



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-97-15**

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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 2015-2016 Revenue Requirements and Rates
for the Fort Nelson Service Area**

BEFORE: D. A. Cote, Panel Chair/Commissioner
H. G. Harowitz, Commissioner
I. F. MacPhail, Commissioner
June 10, 2015

O R D E R

WHEREAS:

- A. On December 3, 2014, FortisBC Energy Inc. (FEI) submitted its 2015-2016 revenue requirements and rates application for the Fort Nelson service area (FEFN) with the British Columbia Utilities Commission (Commission) pursuant to sections 59 to 61 of the *Utilities Commission Act* (UCA), seeking, among other things, Commission approval to increase delivery rates (Application);
- B. FEI forecasts a 2015 revenue deficiency for FEFN of approximately \$473 thousand and a 2016 revenue deficiency of approximately \$153 thousand, which results in an approximate 24.26 percent increase to delivery rates in 2015 and a further increase of 7.58 percent in 2016;
- C. Pursuant to Order G-192-14, the Commission approved on an interim and refundable basis the delivery rates and Revenue Stabilization Adjustment Mechanism rate rider as set forth in the Application, effective January 1, 2015. The Commission also established a regulatory timetable which provided for intervener and interested party registration and one round of Commission and intervener information requests (IRs), followed by written submissions from all parties on further regulatory process;
- D. By letter dated February 17, 2015, the Commission established the remainder of the Regulatory Timetable, which included a second round of IRs and final written and reply submissions;
- E. On March 3, 2015 in response to a letter filed by FEI on February 26, 2015, the Commission issued Order G-34-15 amending the Regulatory Timetable to extend the deadlines for FEI responses to Commission and intervener IR No. 2 and the timing of final and reply submissions;
- F. FEI filed its Final Submission on April 14, 2015, which included, among other things, revised 2015 and 2016 forecast delivery rate increases;

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G. The following interveners filed Final Submissions on April 28, 2015:

- British Columbia Old Age Pensioners' Organization, *et al*;
- Commercial Energy Consumers Association of British Columbia; and
- Fort Nelson & District Chamber of Commerce;

H. FEI filed its Reply Submission on May 7, 2015; and

I. The Commission considered the Application, evidence and submissions of the parties as set forth and discussed in the Decision issued concurrently with this order.

NOW THEREFORE pursuant to sections 59 to 61 of the *Utilities Commission Act*, for the reasons set out in the Decision that is issued concurrently with this order, the British Columbia Utilities Commission orders as follows:

1. FortisBC Energy Inc.'s requested permanent delivery rate increases for 2015 and 2016 for the Fort Nelson Service Area are not approved as filed. Permanent 2015 and 2016 delivery rate increases, as modified to reflect the directives in the Decision, are approved.
2. The Revenue Stabilization Adjustment Mechanism rate rider is approved on a permanent basis at \$0.039 per gigajoule, effective January 1, 2015.
3. FortisBC Energy Inc. is directed to re-calculate the 2015 and 2016 revenue deficiencies and delivery rate increases and to file revised financial schedules with the Commission reflecting the changes outlined in the Decision by July 10, 2015.
4. FortisBC Energy Inc. is directed to collect from/refund to customers as soon as possible the difference between the 2015 interim rates and permanent rates, with interest at the average prime rate of the Company's principal bank, by way of a bill adjustment reflecting customers' consumption from January 1, 2015.
5. FortisBC Energy Inc. must comply with all determinations and directives as set out in the Decision.

DATED at the City of Vancouver, in the Province of British Columbia, this 10th day of June 2015.

BY ORDER

Original signed by:

D. A. Cote
Panel Chair/Commissioner