

March 3, 2011

British Columbia Utilities Commission  
6th Floor, 900 Howe Street  
Vancouver, B.C.  
V6Z 2N3

Regulatory Affairs Correspondence  
Email: [gas.regulatory.affairs@fortisbc.com](mailto:gas.regulatory.affairs@fortisbc.com)

Attention: Ms. Erica M. Hamilton, Commission Secretary

Dear Ms. Hamilton:

**Re: FortisBC Energy Inc. – Fort Nelson Service Area  
Gas Cost Reconciliation Account (“GCRA”) and Gas Cost Recovery Rates  
2011 First Quarter Gas Cost Report**

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The attached materials provide the FortisBC Energy Inc. (formerly Terasen Gas Inc.) 2011 First Quarter Gas Cost Report for the Fort Nelson service area (“Fort Nelson”) as required under British Columbia Utilities Commission (the “Commission”) guidelines.

Consistent with the natural gas price forecast utilized in the FortisBC Energy Inc. (“FEI” or the “Company”) 2011 First Quarter Gas Cost Report for the Lower Mainland, Inland, and Columbia service areas, the gas cost forecast used within the attached report is based on the five-day average of the February 15, 16, 17, 18, and 22, 2011 forward prices for natural gas (“five-day average forward prices ending February 22, 2011”).

Based on the five-day average forward prices ending February 22, 2011, the March 31, 2011 GCRA deferral balance is projected to be approximately \$72,700 deficit after tax (Tab 1, Page 2, Column 2, Line 28). Further, based on the five-day average forward prices ending February 22, 2011, the gas purchase cost assumptions, and the forecast gas cost recoveries at present rates for the 12-month period ending March 31, 2012, and accounting for the projected March 31, 2011 deferral balance, the GCRA ratio is calculated to be 104.0% (Tab 1, Page 1, Column 3, Line 10). The ratio falls within the deadband range of 95% to 105%, indicating that a rate change is not required at this time.

A summary of the forward prices is provided on Tab 1, Page 4, and a summary of the recorded and forecast monthly GCRA balances is provided on Tab 1, Page 5.

Provided in Tab 2 are the details of the forecast gas costs for Fort Nelson. The Company requests the information contained in Tab 2 be treated as CONFIDENTIAL.

### **CONFIDENTIALITY**

Consistent with past practice and previous discussions and positions on the confidentiality of selected filings (and further emphasized in the Company’s January 31, 1994 submission to the Commission) FEI is requesting that this information be filed on a confidential basis pursuant to Section 71(5) of the *Utilities Commission Act* and requests that the Commission exercise its discretion under Section 6.0 of the Rules for Natural Gas Energy Supply



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Contracts and allow these documents to remain confidential. FEI believes this will ensure that market sensitive information is protected, and FEI's ability to obtain favourable commercial terms for future gas contracting is not impaired.

In this regard, FEI further believes that the Core Market could be disadvantaged and may well shoulder incremental costs if utility gas supply procurement strategies as well as contracts are treated in a different manner than those of other gas purchasers, and believes that since it continues to operate within a competitive environment, there is no necessity for public disclosure and risk prejudice or influence in the negotiations or renegotiation of subsequent contracts.

FEI will continue to monitor the forward prices and will report these results in its 2011 Second Quarter Gas Cost Report for Fort Nelson.

We trust the Commission will find the attached to be in order. However, should any further information be required, please contact Brian Noel at 604-592-7467.

All of which is respectfully submitted.

Yours very truly,

**FORTISBC ENERGY INC.**

***Original signed:***

Diane Roy

Attachments

**FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA**  
**GAS COST RECONCILIATION ACCOUNT ("GCRA") RATE CHANGE TRIGGER MECHANISM**  
**FOR THE PERIOD APRIL 1, 2011 TO MARCH 31, 2012**  
**WITH EXISTING JANUARY 1, 2011 GAS COST RECOVERY RATES**  
**FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 15, 16, 17,18 AND 22, 2011**

