



ORDER NUMBER
G-346-24

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

and

FortisBC Energy Inc.
2025 Core Market Administration Expense Budget

BEFORE:

E. A. Brown, Commissioner
E. B. Lockhart, Commissioner
B. A. Magnan, Commissioner
W. E. Royle, Commissioner

on December 18, 2024

ORDER

WHEREAS:

- A. On October 24, 2024, FortisBC Energy. (FEI) submitted its 2025 Core Market Administration Expense (CMAE) Budget, requesting approval from the British Columbia Utilities Commission (BCUC), pursuant to section 61(4) of the *Utilities Commission Act* (UCA), of the 2025 CMAE budget of \$6.280 million (Filing);
- B. By Decision and Order G-319-20 dated December 8, 2020, the BCUC directed FEI to include, in its next revenue requirements or multi-year rate plan (MRP) application following the MRP term, a comprehensive review of the CMAE costs including consideration of whether these costs are conducive to a formulaic approach or whether they should continue to be forecast with flow through treatment, and whether the current allocation percentages to the Commodity Cost Reconciliation Account (CCRA) and the Midstream Cost Reconciliation Account (MCRA) remain appropriate;
- C. By Order G-334-23 dated December 7, 2023, as part of FEI's 2024 Annual Review of Rates, the BCUC approved FEI's 2024 CMAE budget;
- D. On April 8, 2024, FEI and FortisBC Inc. collectively submitted an application for approval of a Rate Setting Framework (RSF) for 2025 through 2027 (2025-2027 RSF Application). In the 2025-2027 RSF Application, FEI applied for approval to change the allocation of the CMAE costs between the CCRA and the MCRA from 30 percent and 70 percent to 25 percent and 75 percent respectively. FEI also requested approval to submit its annual forecast CMAE budget as a separate application at or near the same time as its Third Quarter Gas Cost Report;

- E. On November 24, 2024, BCUC issued BCUC Staff Questions No. 1 to FEI. On December 6, 2024, FEI filed its responses to BCUC Staff Questions No. 1 revising its request for approval of the 2025 CMAE budget to be on an interim basis instead of permanent; and
- F. The BCUC has reviewed the Filing and considers that approval of the 2025 CMAE budget on an interim basis is warranted.

NOW THEREFORE pursuant to section 61(4) of the UCA, the BCUC approves FEI's 2025 CMAE budget of \$6.280 million on an interim basis.

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

BY ORDER

Electronically signed by Bernard Magnan

B. A. Magnan
Commissioner