

October 25, 2011

Regulatory Affairs Correspondence  
Email: [gas.regulatory.affairs@fortisbc.com](mailto:gas.regulatory.affairs@fortisbc.com)British Columbia Utilities Commission  
6<sup>th</sup> Floor, 900 Howe Street  
Vancouver, BC  
V6Z 2N3Attention: Ms. Alanna Gillis, Acting Commission Secretary

Dear Ms. Gillis:

**Re: FortisBC Energy Utilities<sup>1</sup> (“FEU” or the “Companies”) 2012 and 2013 Revenue Requirements and Natural Gas Rates Application (the “Application” or “RRA”)**  
**British Columbia Utilities Commission (the “Commission”) Order No. G-177-11 Approving Interim Rates effective January 1, 2012**  
**Fort Nelson Revised Financial Schedules**

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On May 4, 2011, the FEU filed the Application referenced above. On September 26, 2011, the FEU filed an application for interim rates, effective January 1, 2012, in which it had requested for Fort Nelson a rate decrease of 6.67 percent.

The Fort Nelson delivery rate proposal as set out in the Application was to flow a delivery rate decrease to customers in 2012 followed by a subsequent increase to delivery rates in 2013. At the Oral Public Hearing, on October 3, 2011, during the examination in chief of Ms. Roy, an alternative option for Fort Nelson delivery rate changes was suggested whereby 2012 delivery rates could be held at existing 2011 approved delivery rates.<sup>2</sup> The revenue surplus generated in 2012 as a result of the rate freeze would be recorded in a deferral account for return to customers in 2013, thus creating an offset to the 2013 delivery rate increase<sup>3</sup>. During that exchange, Ms. Roy indicated that the net 2013 delivery rate increase, after application of the surplus, would be approximately 8.1 percent.

On October 20, 2011, the Commission issued Order No. G-177-11, wherein it approved interim rates, effective January 1, 2012, for the FEU, approving Fort Nelson’s rates to remain at 2011 levels and establishment of a deferral account to record the revenue surplus.

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<sup>1</sup> FortisBC Energy Inc. (“FEI”), FortisBC Energy (Vancouver Island) Inc. (“FEVI”), FortisBC Energy (Whistler) Inc. (“FEW”), and FortisBC Energy Inc. Fort Nelson Service Area (“Fort Nelson”)

<sup>2</sup> Transcript Volume 2, page 274, lines 1 to 26.

<sup>3</sup> Transcript Volume 2, page 273, line 18 to page 274, line 14

The FEU hereby attaches the revised Fort Nelson Financial Schedules taking into effect the interim rate decision in Order No. G-177-11. Please note that the 2013 delivery rate impact of 8.1%, as referenced by Ms. Roy, reflected the incremental impact on the 2013 revenue deficiency of the proposed change.<sup>4</sup> On a cumulative basis, and taking into account the amortization of the 2012 revenue surplus, the revised Fort Nelson revenue requirements reflect a cumulative revenue deficiency of approximately \$25 thousand, resulting in an approximate increase of 1.3% to delivery rates in 2013 (please refer to Schedule 2 and 3 of Section 7, Tab 7.4).

If you require further information or have any questions regarding this submission, please contact the undersigned.

Yours very truly,

**on behalf of the FORTISBC ENERGY UTILITIES**

***Original signed by Michelle Carman:***

**For:** Diane Roy

Attachment

cc: Registered Parties

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<sup>4</sup> The incremental 2013 revenue deficiency before application of surplus of approximately \$280 thousand less \$125 thousand divided by the 2013 margin at existing rates of \$1,902 thousand equals approximately 8.1%. Please refer to September 12<sup>th</sup> Evidentiary Update, Section 7, Tab 7.4, Schedule 1 (Exhibit B-21)

## 7.4 Fort Nelson Schedules

|  | <u>Schedule #</u> |
|--|-------------------|
| Summary of 2012 and 2013 Revenue Requirement Increase                      | 1                 |
| Summary of Rate Change Required for 2012                                   | 2                 |
| Summary of Rate Change Required for 2013                                   | 3                 |
| Utility Income and Earned Return - 2011                                    | 4                 |
| Utility Income and Earned Return - 2012                                    | 5                 |
| Utility Income and Earned Return - 2013                                    | 6                 |
| Gas Sales and Transportation Volumes - 2011                                | 7                 |
| Gas Sales and Transportation Volumes - 2012                                | 8                 |
| Gas Sales and Transportation Volumes - 2013                                | 9                 |
| Revenue - 2011   | 10                |
| Revenue - 2012   | 11                |
| Revenue - 2013   | 12                |
| Cost of Gas - 2011 to 2013   | 13                |
| Revenue under existing 2011 Rates and Revised 2012 Rates (Non-Bypass)      | 14                |
| Revenue under existing 2011 Rates and Revised 2012 Rates (Bypass)          | 15                |
| Revenue under existing 2011 Rates and Revised 2013 Rates (Non-Bypass)      | 16                |
| Revenue under existing 2011 Rates and Revised 2013 Rates(Bypass)           | 17                |
| Other Operating Revenue - 2011   | 18                |
| Other Operating Revenue - 2012   | 19                |
| Other Operating Revenue - 2013   | 20                |
| Operation & Maintenance Expenses - Resource View - 2011 to 2013            | 21                |
| Operation & Maintenance Expenses - Activity View - 2011 to 2013            | 22                |
| Operation & Maintenance Expenses- Activity View (Continued) - 2011 to 2013 | 23                |
| Property and Sundry Taxes - 2011   | 24                |
| Property and Sundry Taxes - 2012   | 25                |
| Property and Sundry Taxes - 2013   | 26                |
| Depreciation and Amortization Expenses - 2011                              | 27                |
| Depreciation and Amortization Expenses - 2012                              | 28                |
| Depreciation and Amortization Expenses - 2013                              | 29                |
| Income Taxes - 2011  | 30                |
| Income Taxes - 2012  | 31                |
| Income Taxes - 2013  | 32                |
| Adjustments to Taxable Income - 2011                                       | 33                |
| Adjustments to Taxable Income - 2012                                       | 34                |
| Adjustments to Taxable Income - 2013                                       | 35                |
| Capital Cost Allowance - 2011  | 36                |
| Capital Cost Allowance - 2012  | 37                |
| Capital Cost Allowance - 2013  | 38                |
| Utility Rate Base - 2011   | 39                |
| Utility Rate Base - 2012   | 40                |
| Utility Rate Base - 2013   | 41                |

|  | <u>Schedule #</u> |
|--|-------------------|
| Capital Expenditures and Plant Additions - 2011 to 2013              | 42                |
| Gas Plant in Service Continuity Schedule - 2011                      | 43                |
| Gas Plant in Service Continuity Schedule (Continued) - 2011          | 44                |
| Gas Plant in Service Continuity Schedule (Continued) - 2011          | 45                |
| Gas Plant in Service Continuity Schedule - 2012                      | 46                |
| Gas Plant in Service Continuity Schedule(Continued) - 2012           | 47                |
| Gas Plant in Service Continuity Schedule (Continued) - 2012          | 48                |
| Gas Plant in Service Continuity Schedule - 2013                      | 49                |
| Gas Plant in Service Continuity Schedule (Continued) - 2013          | 50                |
| Gas Plant in Service Continuity Schedule (Continued) - 2013          | 51                |
| Depreciation and Amortization Continuity Schedule - 2011             | 52                |
| Depreciation and Amortization Continuity Schedule (Continued) - 2011 | 53                |
| Depreciation and Amortization Continuity Schedule (Continued) - 2011 | 54                |
| Depreciation and Amortization Continuity Schedule - 2012             | 55                |
| Depreciation and Amortization Continuity Schedule (Continued) - 2012 | 56                |
| Depreciation and Amortization Continuity Schedule (Continued) - 2012 | 57                |
| Depreciation and Amortization Continuity Schedule - 2013             | 58                |
| Depreciation and Amortization Continuity Schedule (Continued) - 2013 | 59                |
| Depreciation and Amortization Continuity Schedule (Continued) - 2013 | 60                |
| Negative Salvage Continuity - Provision                              | 61                |
| Negative Salvage Continuity - Provision                              | 62                |
| Contributions in Aid of Construction - 2011                          | 63                |
| Contributions in Aid of Construction - 2012                          | 64                |
| Contributions in Aid of Construction - 2013                          | 65                |
| Unamortized Deferred Charges and Amortization - RATE BASE - 2011     | 66                |
| Unamortized Deferred Charges and Amortization - 2012                 | 68                |
| Unamortized Deferred Charges and Amortization - 2013                 | 70                |
| Working Capital Allowance - 2011                                     | 72                |
| Working Capital Allowance - 2012                                     | 73                |
| Working Capital Allowance - 2013                                     | 74                |
| Cash Working Capital - 2011 to 2013                                  | 75                |
| Lag Time from Date of Payment to Receipt of Cash - 2011 to 2013      | 76                |
| Lead Time in Payment of Expenses - 2011 to 2013                      | 77                |
| Future Income Tax Liability / Asset - 2011 to 2013                   | 78                |
| Return on Capital - 2011   | 79                |
| Return on Capital - 2012   | 80                |
| Return on Capital - 2013   | 81                |
| Embedded Cost of Long Term Debt - 2011                               | 82                |
| Embedded Cost of Long Term Debt- 2012                                | 83                |
| Embedded Cost of Long Term Debt- 2013                                | 84                |
| Calculation of Amortization of RSAM (Rider 5) – 2012 & 2013          | 85                |