Tab 1  
Page 1

Line No.	Particulars	Annual (\$000)	Percentage	Volume (TJ)	Unit Cost (\$/GJ)
	(1)	(2)	(3)	(4)	(5)
1	<b><u>RATE CHANGE TRIGGER MECHANISM</u></b>				
2	Projected Grossed-up GCRA Balance as at March 31, 2011	\$ 98.9			
3	( Tab 1, Page 2, Col 2, Line 21)				
4					
5	Forecast Incurred Gas Costs - April 2011 to March 2012	\$ 2,549.8			
6	( Tab 1, Page 2, Col 14, Line 16)				
7	Forecast Recovered Gas Costs - April 2011 to March 2012	\$ 2,754.1			
8	( Tab 1, Page 2, Col 14, Line 7)				
9					
10	Ratio = $\frac{\text{Forecast Recovered Gas Costs}}{\text{Forecast Incurred Gas Costs} + \text{Projected GCRA Balance}}$	= \$ 2,754.1	=		<u>104.0%</u>
11		\$ 2,648.7			
12					
13					
14					
15					
16	<b><u>BALANCING REQUIREMENT</u></b>				
17	(applicable when Rate Change Trigger Mechanism Ratio falls outside 95% to 105% deadband)				
18					
19					
20	<b>TESTED RATES</b>				
21					
22	Forecast 12 Month Sales Recovery Volumes April 2011 to March 2012			548.3	
23	( Tab 1, Page 2, Col 14, Line 2)				
24					
25	Projected GCRA Balance at March 31, 2011 (Line 2)	\$ 98.9			\$ 0.1803
26	Forecast GCRA Activities - April 2011 to March 2012 (Line 5 minus Line 7)	(204.3)			\$ (0.3726)
27	(Over) / Under Recovery at Existing Rates	<u>\$ (105.4)</u>			
28					
29					
30	<b>Tested Rates (Decrease) / Increase</b>				<u>\$ (0.1920)</u>

**FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA  
RECOVERED AND INCURRED COSTS SUMMARY  
FOR THE PERIOD APRIL 1, 2011 TO MARCH 31, 2012  
WITH EXISTING JANUARY 1, 2011 GAS COST RECOVERY RATES  
FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 15, 16, 17,18 AND 22, 2011**

