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May 8, 2018

Norman Gabana
3850 Dogwood Drive
Trail, BC V1R 2V5

Attention: Mr. Norman Gabana

Dear Mr. Gabana:

Re: FortisBC Inc. (FBC)
Project No. 1598939
2017 Cost of Service Analysis and Rate Design Application (the Application)
Response to Norman Gabana (Gabana) Information Request (IR) No. 1

On December 22, 2017, FBC filed the Application referenced above. In accordance with the British Columbia Utilities Commission Exhibit A-6 amending the Regulatory Timetable for the review of the Application, FBC respectfully submits the attached response to Gabana IR No. 1.

If further information is required, please contact Corey Sinclair at (250) 469-8038.

Sincerely,

FORTISBC INC.

Original signed:

Diane Roy

Attachment

cc (email only): Commission Secretary
Registered Parties

1 1. Supply total revenues from the sale of electricity to residential and business
2 customers for last complete year before implementation of the two tier rate
3 billing.
4

5 **Response:**

6 The below table provides the total revenue for the last complete year before the RCR was
7 implemented in 2012 as reported in FBC's 2011 Annual Report to the BCUC.

8 **Table 1: Total Residential and Commercial Revenue (\$000s)**

	2011
Residential	\$129,436
Commercial (including Lighting and Irrigation)	\$67,439

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12 2. Supply total revenues from the sale of electricity to residential and business
13 customers in each year from the first full year after implementation of the two tier
14 billing. please show each year separately, along with revenue from tier two shown
15 separately in each year and each group that matches the above years.
16

17 **Response:**

18 The below table provides the total Residential and Commercial revenue for the years 2013-2017
19 as reported in FBC's Annual Reports to the BCUC, with the Residential revenue collected from
20 energy billed at the Tier 2 rate shown separately. For clarity, the Total Residential line is
21 inclusive of the Residential Tier 2 revenues on the line below.

22 **Table 1: Total Residential and Commercial Revenue and Residential Tier 2 Energy Only Revenue**
23 **(\$000s)**

	2013	2014	2015	2016	2017
Total Residential	\$128,895	\$161,453	\$163,258	\$167,968	\$186,382
Residential Tier 2 energy only	\$57,460	\$64,941	\$60,811	\$60,809	\$76,274
Commercial (including Lighting and Irrigation)	\$73,404	\$82,444	\$86,322	\$91,600	\$97,542

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25 Note: Effective March 31, 2013, FBC acquired the utility assets of the City of Kelowna and the
26 former customers of the City of Kelowna became direct customers of FBC and are reflected in
27 the figures provided in the table from that time.

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4 3. Supply total number of employees (no names please) that received a bonus in
5 last full business year before the two tier rate went into effect, and the total
6 amount paid to all.

7

8 **Response:**

9 FBC views this question as outside of the scope of the current process, and therefore declines
10 to answer it.

11 At page 8 of Appendix B to Order G-62-18 (the Commission’s reasons for its decision on the
12 regulatory timetable after the March 6, 2018 procedural conference), the Commission noted that
13 questions regarding the salaries and remunerations made to top corporate officers were “out of
14 scope as they have little to do with rate design and might be more appropriate items for
15 discussion in a revenue requirements proceeding.” This question is very similar to those that
16 the Commission determined to be out of scope, and the information it would provide cannot in
17 any way impact either the COSA or the rate structures that are informed by it.

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21 4. Same question as # 3, please remove (before) in the 2nd line.

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23 **Response:**

24 Please refer to the response to Gabana IR 1.3.

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28 5. Total # of capital projects Fortis has approval for and amount of each.

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30 **Response:**

31 FBC views this question as outside of the scope of the current process.

32 At page 8 of Appendix B to Order G-62-18 (the Commission’s reasons for its decision on the
33 regulatory timetable after the March 6, 2018 procedural conference), the Commission noted that

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1 questions regarding FBC's capital expenditures from 1987 onward were "out of scope as they
2 have little to do with rate design and might be more appropriate items for discussion in a
3 revenue requirements proceeding." This question is very similar to those that the Commission
4 determined to be out of scope, and the information it would provide cannot in any way impact
5 either the COSA or the rate structures that are informed by it.

6 For reference, FBC notes that information on its approved capital projects is available in the
7 record of other Commission proceedings and in Commission decisions regarding same.

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11 6. How many vehicle licenses did FortisBC own in the last year before the tier two
12 rate going into effect.

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14 **Response:**

15 FBC views this question as outside of the scope of the current process, and therefore declines
16 to provide an answer.

17 At page 8 of Appendix B to Order G-62-18 (the Commission's reasons for its decision on the
18 regulatory timetable after the March 6, 2018 procedural conference), the Commission noted that
19 questions regarding FBC's capital expenditures from 1987 onward were "out of scope as they
20 have little to do with rate design and might be more appropriate items for discussion in a
21 revenue requirements proceeding." This question is very similar to those that the Commission
22 determined to be out of scope, and the information it would provide cannot in any way impact
23 either the COSA or the rate structures that are informed by it.

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27 7. Total value of all licensed vehicle in the year prior to the two tier rate

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29 **Response:**

30 Please refer to the response to Gabana IR 1.6.

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1 8. Total value of all licensed vehicle in year 2017.

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3 **Response:**

4 Please refer to the response to Gabana IR 1.6.

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8 9. Total number of GW hrs. generated in Fortis owned plants in years 2016 and
9 2017.

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11 **Response:**

12 The following table shows the amount of power generation from each of FBC's owned facilities
13 on the Kootenay River in 2016 and 2017.

(MWh)	2016	2017
Lower Bonnington	269,287	275,638
Upper Bonnington	255,512	272,315
South Slocan	274,281	276,982
Corra Linn	235,361	235,635
Total FBC Owned Generation	1,034,441	1,060,570

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15 However, as a result of the Canal Plant Agreement, FBC received an entitlement of energy from
16 these facilities, and not the actual physical generation from the plant. The following table shows
17 the amount of entitlement FBC received from FBC's owned facilities on the Kootenay River in
18 2016 and 2017.

(MWh)	2016	2017
Total FBC Entitlement Use	1,618,886	1,576,746

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