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October 13, 2017

British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, B.C.
V6Z 2N3

Attention: Mr. Patrick Wruck, Commission Secretary and Manager, Regulatory Support

Dear Mr. Wruck:

Re: FortisBC Energy Inc. (FEI)

Project No. 1598919

Multi-Year Performance Based Ratemaking Plan for 2014 through 2019 approved by the British Columbia Utilities Commission (BCUC or the Commission) Order G-138-14 – Annual Review for 2018 Rates (the Application)

Response to BCUC Information Request (IR) No. 1 – Erratum to the Response to Question 17.1

On September 26, 2017, FEI filed its response to BCUC IR No. 1 in the above noted proceeding. FEI has identified that a corrected response to BCUC IR 1.17.1 is required, which is attached.

If further information is required, please contact the undersigned.

Sincerely,

FORTISBC ENERGY INC.

Original signed:

Diane Roy

Attachments

cc (email only): Registered Parties



FortisBC Energy Inc. (FEI or the Company) Multi-Year Performance Based Ratemaking Plan for 2014 through 2019 Annual Review for 2018 Rates	Erratum Dated: October 13, 2017
Response to British Columbia Utilities Commission (BCUC or the Commission) Information Request (IR) No. 1, Question 17.1	Page 72

1 **D. O&M EXPENSE**

2 **17.0 Reference: O&M EXPENSE FORECAST OUTSIDE OF THE FORMULA**

3 **Exhibit B-2, 6.3.5, Table 6-6, p. 55; FEI 2017 Annual Review, Exhibit**
4 **B-3, BCUC IR 23.1**

5 **Incremental O&M to support rate schedule 46 – labour**

6 In Table 6-6 on page 55 of the Application, FEI forecasts labour for the Tilbury Plant in
7 2018 of \$2.540 million, which compares to a 2017 approved amount of \$1.480 million
8 and a 2017 projected amount of \$1.678 million.

9 FEI stated in response to BCUC IR 23.1 in the 2017 Annual Review that the 2017
10 forecast labour relates to three types of job functions at the Tilbury Plant: (i) LNG Plant
11 Operators; LNG Electrical and Instrumentation Technicians; and (iii) an LNG
12 Administrative Assistant.

13 FEI further provided a table in response to BCUC IR 23.1 showing the job function/title,
14 associated role/responsibility and number of FTEs for each job function, noting that while
15 there are a total of 23 employees listed this equates to 16 FTEs based on the
16 percentage of work performed for the Tilbury operations.

17 17.1 Please provide an updated number of employees by job function/title for the 2017
18 projected and 2018 forecast Tilbury Plant labour cost of \$1.678 million and
19 \$2.540 million, respectively. If there have been additional job titles/functions
20 added from what was provided in response to BCUC IR 23.1, please provide a
21 description of the new job functions/titles and the roles/responsibilities.
22

23 **Response:**

24 FEI has included a revised Table 6-6 from the Application with this response and has included a
25 revised cost forecast for Rate Schedule 46 O&M in its Evidentiary Update dated September 26,
26 2017. The total O&M cost for 2017 has decreased by \$1.134 million and the total O&M cost for
27 2018 has increased by \$0.966 million as compared to what was filed in the Application.
28 Specifically, projected ~~materials~~ cost for 2017 has increased by ~~\$37~~ thousand due to unplanned
29 liquefaction at the Tilbury base plant. Projected power costs have decreased by \$1, ~~184~~ million
30 for 2017 due to commissioning delay. 2018 costs include \$0.300 million for the development of
31 an operator competency program per new BCOGC guidelines. Other cost increases for 2018
32 include contractor costs (increase of \$0, ~~031~~ million) and power (increase of \$0, ~~567~~ million), both
33 of which are due to the start-up being delayed to 2018.

Deleted: labour

Deleted: \$0.210 million and cost for materials has increased by \$30

Deleted: 382

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