Tab 1  
Page 2

Line No.	Particulars													1-12 month
		Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Forecast Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	<b>RECOVERED GAS COSTS</b>													
2	Total Sales - TJ	40.3	23.7	12.5	11.9	12.4	20.6	41.0	66.4	85.4	93.3	72.5	68.3	548.3
3	T-Service UAF - TJ	0.0	0.0	0.0	-	0.0	0.0	0.0	0.1	0.1	0.2	0.1	0.1	0.7
4														
5	Recovery on Sales - \$000	\$ 201.9	\$ 118.8	\$ 62.7	\$ 59.8	\$ 62.3	\$ 103.5	\$ 205.8	\$ 332.7	\$ 428.1	\$ 467.9	\$ 363.5	\$ 342.7	\$ 2,749.7
6	Recovery on T-Service UAF - \$000	0.2	0.0	0.0	-	0.0	0.0	0.3	0.7	1.1	0.9	0.6	0.6	4.3
7	Total Forecast Recovered Gas Costs - \$000	<u>\$ 202.0</u>	<u>\$ 118.8</u>	<u>\$ 62.7</u>	<u>\$ 59.8</u>	<u>\$ 62.3</u>	<u>\$ 103.5</u>	<u>\$ 206.0</u>	<u>\$ 333.5</u>	<u>\$ 429.2</u>	<u>\$ 468.8</u>	<u>\$ 364.1</u>	<u>\$ 343.2</u>	<u>\$ 2,754.1</u>
8														
9														
10														
11	<b>INCURRED GAS COSTS</b>													
12	Total Purchases Incl. UAF - TJ	40.8	24.0	12.7	12.1	12.6	20.9	41.6	67.4	86.7	94.8	73.6	69.4	556.7
13														
14	Incurred Cost - \$/GJ	3.9962	4.0461	4.1016	4.1351	4.1568	4.1452	4.1533	4.6647	4.7710	4.8288	4.8367	4.8078	
15														
16	Forecast Incurred Gas Costs - \$000	<u>\$ 163.2</u>	<u>\$ 97.2</u>	<u>\$ 52.0</u>	<u>\$ 50.0</u>	<u>\$ 52.4</u>	<u>\$ 86.7</u>	<u>\$ 172.9</u>	<u>\$ 314.3</u>	<u>\$ 413.7</u>	<u>\$ 457.7</u>	<u>\$ 356.1</u>	<u>\$ 333.7</u>	<u>\$ 2,549.8</u>
17														
18														
19														
20	<b>GCRA BALANCE</b>													
21	Opening Balances (Pre-Tax) - \$000 <sup>(1*)</sup>	\$ 98.9	\$ 60.0	\$ 38.4	\$ 27.7	\$ 17.9	\$ 8.0	\$ (8.8)	\$ (41.9)	\$ (61.1)	\$ (75.2)	\$ (86.3)	\$ (94.3)	
22	Forecast Activity - \$000	(38.8)	(21.6)	(10.7)	(9.8)	(9.9)	(16.8)	(33.1)	(19.2)	(15.6)	(11.1)	(8.0)	(9.6)	\$ (204.3)
23	Closing Balances (Pre-tax) - \$000	<u>\$ 60.0</u>	<u>\$ 38.4</u>	<u>\$ 27.7</u>	<u>\$ 17.9</u>	<u>\$ 8.0</u>	<u>\$ (8.8)</u>	<u>\$ (41.9)</u>	<u>\$ (61.1)</u>	<u>\$ (76.7)</u>	<u>\$ (86.3)</u>	<u>\$ (94.3)</u>	<u>\$ (103.9)</u>	
24														
25														
26	Tax Rate	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	25.00%	25.00%	25.00%	
27														
28	Opening Balances (After-Tax) - \$000	\$ 72.7	\$ 44.1	\$ 28.2	\$ 20.4	\$ 13.2	\$ 5.8	\$ (6.5)	\$ (30.8)	\$ (44.9)	\$ (56.4)	\$ (64.7)	\$ (70.7)	
29	Closing Balances (After Tax) - \$000	<u>\$ 44.1</u>	<u>\$ 28.2</u>	<u>\$ 20.4</u>	<u>\$ 13.2</u>	<u>\$ 5.8</u>	<u>\$ (6.5)</u>	<u>\$ (30.8)</u>	<u>\$ (44.9)</u>	<u>\$ (56.4)</u>	<u>\$ (64.7)</u>	<u>\$ (70.7)</u>	<u>\$ (77.9)</u>	

Slight differences in totals due to rounding.

Note (1\*) Pre-tax opening balances are restated based on current income taxes, to reflect grossed-up after tax amounts.

**FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA  
RECOVERED AND INCURRED COSTS SUMMARY  
FOR THE PERIOD APRIL 1, 2012 TO MARCH 31, 2013  
WITH EXISTING JANUARY 1, 2011 GAS COST RECOVERY RATES  
FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 15, 16, 17,18 AND 22, 2011**

