

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, BC V6Z 2N3 CANADA
web site: <http://www.bcuc.com>



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-68-11**

TELEPHONE: (604) 660-4700
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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.
for Approval of a Residential Inclining Block Rate**

BEFORE: D. Morton, Panel Chair/Commissioner
L.A. O'Hara, Commissioner April 12, 2011
M.R. Harle, Commissioner

ORDER

WHEREAS:

- A. On March 31, 2011, FortisBC Inc. (FortisBC) filed an application for approval of a Residential Inclining Block (RIB) Rate (Application) to the British Columbia Utilities Commission (Commission) pursuant to sections 58 to 61 of the *Utilities Commission Act*;
- B. The Application proposes to implement a default mandatory RIB rate for FortisBC residential customers. The RIB rate is composed of a customer charge and two rate blocks separated by a threshold level of consumption of 1,600 kWh per two-month billing period;
- C. The Application examines eighteen options. The option proposed by FortisBC has the Block 1 and Block 2 rates set at levels such that 95 percent of customers will experience annual bill impacts of less than 10 percent;
- D. FortisBC proposes to exempt the customer charge from future rate increases, other than those related to rebalancing through 2015, effectively reducing the customer charge relative to the other billing determinants. FortisBC also proposes to apply future general revenue requirement rate increases (excluding rebalancing) as follows: 1) Block-1 rate would be increased by an amount equal to the sum of the general revenue requirement increase and any rebalancing adjustments; and 2) Block-2 rate would be calculated residually to recover the balance of the general revenue requirement and any rebalancing adjustments;
- E. FortisBC proposes that the Application be reviewed by one round of Information Request (IR) and a written hearing process;
- F. The Commission has reviewed FortisBC's proposed regulatory timetable and considers that an initial regulatory timetable should be established.

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2

NOW THEREFORE the Commission orders as follows:

1. Intervener and Interested Party registration, two rounds of IR from the Commission and Registered Interveners, and responses to IR by FortisBC, will occur according to the Initial Regulatory Timetable, attached as Appendix A to this Order.
2. A Procedural Conference will be held on May 10, 2011, at the Delta Grand Okanagan Resort, in the city of Kelowna, BC, commencing at 1:00 pm.
3. FortisBC will publish the Notice of Application and Procedural Conference, attached as Appendix B to this Order, in appropriate local news publications in the FortisBC service area, as soon as possible but no later than April 23, 2011. Publication will be in display-ad format.
4. FortisBC is to provide a copy of the Application and this Commission Order and Preliminary Regulatory Timetable to those who were Registered Interveners in the 2009 Rate Design and Cost of Service Analysis application proceeding and in the 2010 Annual Review – 2011 Revenue Requirements application proceeding.
5. Persons who wish to participate in the FortisBC RIB Rate Application proceeding as Interveners or Interested Parties should register with the Commission, via written or electronic submission, by May 4, 2011. Interveners should provide the following information: the nature of their interest in the Application; the nature of the issues they intend to pursue during the proceeding, the nature and extent of their anticipated involvement in the review, including whether they expect to file written evidence as part of the hearing.
6. Interveners intending to apply for Participant Assistance must submit a budget estimate by May 16, 2011. Participant Assistance applications should be consistent with the Commission's Participant Assistance/Cost Award Guidelines and Order G-72-07. Copies of the Guidelines are available upon request or can be downloaded from the Commission's web site at http://www.bcuc.com/Documents/Guidelines/2010/DOC_5014_G-72-07_PACA_2007_Guidelines.pdf

DATED at the City of Vancouver, in the Province of British Columbia, this 12th day of April 2011.

BY ORDER



D. Morton
Commissioner

Attachments



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INITIAL REGULATORY TIMETABLE

ACTION	DATE (2011)
Registration Deadline for Interveners and Interested Parties; Registration Deadline for the Procedural Conference	Wednesday, May 4
Procedural Conference	Tuesday, May 10
Commission Information Requests No. 1 to FortisBC	Wednesday, May 11
Intervener Information Request No. 1 to FortisBC	Monday, May 16
Participant Assistance Budget Submission	Thursday, May 19
SUBJECT TO FURTHER REGULATORY ORDER:	
FortisBC Responses to Commission and Intervener Information Request No. 1 (tentative)	Tuesday, June 7
Commission and Intervener Information Request No. 2 (tentative)	Tuesday, June 28
FortisBC Responses to Commission and Intervener Information Request No. 2 (tentative)	Friday, July 29



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APPENDIX B
to Order G-68-11
Page 1 of 2

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NOTICE OF APPLICATION AND PROCEDURAL CONFERENCE

Date:	Tuesday, May 10, 2011
Time:	1:00 pm
Location:	Delta Grand Okanagan Resort, 1310 Water Street, Kelowna, BC

THE APPLICATION

On March 31, 2011, FortisBC filed its Residential Inclining Block (RIB) Rate application (Application) with the British Columbia Utilities Commission (Commission), pursuant to subsections 58 and 61 of the *Utilities Commission Act*.

On October 19, 2010, the Commission issued Order G-156-10, which directed FortisBC to develop a plan for introducing residential inclining block rates that also incorporate a lower Basic Charge (Customer Charge) in the immediate future and to file a RIB rate application with the Commission no later than March 31, 2010. The Application proposes to implement a default mandatory RIB rate for FortisBC's residential customers. The RIB rate is composed of a Customer Charge and two rate blocks separated by a threshold level of consumption of 1,600 kWh per two-month billing period. The Block 1 and Block 2 rates are set such that 95 percent of customers will experience annual bill impacts of less than 10 percent.

THE REGULATORY PROCESS

A Procedural Conference will be held at the Delta Grand Okanagan Resort, in the City of Kelowna, on the afternoon of Tuesday, May 10, 2011 to discuss procedural matters related to the Application.

PUBLIC INSPECTION OF THE APPLICATION

The Application is available for inspection at the following locations:

FortisBC Inc.
Suite 100 - 1975 Springfield Road
Kelowna, BC V1Y 7V7
Telephone: 1-866-436-7847

BC Utilities Commission
Sixth Floor, 900 Howe Street
Vancouver, BC V6Z 2N3
Telephone: 604-660-4700

The Application is also available for viewing on the following web sites:

<http://www.fortisbc.com>

<http://www.bcuc.com>

REGISTERING TO PARTICIPATE

Those who expect to actively participate in the review process or processes should register as Interveners with the Commission. Interveners will receive copies of the Application, all correspondence and filed documents. Those not expecting to actively participate should register with the Commission as Interested Parties and will receive a copy of the Application's summary, all Orders issued, and the Commission's Decision.

Interveners and Interested Parties should inform the Commission Secretary, in writing, by May 4, 2011 of their intention to become Interveners or Interested Parties, and their intention to attend the Procedural Conference.

All submissions and/or correspondence received from active participants or the public relating to the Application will be placed on the public record and posted to the Commission's web site.

PARTICIPANT ASSISTANCE/COST AWARDS

Any party intending to apply for a Participant Assistance/Cost Award is advised to review the Commission's Guidelines with respect to the requirements for eligibility. The Participant Assistance/Cost Award Guidelines may be obtained by writing to the Commission Secretary, or online at http://www.bcuc.com/Documents/Guidelines/2010/DOC_5014_G-72-07_PACA_2007_Guidelines.pdf

FURTHER INFORMATION

For further information, please contact Ms. Erica Hamilton, Commission Secretary as follows:

Telephone: (604) 660-4700
Facsimile: (604) 660-1102

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