



**ORDER NUMBER
G-15-17**

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

and

FortisBC Energy Inc.
Rate Schedule 46 – Liquefied Natural Gas Sales, Dispensing and Transportation Service
Application for Permanent Rates effective January 1, 2017

BEFORE:

D. M. Morton, Commissioner
D. J. Enns, Commissioner
W. M. Everett, Commissioner
H. G. Harowitz, Commissioner
M. Kresivo, Commissioner

on February 2, 2017

ORDER

WHEREAS:

- A. On January 17, 2017, FortisBC Energy Inc. (FEI) applied to the British Columbia Utilities Commission (Commission), pursuant to sections 59 to 61 of the *Utilities Commission Act* (UCA), for approval of Rate Schedule 46 Table of Charges for Liquefied Natural Gas (LNG) Transportation Service and Table of Charges for LNG Service (collectively the Tables of Charges) on a permanent basis, effective January 1, 2017 (Application);
- B. The Commission received Special Direction No. 5 that was signed by the Province of British Columbia on November 27, 2013 as B.C. Regulation 245/2013;
- C. Certain charges contained in the Tables of Charges are to be reviewed on an annual basis and adjusted as required, using the greater of 2.0 percent or the British Columbia Consumer Price Index (CPI) data for the period of November of the prior year to November of the current year. However, this information was not available until late December 2016;
- D. Due to the timing of the November CPI data, FEI was unable to calculate revisions to the Rate Schedule 46 rate and prepare the revised tariff pages for Commission endorsement prior to the January 1, 2017 effective date;
- E. On November 28, 2016, FEI applied to the Commission for the existing Rate Schedule 46 Tables of Charges to be made interim, effective January 1, 2017. Commission Order G-187-16 made FEI's existing Rate Schedule 46 Tables of Charges interim, effective January 1, 2017, with any variance between the interim and permanent rates subject to refund/recovery, with interest at the average prime rate of FortisBC Energy Inc.'s principal bank for its most recent year;

- F. The FEI Application states that British Columbia CPI increased by 1.6 percent for the period of November 2015 to 2016 November; and
- G. The Commission reviewed FEI's Application and finds that approval of the Application is warranted.

NOW THEREFORE pursuant to Special Direction No. 5, the British Columbia Utilities Commission orders as follows:

1. FortisBC Energy Inc.'s proposed 2.0 percent increase to the 2016 Rate Schedule 46 Table of Charges for Liquefied Natural Gas (LNG) Transportation Service and Table of Charges for LNG Service are approved on a permanent basis, effective January 1, 2017.
2. FortisBC Energy Inc. is directed to refund/recover the variance between the interim rates and the permanent rates, with interest calculated at the average prime rate of FortisBC Energy Inc.'s principal bank for its most recent year.

DATED at the City of Vancouver, in the Province of British Columbia, this 15th day of February 2017.

BY ORDER

Original signed by:

D. M. Morton
Commissioner