Tab 1  
Page 3

Line No.	Particulars	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	13-24 month
														Forecast Total
	(1)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)
1	<b>RECOVERED GAS COSTS</b>													
2	Total Sales - TJ	40.2	23.7	12.5	11.9	12.4	20.6	41.0	66.2	85.2	93.1	72.3	68.3	547.4
3	T-Service UAF - TJ	0.0	0.0	0.0	-	0.0	0.0	0.0	0.1	0.1	0.2	0.1	0.1	0.7
4														
5	Recovery on Sales - \$000	\$ 201.8	\$ 118.7	\$ 62.7	\$ 59.9	\$ 62.2	\$ 103.3	\$ 205.5	\$ 332.1	\$ 427.1	\$ 467.1	\$ 362.8	\$ 342.3	\$ 2,745.4
6	Recovery on T-Service UAF - \$000	0.1	0.0	0.0	-	0.0	0.0	0.2	0.5	0.7	0.9	0.6	0.6	3.5
7	Total Forecast Recovered Gas Costs - \$000	<u>\$ 201.9</u>	<u>\$ 118.7</u>	<u>\$ 62.7</u>	<u>\$ 59.9</u>	<u>\$ 62.2</u>	<u>\$ 103.3</u>	<u>\$ 205.6</u>	<u>\$ 332.6</u>	<u>\$ 427.8</u>	<u>\$ 468.0</u>	<u>\$ 363.4</u>	<u>\$ 342.9</u>	<u>\$ 2,748.9</u>
8														
9														
10														
11	<b>INCURRED GAS COSTS</b>													
12	Total Purchases Incl. UAF - TJ	40.8	24.0	12.7	12.1	12.6	20.9	41.6	67.2	86.5	94.6	73.5	69.3	555.8
13														
14	Incurred Cost - \$/GJ	3.8133	3.8454	3.8915	3.9219	3.9403	3.9271	3.9475	4.8707	4.9673	5.0269	5.0280	4.9866	
15														
16	Forecast Incurred Gas Costs - \$000	<u>\$ 155.7</u>	<u>\$ 92.3</u>	<u>\$ 49.4</u>	<u>\$ 47.5</u>	<u>\$ 49.5</u>	<u>\$ 82.0</u>	<u>\$ 164.1</u>	<u>\$ 327.5</u>	<u>\$ 429.6</u>	<u>\$ 475.6</u>	<u>\$ 369.4</u>	<u>\$ 345.7</u>	<u>\$ 2,588.4</u>
17														
18														
19														
20	<b>GCRA BALANCE</b>													
21	Opening Balances (Pre-Tax) - \$000 <sup>(1*)</sup>	\$ (103.9)	\$ (150.1)	\$ (176.5)	\$ (189.9)	\$ (202.3)	\$ (214.9)	\$ (236.2)	\$ (277.7)	\$ (282.7)	\$ (280.9)	\$ (273.2)	\$ (267.2)	
22	Forecast Activity - \$000	(46.2)	(26.4)	(13.4)	(12.4)	(12.6)	(21.3)	(41.5)	(5.1)	1.9	7.7	6.0	2.8	\$ (160.5)
23	Closing Balances (Pre-tax) - \$000	<u>\$ (150.1)</u>	<u>\$ (176.5)</u>	<u>\$ (189.9)</u>	<u>\$ (202.3)</u>	<u>\$ (214.9)</u>	<u>\$ (236.2)</u>	<u>\$ (277.7)</u>	<u>\$ (282.7)</u>	<u>\$ (280.9)</u>	<u>\$ (273.2)</u>	<u>\$ (267.2)</u>	<u>\$ (264.4)</u>	
24														
25														
26	Tax Rate	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	
27														
28	Opening Balances (After-Tax) - \$000	<u>\$ (77.9)</u>	<u>\$ (112.6)</u>	<u>\$ (132.4)</u>	<u>\$ (142.4)</u>	<u>\$ (151.7)</u>	<u>\$ (161.2)</u>	<u>\$ (177.1)</u>	<u>\$ (208.3)</u>	<u>\$ (212.1)</u>	<u>\$ (210.7)</u>	<u>\$ (204.9)</u>	<u>\$ (200.4)</u>	
29	Closing Balances (After Tax) - \$000	<u>\$ (112.6)</u>	<u>\$ (132.4)</u>	<u>\$ (142.4)</u>	<u>\$ (151.7)</u>	<u>\$ (161.2)</u>	<u>\$ (177.1)</u>	<u>\$ (208.3)</u>	<u>\$ (212.1)</u>	<u>\$ (210.7)</u>	<u>\$ (204.9)</u>	<u>\$ (200.4)</u>	<u>\$ (198.3)</u>	

Slight differences in totals due to rounding.

