



British Columbia  
Utilities Commission

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VIA EFILE

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January 20, 2017

FEI 2016 RATE DESIGN

EXHIBIT A-2

Ms. Diane Roy  
Vice President, Regulatory Affairs  
FortisBC Inc.  
16705 Fraser Highway  
Surrey, BC V4N 0E8

Dear Ms. Roy:

Re: FortisBC Energy Inc.  
2016 Rate Design Application

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Further to your December 19, 2016 filing regarding the above noted application, enclosed please find Commission Order G-6-17 establishing the regulatory timetable for this proceeding and providing a public notice.

Yours truly,

Laurel Ross

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**ORDER NUMBER  
G-6-17**

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

and

FortisBC Energy Inc.  
2016 Rate Design Application

**BEFORE:**

K. A. Keilty, Commissioner/Panel Chair  
W. M. Everett QC, Commissioner  
D. J. Enns, Commissioner

on January 20, 2017

**ORDER**

**WHEREAS:**

- A. On December 19, 2016, FortisBC Energy Inc. (FEI) filed its 2016 Rate Design Application with the British Columbia Utilities Commission (Commission), pursuant to sections 58 to 61 of the *Utilities Commission Act*, seeking, among other things, approval of adjustments to its rate design and terms and conditions of service for all service areas (Application);
- B. On February 26, 2014, Commission Order G-21-14 and accompanying Decision approved the amalgamation of FortisBC Energy Utilities [comprising FortisBC Energy Inc., FortisBC Energy (Vancouver Island) Inc. and FortisBC Energy (Whistler) Inc.] and Terasen Gas Holdings Inc. into a single entity (amalgamated entity) and directed FortisBC Energy Utilities to file a rate design application for the amalgamated entity no later than two years after the effective date of the amalgamation;
- C. Pages 2-3 to 2-5 of the Application outline the approvals sought by FEI, which exclude the Fort Nelson service area. FEI requests a decision in early 2018 in order to provide adequate time to prepare for the implementation of approved changes effective June 1, 2018. Among other things, FEI seeks approval of:
  - Changes to the basic and delivery charges and housekeeping and other amendments for residential and commercial rate schedules;
  - Changes to the delivery charge and housekeeping and other amendments for some industrial rate schedules;
  - Adjustments to the transportation model to implement daily balancing for all transportation customers; and
  - Housekeeping and other amendments to FEI's General Terms and Conditions;
- D. In the Application, FEI explains that it conducted a full review of the rate design, including a separate cost of service allocation (COSA) study, for the Fort Nelson service area. FEI proposes to file the rate design for Fort

Nelson on February 2, 2017, as part of a supplemental filing to the Application, in order to incorporate the Fort Nelson revenue requirements and rates for 2018 approved through Commission Order G-162-16;

- E. Prior to filing the Application, FEI conducted a stakeholder engagement process consisting of information sessions, stakeholder workshops and a residential customer online survey;
- F. FEI proposes a regulatory timetable for the proceeding which includes workshops to review information provided to stakeholders at the May 19, 2016 information session and to review the COSA model, proposals in the Application and approvals sought;
- G. The topics at FEI's May 19, 2016 information session included gas supply basics and the Essential Services Model; transportation model overview; cost of service, segmentation and rate design concepts; and tariff rate schedules and services overview; and
- H. The Commission has commenced its review of the Application and considers that a public hearing process for the review of the Application is warranted and that a regulatory timetable should be established.

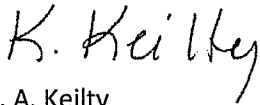
**NOW THEREFORE** the British Columbia Utilities Commission orders as follows:

