



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-214-15**

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IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

FortisBC Inc.
Application for Stepped and Stand-by Rates for Transmission Voltage Customers

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

December 24, 2015

O R D E R

WHEREAS:

- A. On March 28, 2013, FortisBC Inc. (FortisBC) filed with the British Columbia Utilities Commission (Commission) an Application for Stepped and Stand-By Rates for Transmission Voltage Customers addressing, among other things, approval for a Stand-by Rate (RS 37) and billing charges during the interim period for Zellstoff Celgar Limited Partnership (Application);
- B. Zellstoff Celgar Limited Partnership (Celgar), British Columbia Old Age Pensioners' and Seniors' Organization *et al.* (BCOAPO), British Columbia Hydro and Power Authority, BC Municipal Electric Utilities, International Forest Products Limited, and the Minister of Energy and Mines registered as interveners. Tolko Industries Ltd. registered as an interested party;
- C. Effective May, 29, 2015, the Commission approved RS 37 in stages by way of: Order G-67-14 (Stage I Decision), Order G-46-15 (Stage II Decision) and Order G-93-15 (Stage III Decision);
- D. By Order G-149-15, dated September 22, 2015 (Stage IV Decision), the Commission set the Stand-by Billing Demand (SBBD), a component of RS 37, for Celgar at 40 percent of the Stand-by Demand Limit of 42 MVA, which resulted in a SBBD of 16.8 MVA. The Commission also directed FortisBC and Celgar to attempt to negotiate an agreement as to the appropriate billing charges during the interim period;
- E. On October 22, 2015, FortisBC and Celgar filed for approval, a joint submission attaching an executed agreement enclosed as Appendix A (Agreement). On October 23 and November 2, 2015, FortisBC provided supplementary information on the Agreement (collectively the Settlement Agreement); and

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- F. By Order G-192-15, dated December 4, 2015, the Commission set out a regulatory timetable establishing an expedited written review the Settlement Agreement, which included one round of information requests followed by written submissions.

NOW THEREFORE the British Columbia Utilities Commission, for the Reasons stated in the Decision, orders the following:

1. The executed Agreement between FortisBC Inc. (FortisBC) and Zellstoff Celgar Limited Partnership (Celgar) made on October 22, 2015, enclosed as Appendix A to Exhibit B-46 (Agreement) is approved as filed.
2. The request to create the Celgar Interim Period Billing Adjustment deferral account to recover from ratepayers the Refund Amount, Continued Interest and carrying costs (Deferral Account) is approved as follows:
 - a. The balance in the Deferral Account is to be financed at FortisBC's weighted average cost of debt (carrying costs);
 - b. No amounts other than the Refund Amount, Continued Interest, and carrying costs are to be added to the Deferral Account;
 - c. FortisBC must propose a means for recovery of the Deferral Account balance as part of the 2017 Annual Review of Rates Application;
 - d. The Deferral Account must be fully amortized within five years of the date of this Order; and
 - e. Once the Deferral Account is fully amortized it must be closed.
3. As requested, the Commission will hold as confidential the responses to information requests including Celgar's model.
4. Applications for Participant Assistance Cost Award must be submitted to the Commission within 30 days of the date of this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 24th day of December 2015.

BY ORDER

Original signed by:

L. A. O'Hara
Panel Chair/Commissioner