Note (1\*) Pre-tax opening balances are restated baseexes, to reflect grossed-up after tax amounts

**FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA**  
**STATION NO. 2 INDEX FORECAST**  
**FOR THE PERIOD ENDING MARCH 31, 2013**

Line No	Particulars	Five-day Average Forward Prices - February 15, 16, 17, 18 and 22, 2011 2011 Q1 Gas Cost Report	Five-day Average Forward Prices - November 17, 18, 19, 22 & 23, 2010 2010 Q4 Gas Cost Report	Change in Forward Prices (4) = (2) - (3)
	(1)	(2)	(3)	
1	<b>Station No. 2 Index Prices - \$CDN/GJ</b>			
2	<b>2010</b>			
3	July	\$ 3.39	\$ 3.39	\$ -
4	August	\$ 2.98	\$ 2.98	\$ -
5	September	\$ 3.12	\$ 3.12	\$ -
6	October	\$ 2.89	\$ 2.89	\$ -
7	November	\$ 3.25	\$ 3.12	\$ 0.12
8	December	\$ 3.41	\$ 3.45	\$ (0.05)
9	<i>Simple Average (Jul, 2010 - Jun, 2011)</i>	\$ 3.10	\$ 3.34	-7.2% \$ (0.24)
10	<i>Simple Average (Oct, 2010 - Sep, 2011)</i>	\$ 3.07	\$ 3.44	-10.7% \$ (0.37)
11	<b>2011</b>			
12	January	\$ 3.45	\$ 3.63	\$ (0.18)
13	February	\$ 3.12	\$ 3.63	\$ (0.51)
14	March	\$ 2.87	\$ 3.60	\$ (0.73)
15	April	\$ 2.85	\$ 3.38	\$ (0.53)
16	May	\$ 2.91	\$ 3.42	\$ (0.51)
17	June	\$ 2.97	\$ 3.47	\$ (0.50)
18	July	\$ 3.02	\$ 3.53	\$ (0.51)
19	August	\$ 3.06	\$ 3.57	\$ (0.51)
20	September	\$ 3.07	\$ 3.58	\$ (0.51)
21	October	\$ 3.11	\$ 3.66	\$ (0.54)
22	November	\$ 3.35	\$ 4.02	\$ (0.67)
23	December	\$ 3.58	\$ 4.31	\$ (0.73)
24	<i>Simple Average (Jan, 2011 - Dec, 2011)</i>	\$ 3.11	\$ 3.65	-14.7% \$ (0.54)
25	<i>Simple Average (Apr, 2011 - Mar, 2012)</i>	\$ 3.25	\$ 3.85	-15.7% \$ (0.60)
26	<i>Simple Average (Jul, 2011 - Jun, 2012)</i>	\$ 3.39	\$ 3.99	-15.0% \$ (0.60)
27	<i>Simple Average (Oct, 2011 - Sep, 2012)</i>	\$ 3.52	\$ 4.12	-14.5% \$ (0.60)
28	<b>2012</b>			
29	January	\$ 3.70	\$ 4.48	\$ (0.79)
30	February	\$ 3.71	\$ 4.45	\$ (0.74)
31	March	\$ 3.65	\$ 4.35	\$ (0.70)
32	April	\$ 3.46	\$ 3.96	\$ (0.51)
33	May	\$ 3.49	\$ 3.97	\$ (0.49)
34	June	\$ 3.52	\$ 4.01	\$ (0.49)
35	July	\$ 3.55	\$ 4.05	\$ (0.50)
36	August	\$ 3.58	\$ 4.09	\$ (0.50)
37	September	\$ 3.59	\$ 4.10	\$ (0.51)
38	October	\$ 3.64	\$ 4.18	\$ (0.54)
39	November	\$ 3.88	\$ 4.54	\$ (0.66)
40	December	\$ 4.09	\$ 4.77	\$ (0.69)
41	<i>Simple Average (Jan, 2012 - Dec, 2012)</i>	\$ 3.65	\$ 4.25	-13.9% \$ (0.59)
42	<i>Simple Average (Apr, 2012 - Mar, 2013)</i>	\$ 3.78		
43	<b>2013</b>			
44	January	\$ 4.21		
45	February	\$ 4.21		
46	March	\$ 4.12		

