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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER F-5-10**

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IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

Applications for Participant Assistance/Cost Award
Regarding the FortisBC Inc.
2009 Annual Review, 2010 Revenue Requirements and
Negotiated Settlement Process

BEFORE: L.F. Kelsey, Commissioner
D.A. Cote, Commissioner
P.E. Vivian, Commissioner

February 3, 2010

O R D E R

WHEREAS:

- A. British Columbia Utilities Commission ("Commission") Order G-58-06 approved for FortisBC Inc. ("FortisBC" or "Company") a Settlement Agreement for its 2006 Revenue Requirements and a Performance Based Regulation Settlement for the years 2007, 2008 and potentially 2009 (the "PBR Settlement"). The PBR Settlement requires FortisBC to hold an Annual Review, Workshop and Negotiated Settlement Process ("NSP") each November with a goal of achieving firm rates by December 1st for the following year; and
- B. The Annual Review compares the Company's actual performance for the recently completed year to the approved targets for the Performance Standards to determine whether the Company is entitled to an incentive payment. The Revenue Requirements Workshop is to focus on future test periods and the NSP is conducted to establish rates for the following year; and
- C. On October 1, 2009, FortisBC filed its Preliminary 2010 Revenue Requirements, which sought a 4.6 percent general rate increase to be effective January 1, 2010; and
- D. By Order G-118-09 dated October 1, 2009, the Commission established a Regulatory Timetable for the 2009 Annual Review and a 2010 Revenue Requirements Workshop on November 17, 2009 in Kelowna, BC, followed by an NSP on November 18, 2009; and
- E. On November 2, 2009, FortisBC filed the 2010 Revenue Requirement Update, which resulted in the reduction of the rate increases sought from 4.6 percent to 4.0 percent; and
- F. Following the November 17, 2009 Annual Review and the 2010 Revenue Requirements Settlement discussions held on November 18, 2009, a Settlement Agreement was proposed and agreed to by FortisBC and most Intervenor in attendance, with the participation of Commission Staff; and

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- G. By Order G-162-09 dated December 18, 2009, the Commission approved the proposed Negotiated Settlement Agreement; and
- H. By Email dated December 2, 2009, Mr. Norm Gabana applied for a participant assistance cost award ("PACA") with respect to his participation in the FortisBC 2009 Annual Review; and
- I. By letter dated December 9, 2009, British Columbia Public Interest Advocacy Centre, on behalf of its client, British Columbia Old Age Pensioners Organization ("BCOAPO"), applied for a participant assistance cost award with respect to its participation in the FortisBC 2009 Annual Review; and
- J. By letter dated December 31, 2009, the BC Municipal Electrical Utilities (BCMEU) applied for a participant assistance cost award with respect to its participation in the FortisBC 2009 Annual Review; and
- K. In a letter dated January 20, 2009, FortisBC advised the Commission that it had reviewed the applications for cost award and that it had no comment with respect to Mr. Gabana's and BCOAPO's claims, but noted that the BCMEU claim for legal counsel exceeded the PACA Guidelines maximum daily fee of \$1,800; and
- L. The Commission has reviewed the applications for cost awards regarding the FortisBC 2009 Annual Review and 2010 Revenue Requirements proceedings with regard to the criteria and rates set out in Order G-72-07.

NOW THEREFORE pursuant to section 118(1) of the *Utilities Commission Act*, the Commission approves the following:

- 1. A cost award in the amount of \$771.93 is approved for Norman Gabana with respect to his participation in the FortisBC 2009 Annual Review and 2010 Revenue Requirements proceedings.
- 2. A cost award in the amount of \$11,877.90 is approved for BCOAPO with respect to its participation in the FortisBC 2009 Annual Review and 2010 Revenue Requirements proceedings.
- 3. A cost award in the amount of \$8,876.42 is approved for the BCMEU with respect to its participation in the FortisBC 2009 Annual Review and 2010 Revenue Requirements proceedings.
- 4. FortisBC is directed to reimburse the above noted participants for the total amounts awarded in a timely manner.

DATED at the City of Vancouver, in the Province of British Columbia, this 3rd day of February 2010.

BY ORDER

Original signed by:

D.A. Cote
Commissioner