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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-159-12**

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

and

FortisBC Inc.
2012 – 2013 Revenue Requirements and
Review of 2012 Integrated System Plan Application
Compliance to Order G-110-12

BEFORE: D.A. Cote, Commissioner
A.A. Rhodes, Commissioner October 25, 2012
N.E. MacMurchy, Commissioner

O R D E R

WHEREAS:

- A. On June 30, 2011, FortisBC Inc. (FortisBC or the Company) filed an application for approval of its 2012 – 2013 Revenue Requirements and the review of its 2012 Integrated System Plan (collectively referred to as the Application). Through evidence filed in the proceeding, the updated proposal was to increase rates to 1.5 percent in 2012 and 6.5 percent in 2013;
- B. By Order G-199-11 the British Columbia Utilities Commission (the Commission) approved an interim rate increase of 1.5 percent for FortisBC, effective January 1, 2012;
- C. After a review of the Application and the proceeding materials, the Commission issued Order G-110-12 in conjunction with its Reasons for Decision (the Decision) on August 15, 2012, with various directives for FortisBC;
- D. By letter dated September 5, 2012, FortisBC corrected a small number of factual errors in the Decision and also sought clarification on certain directives contained in the Decision;
- E. The Commission issued a Corrigenda, dated September 17, 2012, to FortisBC and requested the financial schedules to be amended accordingly;

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- F. On October 9, 2012, the Company submitted its final revenue requirements for 2012 and 2013 indicating that a lower permanent rate increase would be required. FortisBC sought a variance to Order G-110-12 and approval for the over-collection of 2012 revenue requirements to be applied to reduce the 2013 revenue requirements and rates. Specifically, FortisBC sought approval to make firm the interim 2012 rate increase of 1.5 percent, effective January 1, 2012, and an approval of a net rate increase of 4.2 percent, effective January 1, 2013;
- G. The Commission has considered the application for variance and approves the request.

NOW THEREFORE the Commission orders as follows:

1. Pursuant to section 59-61 of the *Act*, the Interim rate increase of 1.5 percent, which was effective January 1, 2012 is to be made permanent. Effective January 1, 2013, the permanent rate increase is 4.2 percent, which reflects the adjustment for the over-collection of 2012 revenue requirements plus the Company's approved revenue requirements for 2013;
2. The Commission will accept, subject to timely filing, amended Tariff Rate Schedules which conform to this Order. FortisBC is to provide all customers, by way of an information notice and media publication, with a notice of the change in rates.

DATED at the City of Vancouver, in the Province of British Columbia, this 25th day of October 2012.

BY ORDER

Original signed by:

D.A. Cote
Commissioner