**Summary of Rate Change**

BCUC Order No. G-177-11

Section 7  
TAB 7.4  
Schedule 1

Fort Nelson

|  | <b>2012</b>           |            | <b>2013</b>           |             | <b>Total</b>          |             | <b>Cross Reference</b>           |
|--|-----------------------|------------|-----------------------|-------------|-----------------------|-------------|----------------------------------|
|  | <b>(\$ thousands)</b> |            | <b>(\$ thousands)</b> |             | <b>(\$ thousands)</b> |             |                                  |
| <u>Volume/Revenue Related</u>                    |                       |            |                       |             |                       |             |                                  |
| Customer Growth and Use Rates                    | \$                    | (111.5)    | \$                    | (27.0)      | \$                    | (138.5)     |                                  |
| Change in Other Revenue                          |                       | 35.5       |                       | -           |                       | 35.5        | (103.0)                          |
|  |                       | (76.0)     |                       | (27.0)      |                       | (103.0)     |                                  |
| <u>O&amp;M Changes</u>                           |                       |            |                       |             |                       |             |                                  |
| Gross O&M Increases                              |                       | 72.4       |                       | 27.1        |                       | 99.5        |                                  |
| Less: Capitalized Overhead                       |                       | (10.1)     |                       | (3.8)       |                       | (13.9)      | 85.6                             |
|  |                       | 62.3       |                       | 23.3        |                       | 85.6        |                                  |
| <u>Depreciation &amp; Removal Cost Provision</u> |                       |            |                       |             |                       |             |                                  |
| Change in Depreciation Rates                     |                       | (30.0)     |                       | -           |                       | (30.0)      |                                  |
| Tax Expense Impact of Depreciation Changes       |                       | 5.6        |                       | 11.0        |                       | 16.6        |                                  |
| Depreciation from Net Additions                  |                       | 46.7       |                       | 33.0        |                       | 79.7        |                                  |
| Removal Cost Provision                           |                       | -          |                       | -           |                       | -           | 66.3                             |
|  |                       | 22.3       |                       | 44.0        |                       | 66.3        |                                  |
| <u>Amortization Expense</u>                      |                       |            |                       |             |                       |             |                                  |
| CIAC   |                       | (5.1)      |                       | -           |                       | (5.1)       |                                  |
| Deferral Accounts                                |                       | (153.3)    |                       | 87.0        |                       | (66.3)      | (71.4)                           |
|  |                       | (158.4)    |                       | 87.0        |                       | (71.4)      |                                  |
| <u>Other</u>                                     |                       |            |                       |             |                       |             |                                  |
| Property and Other Taxes                         |                       | 7.0        |                       | 5.8         |                       | 12.8        |                                  |
| Other (2012 Revenue Surplus (after-tax))         |                       | 97.0       |                       | (194.0)     |                       | (97.0)      |                                  |
| Income Tax Rate Change                           |                       | (5.0)      |                       | 2.4         |                       | (2.6)       |                                  |
| Other Income Tax Changes                         |                       | (5.0)      |                       | (61.4)      |                       | (66.4)      |                                  |
| Financing Rate Changes                           |                       | (8.2)      |                       | 4.9         |                       | (3.3)       |                                  |
| Financing Changes                                |                       | 44.0       |                       | 68.8        |                       | 112.8       |                                  |
| Rate Base Growth                                 |                       | 21.0       |                       | 70.3        |                       | 91.3        |                                  |
| Miscellaneous Rounding                           |                       | (1.0)      |                       | 1.0         |                       | -           | 47.5                             |
|  |                       | 149.8      |                       | (102.3)     |                       | 47.5        |                                  |
| <b>Revenue Deficiency (Surplus)</b>              | <b>\$</b>             | <b>0.0</b> | <b>\$</b>             | <b>25.1</b> | <b>\$</b>             | <b>25.1</b> | - Sect 7-TAB 7.4, Schedule 2 & 3 |

SUMMARY OF RATE CHANGE REQUIRED  
FOR THE YEAR ENDING DECEMBER 31, 2012  
SUMMARY OF RATE CHANGE REQUIRED

| Line No. | Particulars<br>(1)   | 2012                     |                       |               |                                    |                 | Change<br>(7)                       | Cross Reference<br>(8) |
|----------|--|--------------------------|-----------------------|---------------|------------------------------------|-----------------|-------------------------------------|------------------------|
|          |  | 2011<br>PROJECTED<br>(2) | Non-Bypass            |               | Bypass and<br>Special Rates<br>(5) | Total<br>(6)    |                                     |                        |
|          |  | Sales<br>(3)             | Transportation<br>(4) |               |                                    |                 |                                     |                        |
| 1        | RATE CHANGE REQUIRED   |                          |                       |               |                                    |                 |                                     |                        |
| 2        |  |                          |                       |               |                                    |                 |                                     |                        |
| 3        | Gas Sales and Transportation Revenue,<br>At Prior Year's Rates | \$ 4,704                 | \$ 4,633              | \$ 141        | \$ -                               | \$ 4,774        | \$ 70 - Sect 7-TAB 7.4, Schedule 11 |                        |
| 4        |  |                          |                       |               |                                    |                 |                                     |                        |
| 5        | Total Revenue  | 4,704                    | 4,633                 | 141           | -                                  | 4,774           | 70                                  |                        |
| 6        |  |                          |                       |               |                                    |                 |                                     |                        |
| 7        |  |                          |                       |               |                                    |                 |                                     |                        |
| 8        | Less - Cost of Gas   | (2,860)                  | (2,897)               | (3)           | -                                  | (2,900)         | (40) - Sect 7-TAB 7.4, Schedule 13  |                        |
| 9        |  |                          |                       |               |                                    |                 |                                     |                        |
| 10       | Gross Margin   | <u>\$ 1,844</u>          | <u>\$ 1,736</u>       | <u>\$ 138</u> | <u>\$ -</u>                        | <u>\$ 1,874</u> | <u>\$ 30</u>                        |                        |
| 11       |  |                          |                       |               |                                    |                 |                                     |                        |
| 12       | Revenue Deficiency (Surplus)                                   | <u>\$ -</u>              | <u>\$ -</u>           | <u>\$ -</u>   | <u>\$ -</u>                        | <u>\$ -</u>     | <u>\$ -</u>                         |                        |
| 13       |  |                          |                       |               |                                    |                 |                                     |                        |
| 14       | Revenue Deficiency (Surplus) as a % of Gross Margin            | <u>0.00%</u>             | <u>0.00%</u>          | <u>0.00%</u>  | <u>0.00%</u>                       | <u>0.00%</u>    |                                     |                        |
| 15       |  |                          |                       |               |                                    |                 |                                     |                        |
| 16       | Revenue Deficiency (Surplus) as a % of Total Revenue           | <u>0.00%</u>             | <u>0.00%</u>          | <u>0.00%</u>  | <u>0.00%</u>                       | <u>0.00%</u>    |                                     |                        |
| 17       |  |                          |                       |               |                                    |                 |                                     |                        |

SUMMARY OF RATE CHANGE REQUIRED  
FOR THE YEAR ENDING DECEMBER 31, 2013  
SUMMARY OF RATE CHANGE REQUIRED

| Line No. | Particulars<br>(1)   | 2013                 |                       |               |                                 |                 | Change<br>(7)                       | Cross Reference<br>(8) |
|----------|--|----------------------|-----------------------|---------------|---------------------------------|-----------------|-------------------------------------|------------------------|
|          |  | 2012 FORECAST<br>(2) | Non-Bypass            |               | Bypass and Special Rates<br>(5) | Total<br>(6)    |                                     |                        |
|          |  | Sales<br>(3)         | Transportation<br>(4) |               |                                 |                 |                                     |                        |
| 1        | RATE CHANGE REQUIRED   |                      |                       |               |                                 |                 |                                     |                        |
| 2        |  |                      |                       |               |                                 |                 |                                     |                        |
| 3        | Gas Sales and Transportation Revenue,<br>At Prior Year's Rates | \$ 4,774             | \$ 4,705              | \$ 141        | \$ -                            | \$ 4,846        | \$ 72 - Sect 7-TAB 7.4, Schedule 12 |                        |
| 4        |  |                      |                       |               |                                 |                 |                                     |                        |
| 5        | Total Revenue  | 4,774                | 4,705                 | 141           | -                               | 4,846           | 72                                  |                        |
| 6        |  |                      |                       |               |                                 |                 |                                     |                        |
| 7        | Less - Cost of Gas   | (2,900)              | (2,942)               | (3)           | -                               | (2,945)         | (45) - Sect 7-TAB 7.4, Schedule 13  |                        |
| 8        |  |                      |                       |               |                                 |                 |                                     |                        |
| 9        | Gross Margin   | <u>\$ 1,874</u>      | <u>\$ 1,763</u>       | <u>\$ 138</u> | <u>\$ -</u>                     | <u>\$ 1,901</u> | <u>\$ 27</u>                        |                        |
| 10       |  |                      |                       |               |                                 |                 |                                     |                        |
| 11       | Revenue Deficiency (Surplus)                                   | <u>\$ -</u>          | <u>\$ 23</u>          | <u>\$ 2</u>   | <u>\$ -</u>                     | <u>\$ 25</u>    | <u>\$ 25</u>                        |                        |
| 12       |  |                      |                       |               |                                 |                 |                                     |                        |
| 13       | Revenue Deficiency (Surplus) as a % of Gross Margin            | <u>0.00%</u>         | <u>1.30%</u>          | <u>1.45%</u>  | <u>0.00%</u>                    | <u>1.32%</u>    |                                     |                        |
| 14       |  |                      |                       |               |                                 |                 |                                     |                        |
| 15       | Revenue Deficiency (Surplus) as a % of Total Revenue           | <u>0.00%</u>         | <u>0.49%</u>          | <u>1.42%</u>  | <u>0.00%</u>                    | <u>0.52%</u>    |                                     |                        |
| 16       |  |                      |                       |               |                                 |                 |                                     |                        |
| 17       |  |                      |                       |               |                                 |                 |                                     |                        |

