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October 26, 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 6.12

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 1.6.12 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 26, 2017
Response to British Columbia Utilities Commission (BCUC or the Commission) Information Request (IR) No. 1, Question 6.12	Page 38

1 reduction in the 2014 base capital that resulted from Order G-106-15¹ at the
2 approved formula factors for 2015 and 2016, respectively.

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7 6.12 Please provide the actual annual sustainment/other capital spending for
8 Vancouver Island for 2015 through 2017 and compare this amount to the
9 approved Base sustainment/other capital included in the PBR Plan formula for
10 Vancouver Island.

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12 **Response:**

13 On page 11 of the Application, FEI stated that the reduction in sustainment capital on
14 Vancouver Island resulted in an impact of \$6.5 million for 2017 and \$19.3 million cumulative.

15 Below, FEI provides a comparison of the actual sustainment/other capital for Vancouver Island
16 compared to the 2014 base inflated by the PBR formula. The table includes the 2017 year end
17 projection; the August 31, 2017 year-to-date actual results are approximately \$12 million. When
18 including the 2017 projected results, the capital spending in excess of the formula for Vancouver
19 Island is \$9.0 million for 2017 and \$20.5 million cumulative. This is slightly higher than the
20 figures FEI quoted on page 11 of the Application, and continues to support FEI's conclusion that
21 the PBR Decision reduction to base sustainment capital for Vancouver Island is causing a
22 significant capital pressure.

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23 **Vancouver Island Sustainment/Other Capital Spending (000's)**

	Actual/ Projection	PBR Formula	Variance
2015	16,062	11,612	4,450
2016	18,812	11,733	7,079
2017	20,811	11,850	8,961
Total	55,686	35,195	20,491

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¹ In Order G-106-15, the Commission approved a 2014 Sustainment Capital Base for FEVI of \$9.385 million on page 23 of the Decision, which was \$6.258 million less than the requested Sustainment Capital Base of \$15.643 million.