



**ORDER NUMBER
G-78-21**

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

and

FortisBC Energy Inc.
Application for Approval of Deferral Account Treatment for 2021 and Changes to the
Revenue Stabilization Adjustment Mechanism Rider for the Fort Nelson Service Area

BEFORE:

K. A. Keilty, Panel Chair
A. K. Fung, QC, Commissioner

on March 16, 2021

ORDER

WHEREAS:

- A. On November 6, 2020, FortisBC Energy Inc. (FEI) filed with the British Columbia Utilities Commission (BCUC), pursuant to sections 59 to 61 of the *Utilities Commission Act*, an application for approval to maintain the existing rates for 2021 and of certain deferral account treatment and changes to the Revenue Stabilization Adjustment Mechanism (RSAM) rate rider for 2021 for the Fort Nelson service area (FEFN) (Application);
- B. In the Application, FEI requests the following approvals for FEFN:
 - (i) To maintain delivery rates at existing 2020 rates as approved by Order G-48-19 on a permanent basis, effective January 1, 2021;
 - (ii) To set the RSAM rate rider to a refund of \$0.333 per gigajoule (GJ) for rate schedule (RS) 1, RS 2, and RS 3 on a permanent basis, effective January 1, 2021; and
 - (iii) To establish a non-rate base deferral account (2021 Revenue Surplus deferral account) to record the forecast 2021 revenue surplus of \$132,000 and any BCUC direct costs or Participant Assistance/Cost Award costs related to the review of the Application, attracting a weighted average cost of capital return and with amortization to be determined in the next revenue requirement proceeding;
- C. By Order G-299-20 dated November 25, 2020, the BCUC established a regulatory timetable to include the filing of supplemental information, one round of BCUC information requests, the deadline for letters of comment and FEI's written final argument;
- D. By Order G-316-20 dated December 4, 2020, the BCUC approved FEI to maintain delivery rates at existing 2020 rates and to change the RSAM rate rider to a refund of \$0.054 per GJ, on an interim and refundable basis, effective January 1, 2021 for FEFN; and

- E. The BCUC has reviewed the Application, evidence and submissions filed in this proceeding, and considers that approval of the Application is warranted.

NOW THEREFORE pursuant to sections 59 to 61 of the *Utilities Commission Act*, and for the reasons provided in the decision issued concurrently (Decision) with this order, the BCUC orders as follows:

1. FEI is approved to maintain the existing delivery rates on a permanent basis for FEFN, effective January 1, 2021.
2. FEI is approved to set the RSAM Rider 5 to a refund of \$0.333 per GJ for RS 1, RS 2, and RS 3 on a permanent basis for FEFN, effective January 1, 2021.
3. FEI is approved to establish the 2021 Revenue Surplus deferral account to record the forecast 2021 revenue surplus of \$132,000 and any BCUC direct costs related to the review of the Application, attracting a weighted average cost of capital return and with amortization or recovery mechanism to be determined in the next revenue requirement application for FEFN (RRA).
4. FEI is directed to provide an update on the scope, timing and cost of the Recreation Centre District Station project in its next RRA.
5. FEI is directed to comply with the BCUC directive in Order G-48-19 dated March 5, 2019 regarding common rates in its next RRA.
6. FEI is directed to refund the difference between the interim and permanent RSAM rate rider, with interest calculated at the average prime rate of FEI's principal bank for its most recent year.
7. FEI is directed to file amended tariff pages for FEFN within 30 days of the issuance of this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 16th day of March 2021.

BY ORDER

Original signed by:

K. A. Keilty
Commissioner