



**ORDER NUMBER  
G-73-18**

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

and

FortisBC Energy Inc.  
Application for Approval of Accounting and Rate Treatment for Greenhouse  
Gas Reduction (Clean Energy) Regulation Expenditures for  
Prescribed Undertaking 3.6 as Approved by B.C Reg. 114/2017  
Order in Council 161/2017

**BEFORE:**

W.M. Everett, QC, Commissioner  
B. A. Magnan, Commissioner

on April 12, 2018

**ORDER**

**WHEREAS:**

- A. On January 25, 2018, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (BCUC) for approval to capture the expenditures incurred under Prescribed Undertaking 3.6 in the Greenhouse Gas Reduction (Clean Energy) Regulation, B.C. Reg 102/2012 (GGRR) Incentive Deferral Account and to amortize the amount recorded in the GGRR Incentive Deferral Account over a period of ten years in the delivery rates of non-bypass customers.
- B. On May 14, 2012, the Lieutenant Governor in Council (LGIC) approved the GGRR;
- C. On October 29, 2012, the BCUC issued Order G-161-12, ordering among other things, the establishment of a non-rate base deferral account to capture all grants and costs related to Prescribed Undertaking 1 (Natural Gas for Transportation [NGT] Incentive Deferral Account), for the period until December 31, 2013. This account is to be transferred to rate base, effective Jan 1, 2014, and will continue to capture actual incentives granted by year from 2014 onward related to Prescribed Undertaking 1, and will be amortized over a 10 year period into the delivery rates of all non-bypass natural gas customers;
- D. The GGRR was amended on November 27, 2013, by Order in Council (OIC) 556, and on June 3, 2015, by OIC 297;
- E. The GGRR was further amended on August 19, 2016, by OIC 609, which among other things, established Prescribed Undertakings 3.2; and

- F. The GGRR was further amended on March 21, 2017, by OIC 161, which among other things, established Prescribed Undertakings 3.6;
- G. On April 12, 2017, the BCUC issued Order G-56-17, ordering among other things, the approval to rename the existing NGT Incentive Deferral Account to the GGRR Incentive Deferral Account, and to capture the incentives provided under Prescribed Undertaking 3.2 in the GGRR Incentive Deferral Account; and
- H. The BCUC reviewed the Application and finds that approval is warranted.

**NOW THEREFORE** pursuant to sections 59 to 61 of the *Utilities Commission Act*, the BCUC orders as follows:

1. FEI is approved to capture the expenditures incurred under Prescribed Undertaking 3.6 in the GGRR Incentive Deferral Account and to amortize the amount over a period of ten years in the delivery rates of non-bypass customers.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 12<sup>th</sup> day of April 2018.

BY ORDER

*Original signed by:*

B. A. Magnan  
Commissioner