- 1. A public hearing process is established for the review of the FortisBC Energy Inc. (FEI) 2016 Rate Design Application (Application) in accordance with the regulatory timetable set out in Appendix A to this order.
- 2. FEI is to file the rate design, including a separate cost of service allocation (COSA) study, for the Fort Nelson service area as part of a supplementary filing to this Application by February 2, 2017.
- 3. Workshop No. 1 will be held on Thursday, March 2, 2017, commencing at 9:00 a.m. Workshop No. 1 is to include a review of all the topics covered in the stakeholder information session held on May 19, 2016.
- 4. Workshop No. 2 will be held on Thursday, March 9, 2017, commencing at 9:00 a.m. Workshop No. 2 is to include a review of the COSA model(s), the proposals in the Application and February 2, 2017 supplementary filing and the approvals sought.
- 5. As soon as reasonably possible, FEI is to publish the Application, this order and the regulatory timetable on its website and to provide a copy of the Application and this order to:
  - a. All invitees and attendees of the stakeholder engagement process;
  - b. All Shipper Agents and all transportation service customers who have not appointed a Shipper Agent; and
  - c. registered interveners and interested parties in the:
    - i. FortisBC Energy Utilities 2014 Common Rates, Amalgamation, and Rate Design Reconsideration Phase 2 proceeding;
    - ii. FEI 2014 Amend Balancing Charges RS 23, 25, 26 and 27 proceeding;
    - iii. FEI Annual Review for 2017 Delivery Rates proceeding; and
    - iv. FEI 2017–18 Revenue Requirements & Rates Fort Nelson proceeding.
- 6. After the supplemental filing and by no later than February 8, 2017, FEI is to publish the Public Notice attached as Appendix B to this order, in display-ad format, in the appropriate local news publications to provide adequate notice to the public.

7. Interveners who wish to participate in the regulatory proceeding are to register with the Commission by completing a Request to Intervene Form, available on the Commission's website at <http://www.bcuc.com/Registration-Intervener-1.aspx>, by the date established in the regulatory timetable attached as Appendix A to this order, and in accordance with the Commission's Rules of Practice and Procedure attached to Order G-1-16.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 20<sup>th</sup> day of January 2017.

BY ORDER



K. A. Keilty  
Commissioner

Attachment

FortisBC Energy Inc.  
2016 Rate Design Application

**REGULATORY TIMETABLE**

ACTION	DATE (2017)
FEI Supplemental Filing – Fort Nelson Rate Design and FEI Rate Schedules	Thursday, February 2
FEI to publish Public Notice	After FEI Supplemental Filing and no later than Wednesday, February 8
Intervener registration deadline	Thursday, February 23
Workshop No. 1*	Thursday, March 2, 9:00 a.m.
Workshop No. 2*	Thursday, March 9, 9:00 a.m.
Further process	To be determined

\*Location: Commission Hearing Room  
12th Floor, 1125 Howe Street  
Vancouver, BC


# PUBLIC NOTICE


## *FortisBC Energy Inc. 2016 Rate Design Application*

The Commission is initiating a review of FortisBC Energy Inc.'s (FEI) 2016 Rate Design Application, which was filed on December 19, 2016. FEI seeks, among other things, approval of adjustments to the basic and delivery charges for various rate schedules for residential, commercial and industrial customers, the implementation of daily balancing for all transportation customers and adjustments to its general terms and conditions of service for all service areas. On February 2, 2017, FEI submitted a supplemental filing which included information regarding the rate design and approvals sought for the Fort Nelson service area.

### HOW TO PARTICIPATE


There are a number of ways to participate in a matter before the Commission:

 **Submit a letter of comment**

 **Register as an interested party**

 **Request intervenor status**

For more information, or to find the forms for any of the options above, please visit our website or contact us at the information below.

 [www.bcuc.com/RegisterIndex.aspx](http://www.bcuc.com/RegisterIndex.aspx)

All submissions received, including letters of comment, are placed on the public record, posted on the Commission's website and provided to the Panel and all participants in the proceeding.

### NEXT STEPS

**Intervenor registration** – Persons who are directly or sufficiently affected by the Commission's decision or have relevant information or expertise and that wish to actively participate in the proceeding can request intervenor status by submitting a completed Request to Intervene Form by February 23, 2017.

### GET MORE INFORMATION

All documents filed on the public record are available on the "Current Proceedings" page of the Commission's website at [www.bcuc.com](http://www.bcuc.com).

If you would like to review the material in hard copy, or if you have any other inquiries, please contact Laurel Ross, Acting Commission Secretary, at the following contact information.

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