



Diane Roy
Director, Regulatory Affairs

FortisBC Energy
16705 Fraser Highway
Surrey, B.C. V4N 0E8
Tel: (604) 576-7349
Fax: (604) 576-7074
www.fortisbc.com

Regulatory Affairs Correspondence
Email: gas.regulatory.affairs@fortisbc.com

Dennis Swanson
Director, Regulatory Affairs

FortisBC Inc.
Suite 100 – 1975 Springfield Road
Kelowna, BC V1Y 7V7
Tel: (250) 717-0890
Fax: 1-866-335-6295
www.fortisbc.com

Regulatory Affairs Correspondence
Email: electricity.regulatory.affairs@fortisbc.com

February 12, 2014

Via Email
Original via Mail

Commercial Energy Consumers Association of British Columbia
c/o Owen Bird Law Corporation
P.O. Box 49130
Three Bentall Centre
2900 – 595 Burrard Street
Vancouver, BC V7X 1J5

Attention: Mr. Christopher P. Weafer

Dear Mr. Weafer:

Re: FortisBC Energy Inc. (FEI) and FortisBC Inc. (FBC) (collectively the Companies)
Applications for Approval of a Multi-Year Performance Based Ratemaking Plan
for 2014 through 2018 (the Applications)
Information Request (IR) No. 2 to the Commercial Energy Consumers
Association of British Columbia (CEC)

In accordance with the British Columbia Utilities Commission (BCUC or the Commission) Orders G-9-14 and G-10-14 in the above noted proceedings, the Companies respectfully submit the attached IR No. 2 to CEC on the Evidence of Dr. Mark Lowry (FEI Exhibits C1-9 and C1-9-1 and FBC Exhibits C6-9 and C6-9-1).

If further information is required, please contact the undersigned.

Sincerely,

FORTISBC ENERGY INC. and
FORTISBC INC.

Original signed by: Diane Roy

For: Diane Roy and Dennis Swanson

Attachments

cc: Commission Secretary
Registered Parties (email only)

FortisBC Energy Inc. (FEI) and FortisBC Inc. (FBC) (collectively the Companies) Applications for Approval of a Multi-Year Performance Based Ratemaking Plan for 2014 through 2018 (the Applications)	Submission Date: February 12, 2014
FEI-FBC Information Request (IR) No. 2 to the Commercial Energy Consumers Association of British Columbia (CEC) Evidence of Dr. Mark Lowry (FEI Exhibits C1-9 and C1-9-1 and FBC Exhibits C6-9 and C6-9-1)	Page 1

1 **1.0 Reference: Exhibit C-14-1 CEC Response to BCSEA/SCBC IR 1.13.1**

Attachment BCSEA/SCBC-CEC (1) 13.0

Capex Productivity Results For Sampled U.S. Utilities

(Growth Rates)¹

Year	Gas Utilities			Power Distributors		
	Output	Capex Quantity	Capex Productivity	Output	Capex Quantity	Capex Productivity
1999	1.88%	3.03%	-1.14%	NA	NA	NA
2000	2.90%	-5.89%	8.79%	NA	NA	NA
2001	1.28%	-0.27%	1.54%	NA	NA	NA
2002	0.91%	-0.55%	1.45%	1.22%	-0.90%	2.12%
2003	2.15%	5.01%	-2.86%	1.26%	1.91%	-0.65%
2004	1.02%	-9.00%	10.02%	1.22%	3.67%	-2.45%
2005	1.32%	-14.64%	15.96%	1.45%	-1.63%	3.08%
2006	0.77%	3.60%	-2.82%	1.12%	3.68%	-2.56%
2007	0.56%	-0.92%	1.48%	1.11%	-4.01%	5.12%
2008	0.35%	-4.24%	4.59%	0.53%	-0.53%	1.06%
2009	0.31%	11.17%	-10.87%	0.24%	-5.13%	5.37%
2010	0.36%	-5.15%	5.51%	0.36%	-9.26%	9.62%
2011	0.51%	2.84%	-2.33%	0.17%	2.53%	-2.36%
Average Annual Growth Rates						
1999-2011	1.10%	-1.15%	2.25%	NA	NA	NA
2002-2011	0.82%	-1.19%	2.01%	0.87%	-0.97%	1.83%
2008-2011	0.38%	1.16%	-0.78%	0.33%	-3.10%	3.42%

2 ¹All growth rates calculated logarithmically.

3 1.1 Please provide all of the data and calculations used to develop Attachment
4 BCSEA/SCBC-CEC (1) 13.0 in a fully functioning Excel format.

5 1.2 Please list all of the assumptions used in the original calculations.

6 1.2.1 Please indicate all of the assumption changes used in the updated
7 calculations and provide rationale as to why the assumptions changed
8 from the original evidence.

9