UTILITY INCOME AND EARNED RETURN  
FOR THE YEAR ENDING DECEMBER 31, 2011  
(\$000s)

| Line No. | Particulars<br>(1)                         | 2010<br>ACTUAL<br>(2) | 2011<br>APPROVED<br>(3) | 2011<br>PROJECTED<br>(4) | Change<br>(5)             | Cross Reference<br>(6)        |
|----------|--|-----------------------|-------------------------|--------------------------|---------------------------|-------------------------------|
|          |  |                       |                         |                          | (Column (4) - Column (3)) |                               |
| 1        | ENERGY VOLUMES (TJ)                        |                       |                         |                          |                           |                               |
| 2        | Sales                                      | 560                   | 549                     | 569                      | 20                        | - Sect 7-TAB 7.4, Schedule 7  |
| 3        | Transportation                             | 55                    | 50                      | 55                       | 5                         | - Sect 7-TAB 7.4, Schedule 7  |
| 4        |  | <u>615</u>            | <u>598</u>              | <u>624</u>               | <u>26</u>                 |                               |
| 5        |  |                       |                         |                          |                           |                               |
| 6        | Average Rate per GJ                        |                       |                         |                          |                           |                               |
| 7        | Sales                                      | \$ 8.554              | \$ 8.771                | \$ 8.019                 | \$ (0.752)                |                               |
| 8        | Transportation                             | \$ 2.127              | \$ 2.619                | \$ 2.564                 | \$ (0.055)                |                               |
| 9        | Average                                    | \$ 7.880              | \$ 8.261                | \$ 7.463                 | \$ (0.798)                |                               |
| 10       |  |                       |                         |                          |                           |                               |
| 11       | UTILITY REVENUE                            |                       |                         |                          |                           |                               |
| 12       | Sales - Existing Rates                     | \$ 4,790              | \$ 4,519                | \$ 4,563                 | \$ 44                     | - Sect 7-TAB 7.4, Schedule 10 |
| 13       | - Increase / (Decrease)                    | -                     | 293                     | -                        | (293)                     |                               |
| 14       | RSAM Revenue                               | (61)                  | -                       | (47)                     | (47)                      |                               |
| 15       | Transportation - Existing Rates            | 117                   | 108                     | 141                      | 33                        | - Sect 7-TAB 7.4, Schedule 10 |
| 16       | - Increase / (Decrease)                    | -                     | 22                      | -                        | (22)                      |                               |
| 17       |  |                       |                         |                          |                           |                               |
| 18       | <b>Total Revenue</b>                       | <u>4,846</u>          | <u>4,941</u>            | <u>4,657</u>             | <u>(284)</u>              |                               |
| 19       |  |                       |                         |                          |                           |                               |
| 20       | Cost of Gas Sold (Including Gas Lost)      | 3,409                 | 3,179                   | 2,860                    | (319)                     | - Sect 7-TAB 7.4, Schedule 13 |
| 21       |  |                       |                         |                          |                           |                               |
| 22       | <b>Gross Margin</b>                        | <u>1,437</u>          | <u>1,763</u>            | <u>1,797</u>             | <u>35</u>                 |                               |
| 23       |  |                       |                         |                          |                           |                               |
| 24       | Operation and Maintenance                  | 680                   | 698                     | 699                      | 1                         | - Sect 7-TAB 7.4, Schedule 21 |
| 25       | Property and Sundry Taxes                  | 158                   | 165                     | 170                      | 5                         | - Sect 7-TAB 7.4, Schedule 24 |
| 26       | Depreciation and Amortization              | 220                   | 360                     | 363                      | 3                         | - Sect 7-TAB 7.4, Schedule 27 |
| 27       | 2012 Revenue Surplus (after-tax)           | -                     | -                       | -                        | -                         |                               |
| 28       | Other Operating Revenue                    | (29)                  | (60)                    | (24)                     | 36                        | - Sect 7-TAB 7.4, Schedule 18 |
| 29       | Sub-total                                  | <u>1,029</u>          | <u>1,163</u>            | <u>1,208</u>             | <u>45</u>                 |                               |
| 30       | Utility Income Before Income Taxes         | 409                   | 599                     | 589                      | (10)                      |                               |
| 31       |  |                       |                         |                          |                           |                               |
| 32       | Income Taxes                               | 52                    | 81                      | 125                      | 44                        | - Sect 7-TAB 7.4, Schedule 30 |
| 33       |  |                       |                         |                          |                           |                               |
| 34       | <b>EARNED RETURN</b>                       | <u>\$ 357</u>         | <u>\$ 518</u>           | <u>\$ 464</u>            | <u>\$ (54)</u>            | - Sect 7-TAB 7.4, Schedule 79 |
| 35       |  |                       |                         |                          |                           |                               |
| 36       |  |                       |                         |                          |                           |                               |
| 37       | <b>UTILITY RATE BASE</b>                   | <u>\$ 5,410</u>       | <u>\$ 6,839</u>         | <u>\$ 5,755</u>          | <u>\$ (1,084)</u>         | - Sect 7-TAB 7.4, Schedule 39 |
| 38       |  |                       |                         |                          |                           |                               |
| 39       | <b>RATE OF RETURN ON UTILITY RATE BASE</b> | <u>6.60%</u>          | <u>7.58%</u>            | <u>8.06%</u>             | <u>0.49%</u>              | - Sect 7-TAB 7.4, Schedule 79 |



UTILITY INCOME AND EARNED RETURN  
FOR THE YEAR ENDING DECEMBER 31, 2012  
(\$000s)

