



ORDER NUMBER
G-165-24

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

and

FortisBC Energy Inc. and FortisBC Inc.
2025 to 2027 Rate Setting Framework

BEFORE:

T. A. Loski, Panel Chair
A. K. Fung, KC, Commissioner
W. E. Royle, Commissioner

on June 18, 2024

ORDER

WHEREAS:

- A. On April 8, 2024, FortisBC Energy Inc. (FEI) and FortisBC Inc. (FBC) (collectively, FortisBC) applied to the British Columbia Utilities Commission (BCUC), pursuant to sections 59 to 61 of the *Utilities Commission Act*, seeking approval of a rate setting framework (Rate Framework) for FortisBC for the upcoming three years from 2025 to 2027 (Initial Application);
- B. FortisBC's proposed Rate Framework includes, amongst other items, an indexed approach to FEI's and FBC's operations and maintenance expenses and FEI's growth capital; a forecast cost of service approach to FEI's sustainment and other capital and FBC's growth, sustainment and other capital; service quality indicators for FEI and FBC; and a continuation of and update to FEI's Clean Growth Innovation Fund. FortisBC also seeks the BCUC's approval to continue the use of the non-rate base flow-through deferral account, updated depreciation rates and other supporting studies, and other approvals for the term of the Rate Framework;
- C. On May 2, 2024, the BCUC issued a letter to FortisBC requesting supplemental information (Supplemental Information) to be filed relating to the impacts of the energy transition and climate change adaption on the proposed Rate Framework. On May 31, 2024, FortisBC filed the Supplemental Information as requested by the BCUC;
- D. On May 22, 2024, Movement of United Professionals (MoveUP) submitted a letter of comment on the proceeding, requesting an opportunity to comment on the issues raised in the BCUC's letter dated May 2, 2024 after FortisBC had provided its responses and before any further process is determined. The Panel finds that the issues raised can be sufficiently addressed through the regulatory process to review the Initial Application and Supplemental Information (together, the Application) as set out in Appendix A to this order; and

- E. The BCUC has commenced its review of the Application and finds that the following directives are warranted.

NOW THEREFORE the BCUC orders as follows:

1. A regulatory timetable for the review of the Application is established as set out in Appendix A to this order.
2. The scope of the proceeding is set out in Appendix B to this order.
3. FortisBC must provide a copy, electronically where possible, of the Application and this order by no later than Tuesday, June 25, 2024 to the following parties:
 - a. All registered interveners in the (i) FortisBC Application for Approval of a Multi-Year Rate Plan for the Years 2020 through 2024, (ii) FEI 2024 Annual Review of Delivery Rates, and (iii) FBC 2024 Annual Review of Rates proceedings;
 - b. All stakeholders that attended the FortisBC 2025+ Rate Setting Framework Workshop as identified in Appendix B2-3 to the Application; and
 - c. Nelson Hydro.
4. FortisBC is directed to publish the Application and a copy of this order on its website at www.fortisbc.com as soon as practicable, but no later than Tuesday, June 25, 2024.
5. FortisBC is directed to post notice of the Application and this order on its relevant and existing social media platforms, including but not limited to X (formerly Twitter) and Facebook, beginning as soon as practicable, but no later than Tuesday, June 25, 2024. Weekly reminder posts must be posted on each platform until the conclusion of the intervener registration period on Wednesday, July 17, 2024.
6. FortisBC is directed to provide written confirmation to the BCUC that it has complied with Directives 3, 4, and 5 of this order by Thursday, July 18, 2024.

DATED at the City of Vancouver, in the Province of British Columbia, this 18th day of June 2024.

BY ORDER

Original signed by:

T. A. Loski
Commissioner

Attachment

FortisBC Energy Inc. and FortisBC Inc.
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REGULATORY TIMETABLE

Action	Date (2024)	
FortisBC provides notice of the Application	Tuesday, June 25	
Intervener registration deadline	Wednesday, July 17	
FortisBC provides confirmation of compliance with public notice requirements	Thursday, July 18	
BCUC Information Request (IR) No. 1	Wednesday, July 24	
Intervener IR No. 1	Wednesday, July 31	
FortisBC responses to IR No. 1	Friday, September 6	
Intervener notice of intent to file evidence	Friday, September 20	
BCUC IR No. 2 *	Monday, October 7	
BCUC notice of remaining regulatory timetable	Monday, October 7	
Intervener IR No. 2 *	Tuesday, October 15	
FortisBC responses to IR No. 2	Tuesday, November 5	
Action	No Intervener Evidence	Intervener Evidence
Intervener evidence	Not Applicable	Tuesday, November 19
IR No. 1 on intervener evidence		Tuesday, December 10
		Date (2025)
Responses to IR No. 1 on intervener evidence		Tuesday, January 7
FortisBC rebuttal evidence, if any **		Tuesday, January 28
IR No. 1 on FortisBC's rebuttal evidence, if any		Wednesday, February 19
FortisBC responses to IR No. 1 on FortisBC's rebuttal evidence, if any		Wednesday, March 12
Letters of comment deadline		Wednesday, March 19
FortisBC final argument		Friday, April 4
Intervener final argument		Friday, April 25
	Date (2025)	
FortisBC reply argument	Wednesday, January 15	Friday, May 16

* Subject to further direction from the Panel, which may include further restricting the use of IR No. 2 to specific sub-topics, IR No. 2 should only be used to seek clarification of matters arising from FortisBC's responses to IR No. 1.

** Subject to further direction from the Panel, FortisBC should provide notice of its intent to file rebuttal evidence prior to this date.

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SCOPE

Proceeding Scope

1. Initial Application (Exhibit B-1) – The topics addressed in all sections of the Initial Application including the appendices thereto are in the scope of this proceeding.
2. Supplemental Information (Exhibit B-2) – The topics addressed in questions 1 through 7 of the Supplemental Information are in the scope of this proceeding. Regarding the topic of targeted incentives as discussed in question 8 of the Supplemental Information, this topic is in scope, as it relates to gathering evidence and submissions on whether further process (i.e. a Stage 2 to this proceeding or separate application after the conclusion of this proceeding) is warranted to consider targeted incentives for FEI and FBC. Subject to further direction from the Panel, the particulars of how such targeted incentives may work (e.g. incentive principles, definition of performance expectations, establishment of achievable targets and appropriate incentives) are not in the scope of this proceeding at this time.