

## BRITISH COLUMBIA UTILITIES COMMISSION

ORDER

NUMBER G-70-08

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# IN THE MATTER OF the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

An Application by FortisBC Inc. to Flow-Through BC Hydro Power Purchase Interim Rate Increase

**BEFORE:** L.F. Kelsey, Commissioner

P.E. Vivian, Commissioner A.A. Rhodes, Commissioner

April 17, 2008

#### ORDER

#### WHEREAS:

- A. Commission Order No. G-58-06 approved for FortisBC Inc. ("FortisBC" or "Company") a Performance Based Regulation Settlement for the years 2007, 2008 and potentially 2009 (the "PBR Settlement"); and
- B. FortisBC in its 2008 Revenue Requirements Application sought approval to implement any British Columbia Hydro and Power Authority ("BC Hydro") Power Purchase rate change in 2008 by way of a flow-through adjustment at the time of a Commission Decision approving a BC Hydro rate adjustment for 2008. Subsequently, Commission Order No. G-147-07 dated December 4, 2007, approved the Modified Settlement Agreement for FortisBC's 2008 Revenue Requirements Application, which also included the proposed treatment of the BC Hydro Power Purchase rate change; and
- C. The Commission, by Order No. G-40-08 dated March 14, 2008, approved BC Hydro's request for a refundable interim rate increase of 6.56 percent and a refundable interim decrease for its Deferral Account Rate Rider, from 2.0 percent to 0.5 percent, both effective April 1, 2008; and
- D. On April 11, 2008 FortisBC filed its application requesting approval of a 0.8 percent interim rate increase, effective May 1, 2008, that reflects the flow-through of the BC Hydro Power Purchase interim rate increase ("the Application"); and
- E. The Commission has reviewed the Application and considers that approval is warranted.

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### **NOW THEREFORE** the Commission orders as follows:

- 1. The Commission approves the 0.8 percent refundable interim rate increase for FortisBC effective May 1, 2008.
- 2. The interim rate increase is subject to refund with interest calculated for the refund period at the average prime rate of the principal bank with which FortisBC conducts its business.
- 3. The Commission will accept, subject to timely filing, amended Electric Tariff Rate Schedules in accordance with the terms of this Order.

**DATED** at the City of Vancouver, in the Province of British Columbia, this

 $18^{th}$ 

day of April 2008.

BY ORDER

Original signed by:

L.F. Kelsey Commissioner