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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER F-2-11**

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

and

Applications for Participant Assistance/Cost Award
regarding the FortisBC Inc.
2010 Annual Review, 2011 Revenue Requirements and
Negotiated Settlement Process

BEFORE:

L.F. Kelsey, Commissioner
N.E. MacMurchy, Commissioner
D. Morton, Commissioner

January 6, 2011

O R D E R

WHEREAS:

- A. British Columbia Utilities Commission (Commission) Order G-58-06 approved for FortisBC Inc. (FortisBC or Company) a Settlement Agreement for its 2006 Revenue Requirements and a Performance Based Regulation Settlement for the years 2007, 2008 and potentially 2009 (the PBR Settlement). The PBR Settlement requires FortisBC to hold an Annual Review, Workshop and Negotiated Settlement Process (NSP) each November with a goal of achieving firm rates by December 1 for the following year;
- B. The Annual Review compares the Company's actual performance for the recently completed year to the approved targets for the Performance Standards to determine whether the Company is entitled to an incentive payment. The Revenue Requirements Workshop is to focus on future test periods and the NSP is conducted to establish rates for the following year;
- C. Commission Order G-193-08, issued on December 11, 2008, approved an extension of the 2007-2009 Performance-Based Rate Plan for the years 2009-2011;
- D. On October 1, 2010, FortisBC filed its Preliminary 2011 Revenue Requirements Application which sought a 5.9 percent general rate increase to be effective January 1, 2011;
- E. By Order G-142-10 dated September 16, 2010, the Commission established a Regulatory Timetable for the 2010 Annual Review and a 2011 Revenue Requirements Workshop on November 16, 2010 in Kelowna, BC, followed by an NSP on November 17, 2010;
- F. By October 15, 2010, the Commission and Interveners issued Information Requests to FortisBC, which were responded to on October 29, 2010;

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- G. On November 1, 2010, FortisBC filed the 2011 Revenue Requirements Update, which increased the general rate increases sought to 6.2 percent, effective January 1, 2011;
- H. By Order G-184-10 dated December 9, 2010, the Commission approved the proposed Negotiated Settlement Agreement;
- I. By email dated November 22, 2010, Mr. Norm Gabana applied for a participant assistance cost award (PACA) in the amount of \$715.76 with respect to his participation in the proceeding;
- J. In a letter dated December 6, 2010, the British Columbia Old Age Pensioners' Organization *et al.* (BCOAPO) applied for PACA funding in the amount of \$11,122.10;
- K. In a letter dated December 17, 2010 the British Columbia Municipal Electrical Utilities (BCMEU) applied for PACA funding in the amount of \$12,856.70;
- L. FortisBC advised the Commission that it had reviewed the above applications for cost awards and that it had no comments with respect to the above claims;
- M. The Commission has reviewed the application for cost award with respect to the criteria and rates as set out in the Guidelines in Commission Order G-72-07 and has determined that the requested funding should be approved.

NOW THEREFORE pursuant to section 118(1) of the *Utilities Commission Act*, the Commission approves:

- 1. Participant Assistance Cost Awards in the following amounts with respect to their participation in the FortisBC 2010 Annual Review and 2011 Revenue Requirements proceeding:

Mr. Norm Gabana	\$715.76
BCOAPO	\$11,122.10
BCMEU	\$12,856.70
- 2. FortisBC is directed to reimburse the above noted participants for the respective amounts that have been awarded in a timely manner.

DATED at the City of Vancouver, in the Province of British Columbia, this 7th day of January 2011.

BY ORDER

Original signed by:

D. Morton
Commissioner