| Line No. | Particulars<br>(1)                         | 2012                     |                               |  |                 | Change<br>(6)   | Cross Reference<br>(7)        |
|----------|--|--------------------------|-------------------------------|--|-----------------|-----------------|-------------------------------|
|          |  | 2011<br>PROJECTED<br>(2) | Existing 2011<br>Rates<br>(3) | ----- Revised Rates -----<br>Revised<br>Revenue<br>(4) |                 |                 |                               |
|          |  |                          |                               |  |                 |                 | (Column (5) - Column (2))     |
| 1        | ENERGY VOLUMES (TJ)                        |                          |                               |  |                 |                 |                               |
| 2        | Sales                                      | 569                      | 577                           | -  | 577             | 8               | - Sect 7-TAB 7.4, Schedule 8  |
| 3        | Transportation                             | 55                       | 55                            | -  | 55              | -               | - Sect 7-TAB 7.4, Schedule 8  |
| 4        |  | <u>624</u>               | <u>632</u>                    | <u>-</u>   | <u>632</u>      | <u>8</u>        |                               |
| 5        |  |                          |                               |  |                 |                 |                               |
| 6        | Average Rate per GJ                        |                          |                               |  |                 |                 |                               |
| 7        | Sales                                      | \$ 8.019                 | \$ 8.029                      | \$ -   | \$ 8.029        | \$ 0.010        |                               |
| 8        | Transportation                             | \$ 2.564                 | \$ 2.564                      | \$ -   | \$ 2.564        | \$ -            |                               |
| 9        | Average                                    | \$ 7.463                 | \$ 7.554                      | \$ -   | \$ 7.554        | \$ 0.091        |                               |
| 10       |  |                          |                               |  |                 |                 |                               |
| 11       | UTILITY REVENUE                            |                          |                               |  |                 |                 |                               |
| 12       | Sales - Existing Rates                     | \$ 4,563                 | \$ 4,633                      | \$ -   | \$ 4,633        | \$ 70           | - Sect 7-TAB 7.4, Schedule 11 |
| 13       | - Increase / (Decrease)                    | -                        | -                             | -  | -               | -               | - Sect 7-TAB 7.4, Schedule 14 |
| 14       | RSAM Revenue                               | (47)                     |                               |  |                 | 47              |                               |
| 15       | Transportation - Existing Rates            | 141                      | 141                           | -  | 141             | -               | - Sect 7-TAB 7.4, Schedule 11 |
| 16       | - Increase / (Decrease)                    | -                        | -                             | -  | -               | -               | - Sect 7-TAB 7.4, Schedule 14 |
| 17       |  |                          |                               |  |                 |                 |                               |
| 18       | <b>Total Revenue</b>                       | <u>4,657</u>             | <u>4,774</u>                  | <u>-</u>   | <u>4,774</u>    | <u>117</u>      |                               |
| 19       |  |                          |                               |  |                 |                 |                               |
| 20       | Cost of Gas Sold (Including Gas Lost)      | 2,860                    | 2,900                         | -  | 2,900           | 40              | - Sect 7-TAB 7.4, Schedule 13 |
| 21       |  |                          |                               |  |                 |                 |                               |
| 22       | <b>Gross Margin</b>                        | <u>1,797</u>             | <u>1,874</u>                  | <u>-</u>   | <u>1,874</u>    | <u>77</u>       |                               |
| 23       |  |                          |                               |  |                 |                 |                               |
| 24       | Operation and Maintenance                  | 699                      | 760                           | -  | 760             | 61              | - Sect 7-TAB 7.4, Schedule 21 |
| 25       | Property and Sundry Taxes                  | 170                      | 172                           | -  | 172             | 2               | - Sect 7-TAB 7.4, Schedule 25 |
| 26       | Depreciation and Amortization              | 363                      | 218                           | -  | 218             | (145)           | - Sect 7-TAB 7.4, Schedule 28 |
| 27       | 2012 Revenue Surplus (after-tax)           | -                        | 97                            | -  | 97              | 97              |                               |
| 28       | Other Operating Revenue                    | (24)                     | (24)                          | -  | (24)            | -               | - Sect 7-TAB 7.4, Schedule 19 |
| 29       | Sub-total                                  | <u>1,208</u>             | <u>1,223</u>                  | <u>-</u>   | <u>1,223</u>    | <u>15</u>       |                               |
| 30       | Utility Income Before Income Taxes         | 589                      | 651                           | -  | 651             | 62              |                               |
| 31       |  |                          |                               |  |                 |                 |                               |
| 32       | Income Taxes                               | 125                      | 76                            | -  | 76              | (49)            | - Sect 7-TAB 7.4, Schedule 31 |
| 33       |  |                          |                               |  |                 |                 |                               |
| 34       | <b>EARNED RETURN</b>                       | <u>\$ 464</u>            | <u>\$ 575</u>                 | <u>\$ -</u>  | <u>\$ 575</u>   | <u>\$ 111</u>   | - Sect 7-TAB 7.4, Schedule 80 |
| 35       |  |                          |                               |  |                 |                 |                               |
| 36       |  |                          |                               |  |                 |                 |                               |
| 37       | <b>UTILITY RATE BASE</b>                   | <u>\$ 5,755</u>          | <u>\$ 7,392</u>               | <u>\$ -</u>  | <u>\$ 7,392</u> | <u>\$ 1,637</u> | - Sect 7-TAB 7.4, Schedule 40 |
| 38       |  |                          |                               |  |                 |                 |                               |
| 39       | <b>RATE OF RETURN ON UTILITY RATE BASE</b> | <u>8.06%</u>             | <u>7.78%</u>                  |  | <u>7.78%</u>    | <u>-0.28%</u>   | - Sect 7-TAB 7.4, Schedule 80 |

UTILITY INCOME AND EARNED RETURN  
FOR THE YEAR ENDING DECEMBER 31, 2013  
(\$000s)

| Line No. | Particulars<br>(1)                         | 2013                    |                               |                           |                 | Change<br>(6)   | Cross Reference<br>(7)        |
|----------|--|-------------------------|-------------------------------|---------------------------|-----------------|-----------------|-------------------------------|
|          |  | 2012<br>FORECAST<br>(2) | Existing 2011<br>Rates<br>(3) | Revised<br>Revenue<br>(4) | Total<br>(5)    |                 |                               |
|          |  |                         |                               | ----- Revised Rates ----- |                 |                 |                               |
|          |  |                         |                               |                           |                 |                 | (Column (5) - Column (2))     |
| 1        | ENERGY VOLUMES (TJ)                        |                         |                               |                           |                 |                 |                               |
| 2        | Sales                                      | 577                     | 586                           | -                         | 586             | 9               | - Sect 7-TAB 7.4, Schedule 9  |
| 3        | Transportation                             | 55                      | 55                            | -                         | 55              | -               | - Sect 7-TAB 7.4, Schedule 9  |
| 4        |  | <u>632</u>              | <u>641</u>                    | <u>-</u>                  | <u>641</u>      | <u>9</u>        |                               |
| 5        |  |                         |                               |                           |                 |                 |                               |
| 6        | Average Rate per GJ                        |                         |                               |                           |                 |                 |                               |
| 7        | Sales                                      | \$ 8.029                | \$ 8.029                      | \$ -                      | \$ 8.068        | \$ 0.039        |                               |
| 8        | Transportation                             | \$ 2.564                | \$ 2.564                      | \$ -                      | \$ 2.600        | \$ 0.036        |                               |
| 9        | Average                                    | \$ 7.554                | \$ 7.560                      | \$ -                      | \$ 7.599        | \$ 0.045        |                               |
| 10       |  |                         |                               |                           |                 |                 |                               |
| 11       | UTILITY REVENUE                            |                         |                               |                           |                 |                 |                               |
| 12       | Sales - Existing Rates                     | \$ 4,633                | \$ 4,705                      | \$ -                      | \$ 4,705        | \$ 72           | - Sect 7-TAB 7.4, Schedule 12 |
| 13       | - Increase / (Decrease)                    | -                       | -                             | 23                        | 23              | 23              | - Sect 7-TAB 7.4, Schedule 16 |
| 14       |  |                         |                               |                           |                 |                 |                               |
| 15       | Transportation - Existing Rates            | 141                     | 141                           | -                         | 141             | -               | - Sect 7-TAB 7.4, Schedule 12 |
| 16       | - Increase / (Decrease)                    | -                       | -                             | 2                         | 2               | 2               | - Sect 7-TAB 7.4, Schedule 16 |
| 17       |  |                         |                               |                           |                 |                 |                               |
| 18       | <b>Total Revenue</b>                       | <u>4,774</u>            | <u>4,846</u>                  | <u>25</u>                 | <u>4,871</u>    | <u>97</u>       |                               |
| 19       |  |                         |                               |                           |                 |                 |                               |
| 20       | Cost of Gas Sold (Including Gas Lost)      | 2,900                   | 2,945                         | -                         | 2,945           | 45              | - Sect 7-TAB 7.4, Schedule 13 |
| 21       |  |                         |                               |                           |                 |                 |                               |
| 22       | <b>Gross Margin</b>                        | <u>1,874</u>            | <u>1,901</u>                  | <u>25</u>                 | <u>1,926</u>    | <u>52</u>       |                               |
| 23       |  |                         |                               |                           |                 |                 |                               |
| 24       | Operation and Maintenance                  | 760                     | 784                           | -                         | 784             | 24              | - Sect 7-TAB 7.4, Schedule 21 |
| 25       | Property and Sundry Taxes                  | 172                     | 178                           | -                         | 178             | 6               | - Sect 7-TAB 7.4, Schedule 26 |
| 26       | Depreciation and Amortization              | 218                     | 338                           | -                         | 338             | 120             | - Sect 7-TAB 7.4, Schedule 29 |
| 27       | 2012 Revenue Surplus (after-tax)           | 97                      | (97)                          | -                         | (97)            | (194)           |                               |
| 28       | Other Operating Revenue                    | (24)                    | (24)                          | -                         | (24)            | -               | - Sect 7-TAB 7.4, Schedule 20 |
| 29       | Sub-total                                  | <u>1,223</u>            | <u>1,179</u>                  | <u>-</u>                  | <u>1,179</u>    | <u>(44)</u>     |                               |
| 30       | Utility Income Before Income Taxes         | 651                     | 722                           | 25                        | 747             | 96              |                               |
| 31       |  |                         |                               |                           |                 |                 |                               |
| 32       | Income Taxes                               | 76                      | 22                            | 6                         | 28              | (48)            | - Sect 7-TAB 7.4, Schedule 32 |
| 33       |  |                         |                               |                           |                 |                 |                               |
| 34       | <b>EARNED RETURN</b>                       | <u>\$ 575</u>           | <u>\$ 700</u>                 | <u>\$ 19</u>              | <u>\$ 719</u>   | <u>\$ 144</u>   | - Sect 7-TAB 7.4, Schedule 81 |
| 35       |  |                         |                               |                           |                 |                 |                               |
| 36       |  |                         |                               |                           |                 |                 |                               |
| 37       | <b>UTILITY RATE BASE</b>                   | <u>\$ 7,392</u>         | <u>\$ 9,240</u>               | <u>\$ 1</u>               | <u>\$ 9,241</u> | <u>\$ 1,849</u> | - Sect 7-TAB 7.4, Schedule 41 |
| 38       |  |                         |                               |                           |                 |                 |                               |
| 39       | <b>RATE OF RETURN ON UTILITY RATE BASE</b> | <u>7.78%</u>            | <u>7.58%</u>                  |                           | <u>7.78%</u>    | <u>0.00%</u>    | - Sect 7-TAB 7.4, Schedule 81 |

