

ORDER NUMBER
G-180-16

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

and

FortisBC Inc.
Annual Review for 2017 Rates

BEFORE:

W. M. Everett, Q.C., Panel Chair/Commissioner
M. Kresivo, Q.C., Commissioner

on December 5, 2016

ORDER

WHEREAS:

- A. On September 15, 2014, the British Columbia Utilities Commission (Commission) issued its decision and Order G-139-14 for FortisBC Inc. (FBC) approving a Multi-Year Performance Based Ratemaking (PBR) Plan for 2014 through 2019 (PBR Decision). In accordance with the PBR Decision, FBC is to conduct an annual review process to set rates for each year under the PBR Plan;
- B. By letter dated July 15, 2016, FBC proposed a regulatory timetable for its annual review for 2017 rates;
- C. By Order G-123-16 dated July 28, 2016, the Commission established the Regulatory Timetable for the FBC Annual Review for 2017 Rates proceeding, which included the anticipated date for FBC to file its annual review materials, the deadline for intervenor registration, one round of Commission and intervenor information requests, a workshop and written final and reply arguments;
- D. On August 8, 2016, FBC submitted its Annual Review for 2017 Rates Application materials (Annual Review Application) seeking approval of, among other things, a permanent rate increase, pursuant to sections 59 to 61 of the *Utilities Commission Act* (UCA), of 3.60 percent compared to 2016 rates to be applied to all components of rates for all customer classes, effective January 1, 2017;
- E. On August 8, 2016, pursuant to section 44.2 of the UCA, FBC also submitted its Application for Acceptance of Demand Side Management Expenditures for 2017 (DSM Application) which is being reviewed in a separate proceeding;
- F. On October 5, 2016, FBC submitted an evidentiary update to the Annual Review Application amending the requested permanent rate increase to 2.76 percent;
- G. In accordance with Order G-123-16, intervenors submitted their final arguments on the Annual Review Application on November 2, 2016 and FBC submitted its reply argument on November 9, 2016;

- H. Pursuant to section 44.2(2) of the UCA, the Commission may not consent under section 61 of the UCA to an amendment to a schedule filed under section 61 to the extent that the amendment is for the purpose of, among other things, recovering expenditures on demand-side measures the public utility anticipates making during the period addressed by the schedule, unless the amendment is for the purpose of setting an interim rate; and
- I. The Commission has reviewed the Annual Review Application and the evidence filed and, in consideration of the ongoing DSM Application proceeding, finds that approval of an interim rate for 2017 to be applied to all components of rates for all customer classes is warranted.

NOW THEREFORE pursuant to section 89 of the *Utilities Commission Act*, the British Columbia Utilities Commission orders as follows:

1. FortisBC Inc.'s application for a 2.76 percent rate increase to be applied to all components of rates for all customer classes is approved on an interim basis, effective January 1, 2017. The Commission's final determination on permanent rates for 2017 and determinations on the other approvals and acceptances applied for in the FortisBC Inc. Annual Review for 2017 Rates Application will follow the completion of the FortisBC Inc. Application for Acceptance of Demand Side Management for 2017 Expenditures proceeding.
2. FortisBC Inc. is directed to file with the Commission, within 30 days of the issuance of this order, amended tariff pages in accordance with the terms of this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 5th day of December 2016.

BY ORDER

Original Signed By:

W. M. Everett, Q.C.
Commissioner