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ORDER NUMBER G-60-25

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

and

FortisBC Inc.
2025 Cost of Service Allocation and Revenue Rebalancing

BEFORE:

E. B. Lockhart, Panel Chair E. A. Brown, Commissioner

on March 5, 2025

ORDER

WHEREAS:

- A. On February 14, 2025, FortisBC Inc. (FBC) filed with the British Columbia Utilities Commission (BCUC), pursuant to sections 58 to 61 of the *Utilities Commission Act*, its 2025 Cost of Service Allocation study and application for approval of revenue rebalancing, as well as approval to establish a new rate base deferral account to record the regulatory proceeding costs associated with the review of the application, effective January 1, 2026 (Application);
- B. On February 25, 2019, the BCUC issued Decision and Order G-40-19 regarding FBC's 2017 Cost of Service Allocation study and revenue rebalancing. On December 17, 2020, FBC submitted an updated Cost of Service Allocation study in compliance with Decision and Order G-40-19 with no resulting revenue rebalancing;
- C. In the Application, FBC requests approval of revenue and rate rebalancing proposals, including the following changes to rate schedules (RS) effective January 1, 2026:
 - For RS 20 Small Commercial Service and 22 Commercial Service Secondary Time of Use, rebalancing of all billing-determinant-related rate components such that revenues are decreased by 3.1 percent;
 - 2. For RS 60 Irrigation and Drainage and 61 Irrigation and Drainage Time of Use, rebalancing of all billing-determinant-related rate components such that revenues are increased by 2.5 percent;
 - 3. For RS 40 Wholesale Service Primary and 42 Wholesale Service Primary Time of Use, rebalancing of all billing-determinant-related rate components such that revenues are increased by 2.5 percent; and

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- 4. For RS 41 Wholesale Service Transmission and 43 Wholesale Service Transmission Time of Use, rebalancing of all billing-determinant-related rate components such that revenues are increased by 0.4 percent.
- D. FBC also requests approval in the Application to update the transformation discount as a result of the 2025 COSA study under RS 21, 30, and 40 for customers who choose to take service at the primary distribution voltage level (RS 21) or at the transmission voltage level (RS 30 and 40), effective January 1, 2026:
 - 1. For RS 21 Commercial Service, an update to the transformation discount from \$0.409 per kW of Billing Demand to \$0.247 per kW of Billing Demand;
 - 2. For RS 30 Large Commercial Service Primary, an update to the transformation discount from \$6.727 per kVA of Billing Demand to \$6.237 per kVA of Billing Demand; and
 - 3. For RS 40 Wholesale Service Primary, an update to the transformation discount under the Wires Charge from \$3.390 per kVA of Billing Demand to \$3.118 per kVA of Billing Demand and under the Energy Charge reduced from \$0.00985 per kWh to \$0.00642 per kWh.
- E. The BCUC has commenced its review of the Application and finds that the following directives are warranted.

NOW THEREFORE the BCUC orders as follows:

- 1. A regulatory timetable for the review of the Application is established as set out in Appendix A to this order.
- 2. By Monday, March 10, 2025, FBC is directed to provide:
 - electronically where possible, a copy of the Application, this order and a link to the proceeding webpage to the registered interveners in FBC's 2017 Cost of Service Allocation study and revenue rebalancing, FBC's 2024 Annual Review of Rates, and FortisBC's 2025 to 2027 Rate Setting Framework proceedings;
 - b. a copy of the Application, this order and a link to the proceeding webpage on FBC's website at www.fortisbc.com; and
 - notice of the Application and this order on its relevant and existing social media platforms.
 Weekly reminder posts must be posted on each platform until the conclusion of the intervener registration period on Monday, March 31, 2025.
- 3. FBC is directed to provide to the BCUC:
 - a. By Tuesday, March 11, 2025, confirmation of compliance with the public notice requirements in Directive 2 of this order, except for the social media reminder posts, including a list of social media platforms on which notice was posted and a list of all parties notified; and
 - b. By Tuesday, April 1, 2025, confirmation of compliance with the public notice requirement in Directive 2 of this order regarding social media reminder posts.
- 4. Intervention may be limited to those parties that are directly or sufficiently affected. Parties must specify in the Request to Intervene Form (found on the BCUC website at

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<u>https://www.bcuc.com/forms/RequestToIntervene</u>) how they are directly or sufficiently affected in relation to the rate schedules identified in recitals C and D of this order, by Monday, March 31, 2025.

DATED at the City of Vancouver, in the Province of British Columbia, this 5th day of March 2025.

BY ORDER

Electronically signed by Blair Lockhart

E. B. Lockhart Commissioner

Attachment

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FortisBC Inc. 2025 Cost of Service Allocation and Revenue Rebalancing

REGULATORY TIMETABLE

Action	Date (2025)
FBC provides notice of the Application	Monday, March 10
FBC provides confirmation of compliance with public notice requirements, except for social media posts	Tuesday, March 11
Intervener registration deadline	Monday, March 31
FBC provides confirmation of compliance with public notice requirements re social media posts	Tuesday, April 1
BCUC Information Request (IR) No. 1	Wednesday, April 9
Intervener IR No. 1	Wednesday, April 16
FBC responses to IR No. 1	Thursday, May 15
FBC final argument	Thursday, May 29
Intervener final argument	Thursday, June 12
FBC reply argument	Thursday, June 26