GAS SALES AND TRANSPORTATION VOLUMES  
FOR THE YEAR ENDING DECEMBER 31, 2011

| Line No. | Particulars<br>(1)                             | 2011 Terajoules       |                         |                                     |                                    | Total<br>(6) | Change<br>(7) | Cross Reference<br>(8)       |
|----------|--|-----------------------|-------------------------|-------------------------------------|------------------------------------|--------------|---------------|------------------------------|
|          |  | 2010<br>ACTUAL<br>(2) | 2011<br>APPROVED<br>(3) | Non-Bypass<br>Sales & Transp<br>(4) | Bypass and<br>Special Rates<br>(5) |              |               |                              |
| 1        | <b>SALES</b>                                   |                       |                         |                                     |                                    |              |               |                              |
| 2        | Schedule 1 - Residential                       | 271.0                 | 263.4                   | 272.6                               | -                                  | 272.6        | 9.2           |                              |
| 3        | Schedule 2.1 - Commercial                      | 194.0                 | 190.8                   | 198.4                               |                                    | 198.4        | 7.6           |                              |
| 4        | Schedule 2.2 - Commercial                      | 95.0                  | 94.4                    | 97.9                                |                                    | 97.9         | 3.5           |                              |
| 5        |  |                       |                         |                                     |                                    |              |               |                              |
| 6        | Total Sales                                    | <u>560.0</u>          | <u>548.6</u>            | <u>568.9</u>                        | <u>-</u>                           | <u>568.9</u> | <u>20.3</u>   | - Sect 7-TAB 7.4, Schedule 4 |
| 7        |  |                       |                         |                                     |                                    |              |               |                              |
| 8        | <b>TRANSPORTATION SERVICE</b>                  |                       |                         |                                     |                                    |              |               |                              |
| 9        | Schedule 25 - Transportation Service           | 55.0                  | 49.5                    | 55.1                                | -                                  | 55.1         | 5.6           |                              |
| 10       |  |                       |                         |                                     |                                    |              |               |                              |
| 11       | Total Transportation Service                   | <u>55.0</u>           | <u>49.5</u>             | <u>55.1</u>                         | <u>-</u>                           | <u>55.1</u>  | <u>5.6</u>    | - Sect 7-TAB 7.4, Schedule 4 |
| 12       |  |                       |                         |                                     |                                    |              |               |                              |
| 13       | <b>TOTAL SALES AND TRANSPORTATION SERVICES</b> | <u>615.0</u>          | <u>598.1</u>            | <u>624.0</u>                        | <u>-</u>                           | <u>624.0</u> | <u>25.9</u>   | - Sect 7-TAB 7.4, Schedule 4 |

(Column (6) - Column (3))

GAS SALES AND TRANSPORTATION VOLUMES  
FOR THE YEAR ENDING DECEMBER 31, 2012

| Line No. | Particulars<br>(1)                             | 2012 Terajoules       |                                  |                                 | Change<br>(6) | Cross Reference<br>(7)        |
|----------|--|-----------------------|----------------------------------|---------------------------------|---------------|-------------------------------|
|          |  | 2011 PROJECTED<br>(2) | Non-Bypass Sales & Transp<br>(3) | Bypass and Special Rates<br>(4) |               |                               |
| 1        | <b>SALES</b>                                   |                       |                                  |                                 |               |                               |
| 2        | Schedule 1 - Residential                       | 272.6                 | 273.2                            | -                               | 273.2         | 0.6                           |
| 3        | Schedule 2.1 - Commercial                      | 198.4                 | 203.2                            |                                 | 203.2         | 4.8                           |
| 4        | Schedule 2.2 - Commercial                      | 97.9                  | 101.0                            |                                 | 101.0         | 3.1                           |
| 5        |  |                       |                                  |                                 |               |                               |
| 6        | Total Sales                                    | <u>568.9</u>          | <u>577.4</u>                     | <u>-</u>                        | <u>577.4</u>  | <u>8.5</u>                    |
| 7        |  |                       |                                  |                                 |               | - Sect 7-TAB 7.4, Schedule 5  |
| 8        | <b>TRANSPORTATION SERVICE</b>                  |                       |                                  |                                 |               |                               |
| 9        | Schedule 25 - Transportation Service           | 55.1                  | 55.1                             | -                               | 55.1          | -                             |
| 10       |  |                       |                                  |                                 |               |                               |
| 11       | Total Transportation Service                   | <u>55.1</u>           | <u>55.1</u>                      | <u>-</u>                        | <u>55.1</u>   | <u>-</u>                      |
| 12       |  |                       |                                  |                                 |               | - Sect 7-TAB 7.4, Schedule 5  |
| 13       | <b>TOTAL SALES AND TRANSPORTATION SERVICES</b> | <u>624.0</u>          | <u>632.5</u>                     | <u>-</u>                        | <u>632.5</u>  | <u>8.5</u>                    |
|          |  |                       |                                  |                                 |               | - Sect 7-TAB 7.4, Schedule 15 |

GAS SALES AND TRANSPORTATION VOLUMES  
FOR THE YEAR ENDING DECEMBER 31, 2013

| Line No. | Particulars<br>(1)                             | 2013 Terajoules      |                                  |                                 | Total<br>(5) | Change<br>(6) | Cross Reference<br>(7)        |
|----------|--|----------------------|----------------------------------|---------------------------------|--------------|---------------|-------------------------------|
|          |  | 2012 FORECAST<br>(2) | Non-Bypass Sales & Transp<br>(3) | Bypass and Special Rates<br>(4) |              |               |                               |
| 1        | <b>SALES</b>                                   |                      |                                  |                                 |              |               |                               |
| 2        | Schedule 1 - Residential                       | 273.2                | 274.3                            | -                               | 274.3        | 1.1           |                               |
| 3        | Schedule 2.1 - Commercial                      | 203.2                | 207.8                            |                                 | 207.8        | 4.6           |                               |
| 4        | Schedule 2.2 - Commercial                      | 101.0                | 104.3                            |                                 | 104.3        | 3.3           |                               |
| 5        |  |                      |                                  |                                 |              |               |                               |
| 6        | Total Sales                                    | <u>577.4</u>         | <u>586.4</u>                     | <u>-</u>                        | <u>586.4</u> | <u>9.0</u>    | - Sect 7-TAB 7.4, Schedule 6  |
| 7        |  |                      |                                  |                                 |              |               |                               |
| 8        | <b>TRANSPORTATION SERVICE</b>                  |                      |                                  |                                 |              |               |                               |
| 9        | Schedule 25 - Transportation Service           | 55.1                 | 55.1                             | -                               | 55.1         | -             |                               |
| 10       |  |                      |                                  |                                 |              |               |                               |
| 11       | Total Transportation Service                   | <u>55.1</u>          | <u>55.1</u>                      | <u>-</u>                        | <u>55.1</u>  | <u>-</u>      | - Sect 7-TAB 7.4, Schedule 6  |
| 12       |  |                      |                                  |                                 |              |               |                               |
| 13       | <b>TOTAL SALES AND TRANSPORTATION SERVICES</b> | <u>632.5</u>         | <u>641.5</u>                     | <u>-</u>                        | <u>641.5</u> | <u>9.0</u>    | - Sect 7-TAB 7.4, Schedule 17 |

REVENUE  
FOR THE YEAR ENDING DECEMBER 31, 2011  
(\$000s)

2011 Gas Sales Revenue  
At Existing 2011 Rates

| Line No. | Particulars                             | 2010     | 2011     | 2011 Gas Sales Revenue    |                          | Total    | Change                    | Reference                    |
|----------|---|----------|----------|---------------------------|--------------------------|----------|---------------------------|------------------------------|
|          |   | ACTUAL   | APPROVED | Non-Bypass Sales & Transp | Bypass and Special Rates |          |                           |                              |
|          | (1)                                     | (2)      | (3)      | (4)                       | (5)                      | (6)      | (7)                       | (8)                          |
|          |   |          |          |                           |                          |          | (Column (6) - Column (3)) |                              |
| 1        | <b>SALES</b>                            |          |          |                           |                          |          |                           |                              |
| 2        | Schedule 1 - Residential                | \$ 2,286 | \$ 2,137 | \$ 2,143                  | \$ -                     | \$ 2,143 | \$ 6                      |                              |
| 3        | Schedule 2.1 - Commercial               | 1,707    | 1,620    | 1,655                     |                          | 1,655    | 35                        |                              |
| 4        | Schedule 2.2 - Commercial               | 797      | 762      | 765                       |                          | 765      | 3                         |                              |
| 5        |   |          |          |                           |                          |          |                           |                              |
| 6        | Total Sales                             | 4,790    | 4,519    | 4,563                     | -                        | 4,563    | 44                        | - Sect 7-TAB 7.4, Schedule 4 |
| 7        |   |          |          |                           |                          |          |                           |                              |
| 8        | <b>Transportation Service</b>           |          |          |                           |                          |          |                           |                              |
| 9        | Schedule 25 - Transportation Service    | 117      | 108      | 141                       | -                        | 141      | 33                        |                              |
| 10       | Total Transportation Service            | 117      | 108      | 141                       | -                        | 141      | 33                        |                              |
| 11       |   |          |          |                           |                          |          |                           |                              |
| 12       | TOTAL SALES AND TRANSPORTATION SERVICES | \$ 4,907 | \$ 4,627 | \$ 4,704                  | \$ -                     | \$ 4,704 | \$ 77                     | - Sect 7-TAB 7.4, Schedule 4 |

