

LETTER L-19-15

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VIA EMAIL

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April 28, 2015

Ms. Diane Roy Director, Regulatory Affairs FortisBC Energy Inc. 16705 Fraser Highway Surrey, BC V4N 0E8

Dear Ms. Roy:

Re: FortisBC Energy Inc. (FEI)

Application for Approval of FEI Code of Conduct and Transfer Pricing Policy Revised in Accordance with Decision on Application for a Code of Conduct and Transfer Pricing Policy for Affiliated Regulated Businesses Operating in a Non-Natural Monopoly Environment and Accompanying Order G-31-15

Enclosed is the Commission Order G-65-15 approving the Code of Conduct (CoC) and Transfer Pricing Policy (TPP) documents filed in compliance with Order G-31-15 that was attached to the February 27, 2015 Decision on Application for a COC and TPP for Affiliated Regulated Businesses Operating in a Non-Natural Monopoly Environment (ARBNNM).

The Commission appreciates the efforts made by FEI and all the participants in the FEI-sponsored collaborative sessions and in the COC and TPP for ARBNNM proceeding before the Commission. The Commission looks forward to the next application for approval of an all-inclusive CoC and TPP that covers FEI interactions with ARBNNM, Non-Regulated Businesses, and affiliated natural monopoly utilities. The Commission expects that preparation for the next application will have benefitted from the efforts invested by all parties in this newly approved CoC and TPP for the ARBNNMs and therefore will involve only an abridged collaborative process such as a FEI-led workshop to consult all stakeholders on the format and key issues of the new document in advance of FEI filing its application.

Yours truly,

Erica Hamilton

EC/dg Enclosure

cc: CoC and TPP consultation process participants



BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER

NUMBER G-65-15

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

and

FortisBC Energy Inc.

Application for Approval of Code of Conduct and Transfer Pricing Policy for Affiliated Regulated Businesses Operating in a Non-Natural Monopoly Environment Compliance Filing Pursuant to Commission Order G-31-15

BEFORE: L. A. O'Hara, Panel Chair/Commissioner

K. A. Keilty, Commissioner

N. E. MacMurchy, Commissioner

April 28, 2015

ORDER

WHEREAS:

- A. On February 27, 2015, the British Columbia Utilities Commission (Commission) issued its decision and an accompanying Order G-31-15 to FortisBC Energy Inc. (FEI) regarding its Application for a Code of Conduct (COC) and Transfer Pricing Policy (TPP) for Affiliated Regulated Businesses operating in a Non-Natural Monopoly Environment (ARBNNM);
- B. Order G-31-15 directed FEI to comply with the findings and determinations in the accompanying decision and to file for approval its COC and TPP on or before April 7, 2015. In the same order, FEI was also directed to file for approval a draft all-inclusive COC and TPP within one year of final approval of the COC and TPP for ARBNNM;
- C. By letter dated April 7, 2015, FEI filed, for Commission approval, its COC and TPP based on the determinations in the decision (Compliance Filing);
- D. The Commission has reviewed the Compliance Filing and concluded that approval of the COC and TPP is warranted; and
- E. The Commission is cognizant that, with the final approval of FEI's COC and TPP for ARBNNMs by this Order G-65-15, FEI is to file for approval a draft all-inclusive COC and TPP no later than April 27, 2016.

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NOW THEREFORE, pursuant to sections 58-61 of the *Utilities Commission Act*, the Commission orders as follows:

- 1 FortisBC Energy Inc.'s (FEI) Code of Conduct and Transfer Pricing Policy for Affiliated Regulated Businesses Operating in a Non-Natural Monopoly Environment as filed in the Compliance Filing dated April 7, 2015 is approved.
- 2 FEI is to file for approval, no later than April 27, 2016, a draft all-inclusive Code of Conduct and Transfer Pricing Policy that covers the interactions between FEI and its affiliated natural monopoly utilities, FEI and its affiliated non-regulated businesses, and FEI and its affiliated regulated businesses operating in a non-natural monopoly environment.

DATED at the City of Vancouver, in the Province of British Columbia, this 28th day of April 2015.

BY ORDER

Original signed by:

L. A. O'Hara Panel Chair/Commissioner