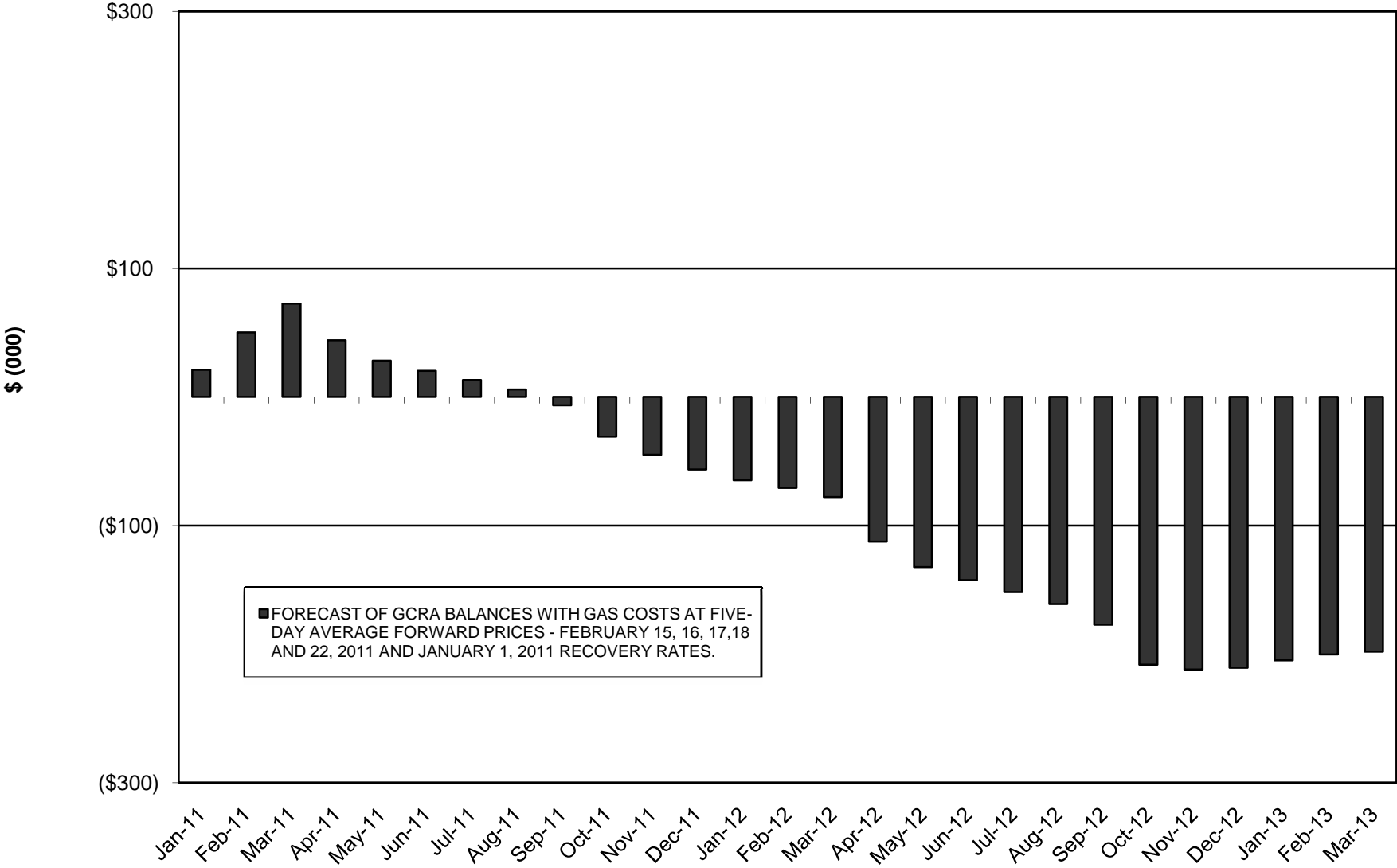
**FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA**  
**GCRA AFTER TAX BALANCES (\$000)**  
**FOR THE PERIOD ENDING MARCH 31, 2013**  
**WITH EXISTING JANUARY 1, 2011 GAS COST RECOVERY RATES**