REVENUE  
 FOR THE YEAR ENDING DECEMBER 31, 2012  
 (\$000s)

| Line No. | Particulars                             | 2012 Gas Sales Revenue<br>At Existing 2011 Rates |                              |                             | Change   | Reference |                               |
|----------|---|--|------------------------------|-----------------------------|----------|-----------|-------------------------------|
|          |   | 2011<br>PROJECTED                                | Non-Bypass<br>Sales & Transp | Bypass and<br>Special Rates |          |           | Total                         |
|          | (1)                                     | (2)  | (3)                          | (4)                         | (5)      | (6)       | (7)                           |
| 1        | <b>SALES</b>                            |  |                              |                             |          |           |                               |
| 2        | Schedule 1 - Residential                | \$ 2,143   | \$ 2,149                     | \$ -                        | \$ 2,149 | \$ 6      |                               |
| 3        | Schedule 2.1 - Commercial               | 1,655  | 1,694                        |                             | 1,694    | 39        |                               |
| 4        | Schedule 2.2 - Commercial               | 765  | 790                          |                             | 790      | 25        |                               |
| 5        |   |  |                              |                             |          |           |                               |
| 6        | Total Sales                             | 4,563  | 4,633                        | -                           | 4,633    | 70        | - Sect 7-TAB 7.4, Schedule 5  |
| 7        |   |  |                              |                             |          |           |                               |
| 8        | <b>Transportation Service</b>           |  |                              |                             |          |           |                               |
| 9        | Schedule 25 - Transportation Service    | 141  | 141                          | -                           | 141      | -         |                               |
| 10       | Total Transportation Service            | 141  | 141                          | -                           | 141      | -         |                               |
| 11       |   |  |                              |                             |          |           | - Sect 7-TAB 7.4, Schedule 5  |
| 12       | TOTAL SALES AND TRANSPORTATION SERVICES | \$ 4,704   | \$ 4,774                     | \$ -                        | \$ 4,774 | \$ 70     | - Sect 7-TAB 7.4, Schedule 15 |

REVENUE  
FOR THE YEAR ENDING DECEMBER 31, 2013  
(\$000s)

| Line No. | Particulars                             | 2013 Gas Sales Revenue<br>At Existing 2011 Rates |                           |                          |          | Change | Reference                     |
|----------|---|--|---------------------------|--------------------------|----------|--------|-------------------------------|
|          |   | 2012 FORECAST                                    | Non-Bypass Sales & Transp | Bypass and Special Rates | Total    |        |                               |
|          | (1)                                     | (2)  | (3)                       | (4)                      | (5)      | (6)    | (7)                           |
| 1        | <b>SALES</b>                            |  |                           |                          |          |        |                               |
| 2        | Schedule 1 - Residential                | \$ 2,149   | \$ 2,157                  | \$ -                     | \$ 2,157 | \$ 8   |                               |
| 3        | Schedule 2.1 - Commercial               | 1,694  | 1,733                     |                          | 1,733    | 39     |                               |
| 4        | Schedule 2.2 - Commercial               | 790  | 815                       |                          | 815      | 25     |                               |
| 5        |   |  |                           |                          |          |        |                               |
| 6        | Total Sales                             | 4,633  | 4,705                     | -                        | 4,705    | 72     | - Sect 7-TAB 7.4, Schedule 6  |
| 7        |   |  |                           |                          |          |        |                               |
| 8        | <b>Transportation Service</b>           |  |                           |                          |          |        |                               |
| 9        | Schedule 25 - Transportation Service    | 141  | 141                       | -                        | 141      | -      |                               |
| 10       | Total Transportation Service            | 141  | 141                       | -                        | 141      | -      |                               |
| 11       |   |  |                           |                          |          |        | - Sect 7-TAB 7.4, Schedule 6  |
| 12       | TOTAL SALES AND TRANSPORTATION SERVICES | \$ 4,774   | \$ 4,846                  | \$ -                     | \$ 4,846 | \$ 72  | - Sect 7-TAB 7.4, Schedule 17 |



COST OF GAS  
 FOR THE YEARS ENDING DECEMBER 31, 2011 TO 2013  
 (\$000s)

| Line No. | Particulars                             | 2011 Gas Costs            |                          |                 | 2012 Gas Costs            |                          |                 | 2013 Gas Costs            |                          |                 |
|----------|---|---------------------------|--------------------------|-----------------|---------------------------|--------------------------|-----------------|---------------------------|--------------------------|-----------------|
|          |   | Non-Bypass Sales & Transp | Bypass and Special Rates | Total           | Non-Bypass Sales & Transp | Bypass and Special Rates | Total           | Non-Bypass Sales & Transp | Bypass and Special Rates | Total           |
|          | (1)                                     | (2)                       | (3)                      | (4)             | (5)                       | (6)                      | (7)             | (8)                       | (9)                      | (10)            |
| 1        | <b>SALES</b>                            |                           |                          |                 |                           |                          |                 |                           |                          |                 |
| 2        | Schedule 1 - Residential                | 1,367                     | \$ -                     | \$ 1,367        | \$ 1,371                  | \$ -                     | \$ 1,371        | 1,376                     | \$ -                     | \$ 1,376        |
| 3        | Schedule 2.1 - Commercial               | 996                       |                          | 996             | 1,019                     |                          | 1,019           | 1,043                     |                          | 1,043           |
| 4        | Schedule 2.2 - Commercial               | 491                       |                          | 491             | 507                       |                          | 507             | 523                       |                          | 523             |
| 5        |   |                           |                          |                 |                           |                          |                 |                           |                          |                 |
| 6        | Total Sales                             | <u>2,854</u>              | <u>-</u>                 | <u>2,854</u>    | <u>2,897</u>              | <u>-</u>                 | <u>2,897</u>    | <u>2,942</u>              | <u>-</u>                 | <u>2,942</u>    |
| 7        |   |                           |                          |                 |                           |                          |                 |                           |                          |                 |
| 8        | <b>TRANSPORTATION SERVICE</b>           |                           |                          |                 |                           |                          |                 |                           |                          |                 |
| 9        | Schedule 25 - Transportation Service    | 6                         | -                        | 6               | 3                         | -                        | 3               | 3                         | -                        | 3               |
| 10       |   |                           |                          |                 |                           |                          |                 |                           |                          |                 |
| 11       | Total Transportation Service            | <u>6</u>                  | <u>-</u>                 | <u>6</u>        | <u>3</u>                  | <u>-</u>                 | <u>3</u>        | <u>3</u>                  | <u>-</u>                 | <u>3</u>        |
| 12       |   |                           |                          |                 |                           |                          |                 |                           |                          |                 |
| 13       | TOTAL SALES AND TRANSPORTATION SERVICES | <u>\$ 2,860</u>           | <u>\$ -</u>              | <u>\$ 2,860</u> | <u>\$ 2,900</u>           | <u>\$ -</u>              | <u>\$ 2,900</u> | <u>\$ 2,945</u>           | <u>\$ -</u>              | <u>\$ 2,945</u> |
| 14       |   |                           |                          |                 |                           |                          |                 |                           |                          |                 |
| 15       | Cross Reference                         |                           |                          |                 |                           |                          |                 |                           |                          |                 |

- Sect 7-TAB 7.4, Schedule 4

- Sect 7-TAB 7.4, Schedule 5

- Sect 7-TAB 7.4, Schedule 6

REVENUE UNDER EXISTING 2011 RATES AND REVISED 2012 RATES (Non-Bypass)  
 FOR THE YEAR ENDING DECEMBER 31, 2012  
 (\$000s)

