



LETTER L-14-15

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VIA EMAIL

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March 26, 2015

Ms. Diane Roy
Director, Regulatory Services
FortisBC
16075 Fraser Hwy
Surrey, BC V4N 0E8

Dear Ms. Roy:

Re: FortisBC Inc.
Residential Conservation Rate Evaluation Report

The BC Utilities Commission recently requested comments from registered interveners from the original proceeding that approved the Residential Conservation Rate (RCR) on the RCR Evaluation Report filed on November 28, 2014. Four interveners provided comments and FortisBC Inc. provided a reply submission on February 20, 2015.

The Commission reviewed the Evaluation Report and intervener comments and finds there is no evidence that the rate is not achieving conservation as intended and therefore there is no reason to make changes to the rate at this time. It is the Commission's view that the appropriate time to review the rate structure and explore alternate rate designs is during the next rate design application, which is currently planned for 2017.

In the interim, the Commission notes that an opportunity exists for FortisBC to communicate with customers receiving bill impacts greater than 10 percent and/or customers with electric heat or heat pumps (air source or geothermal) about demand-side management programs that exist, or may be created or tailored, to mitigate bill impacts while furthering the goal of conservation.

Yours truly,

Erica Hamilton

PW/cms

cc: Registered Intervenors (FBC-RIB-RI)