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December 9, 2015

Via Email
Original via Mail

British Columbia Utilities Commission
6th Floor, 900 Howe Street
Vancouver, BC
V6Z 2N3

Attention: Ms. Erica M. Hamilton, Commission Secretary and Director

Dear Ms. Hamilton:

Re: FortisBC Energy Inc. (FEI) Application for its Common Equity Component and Return on Equity (ROE) for 2016 (the Application)
FEI Reply Submissions on Interim Order

These are the reply submissions of FEI to other parties' submissions on Exhibit A-5, the British Columbia Utilities Commission (Commission) Letter dated November 30, 2015. FEI has limited this response to two points that FEI had not anticipated in its initial letter, and that have implications for FEI.

British Columbia Public Interest Advocacy Centre representing the British Columbia Old Age Pensioners' Organization, Active Support Against Poverty, Disability Alliance BC, Council of Senior Citizens' Organizations of BC, and the Tenant Resource and Advisory Centre *et al.* (BCOAPO) advocates in Exhibit C5-3 extending FEI's current allowed return (capital structure/ROE) that had been set in the GCOC Stage 1, rather than setting interim rates on January 1, 2016. FEI notes that Exhibit A-5 did not seek submissions on that point. In any event, the Commission has now set interim rates pending the outcome of this Application as part of the 2016 Annual Review process.

Industrial Customers Group (ICG) in their submission in Exhibit C6-2 raised the possibility of addressing FBC's cost of capital in this proceeding, although it did defer to FBC in this regard. FEI submits that this process is already well underway and it is impractical and inefficient to take ICG's approach. The regulatory lag associated with awaiting the preparation of evidence for another utility and going through the information request process to "catch up" at this point would do a disservice to FEI and its customers. Association of

Major Power Customers of BC (AMPC) (a group representing FEI customers) shares FEI's view in this regard, stating that the present process should not become "bogged down" with matters not before the Commission in this proceeding.

The other intervenor submissions did not directly affect FEI or its cost of capital. FBC is filing a separate response to submissions that affect it.

If further information is required, please contact the undersigned.

Sincerely,

FORTISBC ENERGY INC.

Original signed:

Diane Roy

cc (email only): Registered Parties