| Line No. | Particulars                                     | Terajoules   | Revenue                      |                  | Gross Margin                  |                 | Effective Increase / (Decrease)  |               | Average Number of Customers | Revenue          |                              |
|----------|---|--------------|------------------------------|------------------|-------------------------------|-----------------|----------------------------------|---------------|-----------------------------|------------------|------------------------------|
|          |   |              | Average \$/GJ                | Revenue (\$000s) | Average \$/GJ                 | Margin (\$000s) | 0.00% of Margin Revenue (\$000s) | Average \$/GJ |                             | Revenue (\$000s) |                              |
|          | (1)   | (2)          | (3)                          | (4)              | (5)                           | (6)             | (7)                              | (8)           | (9)                         | (10)             | (11)                         |
| 1        | <b>NON-BYPASS</b>                               |              |                              |                  |                               |                 |                                  |               |                             |                  |                              |
| 2        | Sales   |              |                              |                  |                               |                 |                                  |               |                             |                  |                              |
| 3        | Schedule 1 - Residential                        | 273.2        | \$ 7.866                     | \$ 2,149         | \$ 2.854                      | \$ 778          | \$ -                             | \$ -          | 1,942                       | \$ 7.866         | \$ 2,149                     |
| 4        | Schedule 2.1 - Commercial                       | 203.2        | 8.337                        | 1,694            | 3.402                         | 675             | -                                | -             | 433                         | 8.337            | 1,694                        |
| 5        | Schedule 2.2 - Commercial                       | 101.0        | 7.822                        | 790              | 2.891                         | 283             | -                                | -             | 28                          | 7.822            | 790                          |
| 6        |   |              |                              |                  |                               |                 |                                  |               |                             |                  |                              |
| 7        | Total Sales                                     | <u>577.4</u> |                              | <u>4,633</u>     |                               | <u>1,736</u>    |                                  | <u>-</u>      | <u>2,403</u>                |                  | <u>4,633</u>                 |
| 8        |   |              |                              |                  |                               |                 |                                  |               |                             |                  |                              |
| 9        | TRANSPORTATION SERVICE                          |              |                              |                  |                               |                 |                                  |               |                             |                  |                              |
| 10       | Schedule 25 - Transportation Service            | 55.1         | 2.559                        | 141              | 2.505                         | 138             | -                                | -             | 2                           | 2.559            | 141                          |
| 11       |   |              |                              |                  |                               |                 |                                  |               |                             |                  |                              |
| 12       | Total Transportation Service                    | <u>55.1</u>  |                              | <u>141</u>       |                               | <u>138</u>      |                                  | <u>-</u>      | <u>2</u>                    |                  | <u>141</u>                   |
| 13       |   |              |                              |                  |                               |                 |                                  |               |                             |                  |                              |
| 14       | Total Non-Bypass Sales & Transportation Service | <u>632.5</u> |                              | <u>\$ 4,774</u>  |                               | <u>\$ 1,874</u> |                                  | <u>\$ -</u>   | <u>2,405</u>                |                  | <u>\$ 4,774</u>              |
| 15       |   |              |                              |                  |                               |                 |                                  |               |                             |                  |                              |
| 16       | Cross Reference                                 |              | - Sect 7-TAB 7.4, Schedule 8 |                  | - Sect 7-TAB 7.4, Schedule 11 |                 |                                  |               |                             |                  | - Sect 7-TAB 7.4, Schedule 2 |

REVENUE UNDER EXISTING 2011 RATES AND REVISED 2012 RATES (Bypass)  
 FOR THE YEAR ENDING DECEMBER 31, 2012  
 (\$000s)

| Line No. | Particulars<br>(1)                    | Terajoules<br>(2)            | Revenue<br>-- At Existing 2011 Rates -- |                               | Gross Margin<br>-- At Existing 2011 Rates -- |                           | Increase / (Decrease)<br>0.00% of Margin |                           | Average<br>Number of<br>Customers<br>(9) | Revenue<br>----- Revised Rates ----- |                            |
|----------|---------------------------------------|------------------------------|---|-------------------------------|--|---------------------------|--|---------------------------|--|--------------------------------------|----------------------------|
|          |                                       |                              | Average<br>\$/GJ<br>(3)                 | Revenue<br>(\$000)<br>(4)     | Average<br>\$/GJ<br>(5)                      | Margin<br>(\$000s)<br>(6) | Revenue<br>(\$000)<br>(7)                | Revenue<br>(\$000)<br>(8) |  | Average<br>\$/GJ<br>(10)             | Revenue<br>(\$000)<br>(11) |
| 1        |                                       |                              |   |                               |  |                           |  |                           |  |                                      |                            |
| 2        | <b>BYPASS AND SPECIAL RATES</b>       |                              |   |                               |  |                           |  |                           |  |                                      |                            |
| 3        | Total Bypass Sales and                |                              |   |                               |  |                           |  |                           |  |                                      |                            |
| 4        | Transportation Service                | -                            | -                                       | -                             | -  | -                         | -  | -                         | -  | -                                    | -                          |
| 5        |                                       |                              |   |                               |  |                           |  |                           |  |                                      |                            |
| 6        | TOTAL NON-BYPASS AND BYPASS SALES AND |                              |   |                               |  |                           |  |                           |  |                                      |                            |
| 7        | TRANSPORTATION SERVICE                | <u>632.5</u>                 | <u>\$ 4,774</u>                         | <u>\$ 1,874</u>               | <u>\$ -</u>                                  | <u>2,405</u>              | <u>\$ 4,774</u>                          |                           |  |                                      |                            |
| 8        |                                       |                              |   |                               |  |                           |  |                           |  |                                      |                            |
| 9        | Cross Reference                       | - Sect 7-TAB 7.4, Schedule 8 | - Sect 7-TAB 7.4, Schedule 8            | - Sect 7-TAB 7.4, Schedule 11 | - Sect 7-TAB 7.4, Schedule 2                 |                           |  |                           |  |                                      |                            |

REVENUE UNDER EXISTING 2011 RATES AND REVISED 2013 RATES (Non-Bypass)  
 FOR THE YEAR ENDING DECEMBER 31, 2013  
 (\$000s)

| Line No. | Particulars<br>(1)                              | Terajoules<br>(2) | Revenue<br>-- At Existing 2011 Rates -- |                           | Gross Margin<br>-- At Existing 2011 Rates -- |                           | Effective Increase / (Decrease)<br>1.30% of Margin |                           | Average<br>Number of<br>Customers<br>(9) | Revenue<br>----- Revised Rates ----- |                              |
|----------|---|-------------------|---|---------------------------|--|---------------------------|--|---------------------------|--|--------------------------------------|------------------------------|
|          |   |                   | Average<br>\$/GJ<br>(3)                 | Revenue<br>(\$000)<br>(4) | Average<br>\$/GJ<br>(5)                      | Margin<br>(\$000s)<br>(6) | Revenue<br>(\$000)<br>(7)                          | Revenue<br>(\$000)<br>(8) |  | Average<br>\$/GJ<br>(10)             | Revenue<br>(\$000s)<br>(11)  |
| 1        | <b>NON-BYPASS</b>                               |                   |   |                           |  |                           |  |                           |  |                                      |                              |
| 2        | Sales   |                   |   |                           |  |                           |  |                           |  |                                      |                              |
| 3        | Schedule 1 - Residential                        | 274.3             | \$ 7.864                                | \$ 2,157                  | \$ 2.865                                     | \$ 781                    | \$ 0.037   | \$ 10                     | 1,953                                    | \$ 7.901                             | \$ 2,167                     |
| 4        | Schedule 2.1 - Commercial                       | 207.8             | 8.340                                   | 1,733                     | 3.483  | 691                       | 0.045  | 9                         | 444                                      | 8.385                                | 1,742                        |
| 5        | Schedule 2.2 - Commercial                       | 104.3             | 7.814                                   | 815                       | 2.983  | 292                       | 0.041  | 4                         | 28                                       | 7.855                                | 819                          |
| 6        |   |                   |   |                           |  |                           |  |                           |  |                                      |                              |
| 7        | Total Sales                                     | <u>586.4</u>      |   | <u>4,705</u>              |  | <u>1,764</u>              |  | <u>23</u>                 | <u>2,425</u>                             |                                      | <u>4,728</u>                 |
| 8        |   |                   |   |                           |  |                           |  |                           |  |                                      |                              |
| 9        | TRANSPORTATION SERVICE                          |                   |   |                           |  |                           |  |                           |  |                                      |                              |
| 10       | Schedule 25 - Transportation Service            | 55.1              | 2.559                                   | 141                       | 2.505  | 138                       | 0.036  | 2                         | 2  | 2.595                                | 143                          |
| 11       |   |                   |   |                           |  |                           |  |                           |  |                                      |                              |
| 12       | Total Transportation Service                    | <u>55.1</u>       |   | <u>141</u>                |  | <u>138</u>                |  | <u>2</u>                  | <u>2</u>                                 |                                      | <u>143</u>                   |
| 13       |   |                   |   |                           |  |                           |  |                           |  |                                      |                              |
| 14       | Total Non-Bypass Sales & Transportation Service | <u>641.5</u>      |   | <u>\$ 4,846</u>           |  | <u>\$ 1,902</u>           |  | <u>\$ 25</u>              | <u>2,427</u>                             |                                      | <u>\$ 4,871</u>              |
| 15       |   |                   |   |                           |  |                           |  |                           |  |                                      |                              |
| 16       | Cross Reference                                 |                   | - Sect 7-TAB 7.4, Schedule 9            |                           | - Sect 7-TAB 7.4, Schedule 12                |                           |  |                           |  |                                      | - Sect 7-TAB 7.4, Schedule 3 |

