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**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER G-163-11**

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

and

An Application by FortisBC Energy Inc.  
for Approval of a Gas Supply Mitigation Incentive Program  
for the November 1, 2011 to October 31, 2013 Period

**BEFORE:** L.F. Kelsey, Commissioner September 22, 2011  
D.A. Cote, Commissioner

**O R D E R**

**WHEREAS:**

- A. The British Columbia Utilities Commission (Commission) by Order G-26-11:
- denied FortisBC Energy Inc.'s (FEI) application for a revised Gas Supply Mitigation Incentive Program (GSMIP) for the November 1, 2010 to October 31, 2013 three-year period;
  - continued the 2009/10 GSMIP for the November 1, 2010 to October 31, 2011 period;
  - directed FEI to establish a working group (Working Group) to discuss the objectives, guiding principles, structure and parameters of a GSMIP to commence November 1, 2011 and to explore ways to demonstrate, quantify and measure the extent to which the GSMIP objectives are achieved in order to determine the amount of future GSMIP payments;
- B. FEI established a Working Group that included representatives from FEI, Commission staff, Commercial Energy Consumers Association of British Columbia (CEC), and British Columbia Public Interest Advocacy Centre on behalf of the British Columbia Old Age Pensioners Organization et al (BCOAPO). In addition, a consultant was retained by FEI to assist the Working Group;
- C. As directed in Order G-26-11 FEI filed, on April 1, 2011, the terms of reference and a work plan for the Working Group;
- D. The Working Group held extensive consultations over the period from March 22 through to the end of July, 2011;
- E. On September 14, 2011, FEI filed an application for approval of a GSMIP (2011-2013 GSMIP) for the November 1, 2011 to October 31, 2013 period (the Application);

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- F. The Application included written acknowledgements of support of the 2011-2013 GSMIP as described in Appendix B of the Application (Term Sheet) from each of the Working Group participants;
- G. In the Application as amended by letter dated September 20, 2011, FEI requested that Appendix D remain confidential given that it contains details of historical FEI transactions which have been filed confidentially pursuant to section 71(5) of the *Utilities Commission Act*;
- H. The Commission has reviewed the filing as amended and is satisfied that the 2011-2013 GSMIP should be approved.

**NOW THEREFORE** the Commission approves for FortisBC Energy Inc. the Gas Supply Mitigation Incentive Program described in the Term Sheet attached as Appendix A to this Order, for the November 1, 2011 to October 31, 2013 period. The information contained within Appendix D to the Application will be treated as confidential.

**DATED** at the City of Vancouver, In the Province of British Columbia, this 22<sup>nd</sup> day of September 2011.

BY ORDER

*Original signed by:*

L.F. Kelsey  
Commissioner

Attachment