



June 22, 2020

INFORMATION RELEASE – BCUC Approves FortisBC Multi-Year Rate Plan

VANCOUVER – Today, the British Columbia Utilities Commission (BCUC) approved Multi-Year Rate Plans (MRPs) for FortisBC Energy Inc. (FEI) and FortisBC Inc. (FBC) (together, FortisBC) which will establish the utilities' rate setting mechanisms for the years 2020 through 2024 per Orders [G-165-20](#) and [G-166-20](#). The BCUC conducted an open and transparent public review process which included letters of comment from the public, eleven interested parties and active participation from seven registered interveners.

The FortisBC MRPs are performance or incentive-based frameworks for establishing utility rates that link revenues and costs to the utilities' performance. Performance-based frameworks generally follow a formula or index-based approach to setting individual cost components, considering inflation and other cost drivers and adjustments to reflect the utility's expected productivity improvements. Thus, MRPs are intended to incent utility efficiency, promote better control of operating and maintenance costs, and control over capital spending, along with reduced regulatory costs for ratepayers.

Notwithstanding the rate setting frameworks approved under the Multi-Year Rate Plans, the BCUC will still conduct an Annual Review Process for FortisBC that will provide interveners and interested parties the opportunity to participate in the review of the performance of the FortisBC and where the BCUC will establish the final rates for each year of the multi-year rate plan.

More information about this application can be found [here](#).

Background

The BCUC has a long history of establishing rates using a performance-based framework for regulated utilities in British Columbia. Since the 1990s, FortisBC has been regulated using a performance or incentive-based framework at various times including, mostly recently, the 2014-2019 period.

About the BCUC

The BCUC is a regulatory agency responsible for the oversight of energy utilities and compulsory auto insurance in British Columbia. It is the BCUC's role to balance the interests of customers with the interests of the businesses it regulates. The BCUC carries out fair and transparent reviews of matters within its jurisdiction and considers public input where public interest is impacted.

CONTACT INFORMATION:

Krissy Van Loon
Manager, Communications
Phone: 604.660.4727
Email: Krissy.VanLoon@bcuc.com