



ORDER NUMBER
G-135-18

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

and

FortisBC Energy Inc.
2016 Rate Design Application

BEFORE:

K. A. Keilty, Commissioner/Panel Chair
W. M. Everett QC, Commissioner
D. J. Enns, Commissioner

on July 20, 2018

ORDER

WHEREAS:

- A. On December 19, 2016, FortisBC Energy Inc. (FEI) filed its 2016 Rate Design Application with the British Columbia Utilities Commission (BCUC) and on February 2, 2017, FEI submitted a supplemental filing which included FEI's rate design for the Fort Nelson Service Area as well as FEI's revisions to its rate schedules based on its proposals (Application);
- B. FEI seeks the necessary approvals, pursuant to sections 58 to 61 of the *Utilities Commission Act* (UCA), to adjust its rate design and terms and conditions of service for all service areas effective the fourth quarter of 2018. FEI requests that the specific implementation date be determined as part of a compliance filing in response to the BCUC's Decision on the Application;
- C. On July 18, 2017, by Order G-109-17, the BCUC determined that a decision would be issued, following a streamlined review process (SRP) and written arguments, with determinations on the following key topics:
 - i. The Cost of Service Allocation (COSA) studies included in the Application; and
 - ii. The Revenue to Cost (R:C) ratios and the corresponding range of reasonableness;
- D. The SRP on the COSA studies, R:C ratios and the range of reasonableness was held on September 12, 2017. FEI and interveners filed final arguments on these key topics on September 18 and 25, 2017 respectively and FEI filed its reply argument on October 2, 2017;
- E. On January 9, 2018, the BCUC issued Order G-4-18 and Reasons for Decision on FEI's proposed COSA and R:C ratios (COSA and R:C Ratios Decision);
- F. Order G-109-17 also outlined that FEI's Transportation Service Review, included in the Application, would be addressed through an SRP followed shortly after by oral arguments on the same topic;

- G. The SRP for FEI's Transportation Service Review was held on November 22, 2017, and the oral arguments took place on November 27, 2017. The Panel stated that the determinations on FEI's Transportation Service Review would be included in the overall decision for the Application;
- H. On February 6, 2018, FEI filed updates to the Application in response to the findings and directives in COSA and R:C Ratios Decision;
- I. FEI and interveners filed final arguments on all remaining topics on March 27, 2018 and April 10, 2018 respectively. FEI filed its reply argument on all remaining topics on April 24, 2018; and
- J. The Panel has considered the Application, the evidence filed, the arguments and has made determinations regarding the Application.

NOW THEREFORE, pursuant to sections 58 to 61 of the UCA, for the reasons provided in the decision issued concurrently with this order, the BCUC orders as follows:

1. Amendments to the Rate Schedules and General Terms and Conditions of service in the FEI Tariff are approved as outlined in the Decision.
2. Amendments to the Rate Schedules and General Terms and Conditions of service in the Fort Nelson Tariff are approved as outlined in the Decision.
3. Adjustments to FEI's Transportation Service model are approved as outlined in section 10 of the Decision.
4. The effective date of the approved amendments is to be in the fourth quarter of 2018, with the specific date to be determined in a compliance filing to be submitted no later than 60 days after the release of this order.
5. FEI is to comply with all directives stated in the Decision.

DATED at the City of Vancouver, in the Province of British Columbia, this 20th day of July 2018.

BY ORDER

Original signed by:

K. A. Keilty
Commissioner