

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-17-14**

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

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

and

FortisBC Energy Inc. Fort Nelson Service Area
Application for Approval of Deferral Account Treatment for 2014 and
Changes to the Revenue Stabilization Adjustment Mechanism Rate Rider

BEFORE: L.F. Kelsey, Commissioner
C.A. Brown, Commissioner February 13, 2014
N.E. MacMurchy, Commissioner
D.M. Morton, Commissioner

O R D E R

WHEREAS:

- A. On October 11, 2013, FortisBC Energy Inc. (FEI) filed an application with the British Columbia Utilities Commission (Commission) for deferral account treatment for 2014, for adoption of the accounting changes as approved for FortisBC Energy Inc. in its Application for Approval of a Multi-Year Performance Based Ratemaking Plan for 2014-2018, and for changes to the Revenue Stabilization Adjustment Mechanism (RSAM) Rider (Deferral/RSAM Application) for the Fort Nelson Service Area pursuant to sections 59 to 61 and 89 of the *Utilities Commission Act* (Act);
- B. In the Deferral/RSAM Application, FEI seeks approval to maintain the current 2013 delivery rates approved by Order G-44-12 and reset the RSAM Rider, effective January 1, 2014. FEI also seeks approval to reduce the amortization period for the RSAM from three years to two years;
- C. By Order G-203-13 dated November 28, 2013, the Commission approved the requested change to the RSAM Rider effective January 1, 2014, and the reduction to the RSAM amortization period. The remainder of the Deferral/RSAM Application would be the subject of a future Order. This is the future Order;
- D. On December 17, 2013, the British Columbia Pensioners' and Seniors' Organization *et al.* (BCPSO) filed a letter in support of a simplified review process for the Deferral/RSAM Application and requesting that if the Commission approves the deferral account treatment that it explicitly state that it is not granting final approval of the estimates and these amounts will be subject to a future process;
- E. On December 18, 2013, the Fort Nelson & District Chamber of Commerce (FNCC) filed Information Requests to FEI with the Commission. On January 6, 2014, FEI filed its responses to the IRs;

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-17-14

2

- F. By Order G-223-13 dated December 19, 2013, the Commission set the current delivery rates for the FEI Fort Nelson Service Area as interim effective January 1, 2014;
- G. By Order G-2-14 dated January 9, 2014, the Commission set the Regulatory Timetable for further submissions;
- H. FEI filed its Final Submissions on the above noted Application on Wednesday, January 22, 2014. No Intervener Reply Submissions were received by the utility or by the Commission as of February 3, 2014. On February 4, 2014, FEI filed a submission requesting the Application should be approved as filed for the Fort Nelson Service Area; and
- I. The Commission reviewed and considered the remainder of the Deferral/RSAM Application and determines that maintaining the interim 2014 delivery rates as final, and the requested changes, should be approved.

NOW THEREFORE pursuant to sections 59 to 61 and 89 of the *Utilities Commission Act* the Commission approves the following for FortisBC Energy Inc. Fort Nelson Service Area:

1. The interim delivery rates effective January 1, 2014 as final.
2. The discontinuance, modification, and creation of deferral accounts, and the amortization and disposition of balances of deferral accounts, all as set out in Section 1 of the Deferral/RSAM Application. This approval is subject to the examination of the 2014 actual results that are added to the corrected December 31, 2013 balances of the deferral accounts, and the cost recovery, in the next revenue requirements proceeding.
3. The adoption of the accounting changes that are approved for FortisBC Energy Inc. in its Application for Approval of a Multi-Year Performance Based Ratemaking Plan for 2014-2018 as set out in the Deferral/RSAM Application.

DATED at the City of Vancouver, In the Province of British Columbia, this 13th day of February 2014.

BY ORDER

Original signed by:

D.M. Morton
Commissioner