Tab 1  
Page 5

Line No.	Particulars	2011 Q1 Gas Cost Report Jan 1, 2011 Existing Rates Five-day Average Forward Prices - February 15, 16, 17,18 and 22,		2010 Q4 Gas Cost Report Jan 1, 2011 Existing Rates Five-day Average Forward Prices - November 17,18,19, 22 & 23,	
		(1)	(2)	(3)	(3)
1	2010 Apr		↑ \$ 54.8	↑ \$ 54.8	
2	May		\$ (15.7)	\$ (15.7)	
3	Jun		\$ (80.9)	\$ (80.9)	
4	Jul		Recorded \$ (67.0)	Recorded \$ (67.0)	
5	Aug		Adjusted \$ (11.1) <sup>(A)</sup>	Adjusted \$ (11.1) <sup>(A)</sup>	
6	Sep		Adjusted \$ (31.0) <sup>(A)</sup>	Adjusted \$ (31.0) <sup>(A)</sup>	
7	Oct		Adjusted \$ (52.4) <sup>(A)</sup>	Adjusted \$ (52.4) <sup>(A)</sup>	
8	Nov		Recorded \$ (57.6)	Projected \$ (64.6)	
9	Dec		Recorded \$ (44.9)	\$ (66.4)	
10	2011 Jan		Adjusted \$ 21.2 <sup>(A)</sup>	↓ \$ (11.4)	
11	Feb		Projected \$ 50.2	\$ 28.5	
12	Mar		↓ \$ 72.7	\$ 66.0	
13	Apr		\$ 44.1	\$ 48.0	
14	May		\$ 28.2	\$ 38.7	
15	Jun		\$ 20.4	\$ 33.2	
16	Jul		\$ 13.2	\$ 30.0	
17	Aug		\$ 5.8	\$ 25.7	
18	Sep		\$ (6.5)	\$ 17.5	
19	Oct		\$ (30.8)	\$ 4.2	
20	Nov		\$ (44.9)	\$ (1.4)	
21	Dec		\$ (56.4)	\$ (0.0)	
22	2012 Jan		\$ (64.7)	\$ 7.5	
23	Feb		\$ (70.7)	\$ 12.4	
24	Mar		\$ (77.9)	\$ 14.4	
25	Apr		\$ (112.6)	\$ (8.0)	
26	May		\$ (132.4)	\$ (20.0)	
27	Jun		\$ (142.4)	\$ (27.2)	
28	Jul		\$ (151.7)	\$ (31.7)	
29	Aug		\$ (161.2)	\$ (37.5)	
30	Sep		\$ (177.1)	\$ (48.6)	
31	Oct		\$ (208.3)	\$ (66.4)	
32	Nov		\$ (212.1)	\$ (60.8)	
33	Dec		\$ (210.7)	\$ (46.8)	
34	2013 Jan		\$ (204.9)		
35	Feb		\$ (200.4)		
36	Mar		\$ (198.3)		

Note (A) includes volume reconciliation adjustment for prior months

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA  
 GCRA AFTER TAX BALANCES BY MONTH  
 FOR THE PERIOD ENDING MARCH 2013







LETTER NO. L-XX-11

SIXTH FLOOR, 900 HOWE STREET, BOX 250  
VANCOUVER, B.C. CANADA V6Z 2N3  
TELEPHONE: (604) 660-4700  
BC TOLL FREE: 1-800-663-1385  
FACSIMILE: (604) 660-1102  
Log No. XXXX

ERICA M. HAMILTON  
COMMISSION SECRETARY  
Commission.Secretary@bcuc.com  
web site: <http://www.bcuc.com>

## DRAFT ORDER

### VIA E-MAIL

[gas.regulatory.affairs@fortisbc.com](mailto:gas.regulatory.affairs@fortisbc.com)

March XX, 2011

Ms. Diane Roy  
Director, Regulatory Affairs Gas  
FortisBC Energy Inc.  
16705 Fraser Highway  
Surrey, BC V4N 0E8

Dear Ms. Roy:

Re: FortisBC Energy Inc.  
Fort Nelson Service Area  
2011 First Quarter Gas Cost Report

Further to your March 3, 2011 filing of the 2011 First Quarter Gas Cost Report (the Report) for the Fort Nelson Service Area. The Commission acknowledges receipt of the Report and accepts the recommendation that customer rates remain unchanged for the Fort Nelson Service Area, as of April 1, 2011.

Yours truly,

Erica M. Hamilton  
Commission Secretary