



Dennis Swanson
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May 27, 2010

Via Email

Original via mail

Ms. Erica M. Hamilton
Commission Secretary
BC Utilities Commission
Sixth Floor, 900 Howe Street, Box 250
Vancouver, BC V6Z 2N3

Dear Ms. Hamilton:

Re: FortisBC 2009 Rate Design and Cost of Service Application – Project No. 3698564

FortisBC provides the following erratum to Exhibit B-35 of its 2009 Rate Design and Cost of Service Application.

1. Exhibit B-35, Revised COSA Scenarios, Page 11

Due to a formula error, the Year 1 Revenue-to-Cost ratio for Case C, Rate Schedule 33, was originally shown as 0.0%. This figure should read 126.2%.

A replacement page is attached.

Exhibit B-35 contains FortisBC's revisions to the original Revenue-to-Cost ratios found in Tables 7.0, 8.1a and 8.1b of the Application (Exhibit B-1). Cases A through D were provided for informational purposes, while Cases E and F constitute the Company's revised Application. Case E reflects the Revenue-to-Cost ratios for all classes when the BCMEU wholesale utilities have transmission nominations as set out in Exhibit B-30 and Zellstoff-Celgar has firm contract demand of 8 MVA. The Company submits that Case E satisfies the objectives set out in its Application in those circumstances. Case F represents the Revenue-to-Cost ratios for all classes when the BCMEU wholesale utilities have transmission nominations as set out in Exhibit B-30 and Zellstoff-Celgar has firm contract demand of 41.5 MVA with a 1.5 MVA GBL. The Company submits that Case F satisfies the objectives set out in its Application in those circumstances.

Sincerely,

A handwritten signature in dark ink, appearing to be 'DS' with a long horizontal flourish extending to the right.

Dennis Swanson
Director, Regulatory Affairs

cc: Registered Intervenors

FortisBC 2009 COSA - Case C: Celgar at 41.5 MVA

Resulting Revenue to Cost Ratios with Forecast Increases (Excluding BC Hydro Flow-through Increase)

	Year 0 R/C Ratio	Year 1 R/C Ratio	Year 2 R/C Ratio	Year 3 R/C Ratio	Year 4 R/C Ratio	Year 5 R/C Ratio
Residential	96.1%	96.1%	96.1%	96.1%	96.1%	96.1%
Small General Service	112.8%	111.4%	108.2%	105.8%	105.0%	105.0%
General Service	133.2%	131.6%	127.8%	125.0%	121.9%	118.4%
Industrial Transmission 33	127.8%	126.2%	122.6%	119.9%	117.0%	113.6%
Industrial Primary	116.9%	115.5%	112.2%	109.7%	107.0%	105.0%
Industrial Transmission 31	113.6%	112.3%	109.1%	106.6%	105.0%	105.0%
Lighting	81.3%	83.0%	87.0%	91.2%	95.0%	95.0%
Irrigation	74.2%	75.7%	79.4%	83.2%	87.2%	91.4%
Kelowna Wholesale	87.2%	89.0%	93.3%	95.0%	95.0%	95.0%
Penticton Wholesale	75.5%	77.1%	80.8%	84.7%	88.8%	93.1%
Summerland Wholesale	92.8%	94.8%	95.0%	95.0%	95.0%	95.0%
Grand Forks Wholesale	66.5%	67.9%	71.2%	74.6%	78.2%	82.0%
BCH Lardeau Wholesale	80.5%	82.3%	86.2%	90.4%	94.7%	95.0%
BCH Yahk Wholesale	89.5%	91.4%	95.0%	95.0%	95.0%	95.0%
Nelson Wholesale	76.1%	77.7%	81.5%	85.4%	89.5%	93.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Rate Increases for Rebalancing Only with Forecast Increases (Excluding BC Hydro Flow-through Increase)

	Year 1 Increase	Year 2 Increase	Year 3 Increase	Year 4 Increase	Year 5 Increase	Cumulative Increase
Residential	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Small General Service	-1.3%	-3.0%	-2.3%	-0.8%	0.0%	-7.2%
General Service	-1.3%	-3.0%	-2.3%	-2.5%	-3.0%	-11.5%
Industrial Transmission 33	-1.3%	-3.0%	-2.3%	-2.5%	-3.0%	-11.5%
Industrial Primary	-1.3%	-3.0%	-2.3%	-2.5%	-2.0%	-10.6%
Industrial Transmission 31	-1.3%	-3.0%	-2.3%	-1.6%	0.0%	-7.9%
Lighting	2.3%	5.0%	5.0%	4.3%	0.0%	17.6%
Irrigation	2.3%	5.0%	5.0%	5.0%	5.0%	24.3%
Kelowna Wholesale	2.3%	5.0%	1.9%	0.0%	0.0%	9.5%
Penticton Wholesale	2.3%	5.0%	5.0%	5.0%	5.0%	24.3%
Summerland Wholesale	2.3%	0.2%	0.0%	0.0%	0.0%	2.5%
Grand Forks Wholesale	2.3%	5.0%	5.0%	5.0%	5.0%	24.3%
BCH Lardeau Wholesale	2.3%	5.0%	5.0%	5.0%	0.3%	18.8%
BCH Yahk Wholesale	2.3%	4.1%	0.0%	0.0%	0.0%	6.5%
Nelson Wholesale	2.3%	5.0%	5.0%	5.0%	5.0%	24.3%
Total	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%