



**ORDER NUMBER
G-302-19**

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

and

FortisBC Energy Inc. and FortisBC Inc.
Application for Approval of a Multi-Year Rate Plan for the Years 2020 through 2024
FortisBC Energy Inc. Application for Approval of 2020 Rates on an Interim Basis, effective January 1, 2020

BEFORE:

D. A. Cote, Panel Chair
A. K. Fung, QC, Commissioner
K. A. Keilty, Commissioner
E. B. Lockhart, Commissioner

on November 28, 2019

ORDER

WHEREAS:

- A. On March 11, 2019, FortisBC Energy Inc. (FEI) and FortisBC Inc. (collectively, FortisBC) applied to the British Columbia Utilities Commission (BCUC) for approval of a proposed Multi-Year Rate Plan for the years 2020 through 2024, pursuant to sections 59 to 61 of the *Utilities Commission Act* (UCA), seeking approval of a rate-setting framework for FortisBC for the upcoming five years, including, among other things, incentive mechanisms, an innovation fund, a forecast of capital expenditures, service quality indicators and approval of deferral accounts, updated depreciation rates, capitalization rates and other supporting studies (MRP Application);
- B. By Orders G-64-19, G-156-19, G-241-19 and G-272-19, the BCUC established a public hearing process and regulatory timetables for the review of the MRP Application;
- C. On October 29, 2019, FEI applied to the BCUC, pursuant to sections 59 to 61 and 89 of the UCA, for approval of a delivery rate increase of 2.0 percent, on an interim and refundable basis (with interest at the average prime rate of FEI's principal bank applied to any refundable amounts), effective January 1, 2020 (Interim Rates Application). FEI submits that the requested rate increase is less than the 3.67 percent calculated in the Financial Schedules, attached as Appendix A to the Interim Rates Application, and that it intends to file its annual review materials to set permanent rates for 2020 (Annual Review for 2020 Rates Application) after the BCUC renders its final decision on the MRP Application. FEI further states that it intends to file for approval of commodity rates for January 1, 2020, which it forecasts to be an overall decrease in commodity rates that will assist with rate mitigation for FEI customers;
- D. No interveners raised any objections to the Interim Rates Application; and

E. The BCUC has reviewed the Interim Rates Application and finds that approval is warranted.

NOW THEREFORE pursuant to sections 59 to 61 and 89 of the UCA, the BCUC orders as follows:

1. FEI's application for a 2.0 percent delivery rate increase, on an interim and refundable basis, effective January 1, 2020, is approved.
2. FEI is directed to refund/recover the difference between the interim rates and permanent rates, as determined by the BCUC following its final determinations on the MRP Application and the Annual Review for 2020 Rates Application, with interest calculated on any refundable amounts at the average prime rate of FEI's principal bank for its most recent year.
3. FEI is directed to file with the BCUC, 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 28th day of November 2019.

BY ORDER

Original signed by:

D. A. Cote
Commissioner