
- E. On September 11, 2017, FEI and the Commercial Energy Consumers Association of British Columbia filed submissions in response to Order G-133-17, and FEI filed a reply submission on September 26, 2017;
- F. The Commission considered the filed submissions in the context of the 2017 PRMP and determined that the scope of the 2017 PRMP includes addressing the foundational questions set out in the 2017 PRMP Scoping Decision. By Order G-168-17 dated November 23, 2017, the Commission amended the regulatory timetable, and directed FEI to file a revised application and/or addenda to the 2017 PRMP;
- G. FEI has chosen to file a revised application titled 2018 PRMP (2018 PRMP Application) for approval, including requests for approval of the following:

- a) Extending the current medium-term hedging horizon out to October 2021;
 - b) Adjusting the current winter and summer term hedging price targets to account for seasonality in market prices as well as the one-year term hedging price targets;
 - c) Implementing hedging with terms up to five years; and
 - d) The 2018 PRMP Application be held confidential on the basis that it could impair FEI's ability to negotiate and obtain favorable commercial terms for any future natural gas hedging;
- H. The Commission has considered the 2018 PRMP Application and determines it is appropriate that the review process continue as set out in the regulatory timetable in Appendix A of this order.

NOW THEREFORE, the British Columbia Utilities Commission orders as follows:

1. The regulatory timetable established by Order G-168-17 is amended and attached as Appendix A to this order.
2. FEI is to provide a copy of this order to all registered interveners in the FEI 2015 Price Risk Management Plan Application proceeding, participants in the 2015 price risk management consultation process, licensed gas marketers in the FEI Customer Choice program, Commission-regulated natural gas and propane utilities, participants in the FortisBC Energy Inc. Annual Review for 2017 Delivery Rates Application proceeding, and participants in the 2015 price risk management consultation process.

DATED at the City of Vancouver, in the Province of British Columbia, this 24th day of January 2018.

BY ORDER

Original signed by:

H. G. Harowitz
Commissioner

Attachment

FortisBC Energy Inc.
2017 Price Risk Management Plan

REGULATORY TIMETABLE

Action	Date (2018)
Intervener Registration Deadline	Thursday, February 15
Commission and Intervener Information Request No. 1	Thursday, March 8
FEI Response to Information Request No. 1	Friday, April 6
Further process	TBD