REVENUE UNDER EXISTING 2011 RATES AND REVISED 2013 RATES (Bypass)  
 FOR THE YEAR ENDING DECEMBER 31, 2013  
 (\$000s)

| Line No. | Particulars                           | Terajoules<br>(2)            | Revenue<br>-- At Existing 2011 Rates -- |                           | Gross Margin<br>-- At Existing 2011 Rates -- |                           | Increase / (Decrease)<br>1.30% of Margin |                              | Average<br>Number of<br>Customers<br>(9) | Revenue<br>----- Revised Rates ----- |                            |
|----------|---------------------------------------|------------------------------|---|---------------------------|--|---------------------------|--|------------------------------|--|--------------------------------------|----------------------------|
|          |                                       |                              | Average<br>\$/GJ<br>(3)                 | Revenue<br>(\$000)<br>(4) | Average<br>\$/GJ<br>(5)                      | Margin<br>(\$000s)<br>(6) | Revenue<br>(\$000)<br>(7)                | Revenue<br>(\$000)<br>(8)    |  | Average<br>\$/GJ<br>(10)             | Revenue<br>(\$000)<br>(11) |
| 1        |                                       |                              |   |                           |  |                           |  |                              |  |                                      |                            |
| 2        | <b>BYPASS AND SPECIAL RATES</b>       |                              |   |                           |  |                           |  |                              |  |                                      |                            |
| 3        | Total Bypass Sales and                |                              |   |                           |  |                           |  |                              |  |                                      |                            |
| 4        | Transportation Service                | -                            | -                                       | -                         | -  | -                         | -  | -                            | -  | -                                    | -                          |
| 5        |                                       |                              |   |                           |  |                           |  |                              |  |                                      |                            |
| 6        | TOTAL NON-BYPASS AND BYPASS SALES AND |                              |   |                           |  |                           |  |                              |  |                                      |                            |
| 7        | TRANSPORTATION SERVICE                | <u>641.5</u>                 | <u>\$ 4,846</u>                         | <u>\$ 1,902</u>           | <u>\$ 25</u>                                 | <u>2,427</u>              | <u>\$ 4,871</u>                          |                              |  |                                      |                            |
| 8        |                                       |                              |   |                           |  |                           |  |                              |  |                                      |                            |
| 9        | Cross Reference                       | - Sect 7-TAB 7.4, Schedule 9 | - Sect 7-TAB 7.4, Schedule 12           |                           |  |                           |  | - Sect 7-TAB 7.4, Schedule 3 |  |                                      |                            |

OTHER OPERATING REVENUE  
 FOR THE YEAR ENDING DECEMBER 31, 2011  
 (\$000s)

| Line No. | Particulars                          | 2010 ACTUAL  | 2011 APPROVED | 2011 PROJECTED | Change         | Cross Reference               |
|----------|--------------------------------------|--------------|---------------|----------------|----------------|-------------------------------|
|          | (1)                                  | (2)          | (3)           | (4)            | (5)            | (6)                           |
|          |                                      |              |               |                |                | (Column (4) - Column (3))     |
| 1        | <b>Other Utility Revenue</b>         |              |               |                |                |                               |
| 2        |                                      |              |               |                |                |                               |
| 3        | Late Payment Charge                  | \$ 18        | \$ 38         | \$ 13          | \$ (25)        | - Sect 7-TAB 7.4, Schedule 76 |
| 4        |                                      |              |               |                |                |                               |
| 5        | Connection Charge                    | 11           | 20            | 11             | (9)            | - Sect 7-TAB 7.4, Schedule 76 |
| 6        |                                      |              |               |                |                |                               |
| 7        | Other Recoveries                     | -            | 2             | -              | (2)            | - Sect 7-TAB 7.4, Schedule 76 |
| 8        |                                      |              |               |                |                |                               |
| 9        | <b>Total Other Operating Revenue</b> | <u>\$ 29</u> | <u>\$ 60</u>  | <u>\$ 24</u>   | <u>\$ (36)</u> | - Sect 7-TAB 7.4, Schedule 4  |

OTHER OPERATING REVENUE  
FOR THE YEAR ENDING DECEMBER 31, 2012  
(\$000s)

| Line<br>No. | Particulars<br>(1)                   | 2011<br>PROJECTED<br>(2) | 2012<br>(3)  | Change<br>(4) | Cross Reference<br>(5)        |
|-------------|--------------------------------------|--------------------------|--------------|---------------|-------------------------------|
| 1           | <b>Other Utility Revenue</b>         |                          |              |               |                               |
| 2           |                                      |                          |              |               |                               |
| 3           | Late Payment Charge                  | \$ 13                    | \$ 13        | \$ -          | - Sect 7-TAB 7.4, Schedule 76 |
| 4           |                                      |                          |              |               |                               |
| 5           | Connection Charge                    | 11                       | 11           | -             | - Sect 7-TAB 7.4, Schedule 76 |
| 6           |                                      |                          |              |               |                               |
| 7           | Other Recoveries                     | -                        | -            | -             | - Sect 7-TAB 7.4, Schedule 76 |
| 8           |                                      |                          |              |               |                               |
| 9           | <b>Total Other Operating Revenue</b> | <u>\$ 24</u>             | <u>\$ 24</u> | <u>\$ -</u>   | - Sect 7-TAB 7.4, Schedule 5  |

OTHER OPERATING REVENUE  
FOR THE YEAR ENDING DECEMBER 31, 2013  
(\$000)

| Line<br>No. | Particulars<br>(1)                   | 2012<br>FORECAST<br>(2) | 2013<br>(3)  | Change<br>(4) | Cross Reference<br>(5)        |
|-------------|--------------------------------------|-------------------------|--------------|---------------|-------------------------------|
| 1           | <b>Other Utility Revenue</b>         |                         |              |               |                               |
| 2           |                                      |                         |              |               |                               |
| 3           | Late Payment Charge                  | \$ 13                   | \$ 13        | \$0           | - Sect 7-TAB 7.4, Schedule 76 |
| 4           |                                      |                         |              |               |                               |
| 5           | Connection Charge                    | 11                      | 11           | -             | - Sect 7-TAB 7.4, Schedule 76 |
| 6           |                                      |                         |              |               |                               |
| 7           | Other Recoveries                     | -                       | -            | -             | - Sect 7-TAB 7.4, Schedule 76 |
| 8           |                                      |                         |              |               |                               |
| 9           | <b>Total Other Operating Revenue</b> | <u>\$ 24</u>            | <u>\$ 24</u> | <u>\$ -</u>   | - Sect 7-TAB 7.4, Schedule 6  |



OPERATION & MAINTENANCE EXPENSES - RESOURCE VIEW  
FOR THE YEARS ENDING DECEMBER 31, 2011 TO 2013  
(\$000)

| Line No. | Particulars  | 2010 ACTUAL   | 2011 APPROVED | 2011 PROJECTED | 2012 FORECAST | 2013 FORECAST | Cross Reference |
|----------|--|---------------|---------------|----------------|---------------|---------------|-----------------|
|          | (1)  | (2)           | (3)           | (4)            | (5)           | (6)           | (7)             |
| 1        | M&E Costs  | \$ 126        | \$ 141        | \$ 141         | \$ 187        | \$ 186        |                 |
| 2        | COPE Costs   | 55            | 68            | 68             | 75            | 79            |                 |
| 3        | COPE Customer Services Costs   | -             | -             | -              | 35            | 34            |                 |
| 4        | IBEW Costs   | 267           | 258           | 258            | 269           | 276           |                 |
| 5        |  |               |               |                |               |               |                 |
| 6        | <b>Labour Costs</b>  | <b>448</b>    | <b>467</b>    | <b>467</b>     | <b>566</b>    | <b>573</b>    |                 |
| 7        |  |               |               |                |               |               |                 |
| 8        | Vehicle Costs  | 52            | 61            | 61             | 49            | 50            |                 |
| 9        | Employee Expenses  | 19            | 17            | 17             | 19            | 20            |                 |
| 10       | Materials and Supplies   | 16            | 14            | 14             | 15            | 15            |                 |
| 11       | Computer Costs   | 29            | 34            | 34             | 42            | 44            |                 |
| 12       | Fees and Administration Costs *  | 68            | 60            | 60             | 174           | 190           |                 |
| 13       | Contractor Costs *   | 172           | 177           | 177            | 43            | 46            |                 |
| 14       | Facilities   | 35            | 42            | 42             | 45            | 41            |                 |
| 15       | Recoveries & Revenue   | (45)          | (56)          | (58)           | (70)          | (68)          |                 |
| 16       |  |               |               |                |               |               |                 |
| 17       | <b>Non-Labour Costs</b>  | <b>346</b>    | <b>348</b>    | <b>346</b>     | <b>318</b>    | <b>338</b>    |                 |
| 18       |  |               |               |                |               |               |                 |
| 19       |  |               |               |                |               |               |                 |
| 20       | <b>Total Gross O&amp;M Expenses</b>                                      | <b>794</b>    | <b>815</b>    | <b>812</b>     | <b>884</b>    | <b>911</b>    |                 |
| 21       |  |               |               |                |               |               |                 |
| 22       | Add: PST Savings   | -             | (3)           | (0)            | 0             | 0             |                 |
| 23       | Less: Capitalized Overhead   | (114)         | (114)         | (114)          | (124)         | (128)         |                 |
| 24       |  |               |               |                |               |               |                 |
| 25       | <b>Total O&amp;M Expenses</b>  | <b>\$ 680</b> | <b>\$ 698</b> | <b>\$ 699</b>  | <b>\$ 760</b> | <b>\$ 784</b> |                 |
| 26       | * Note: 2012 & 2013 reflect customer service costs previously contracted |               |               |                |               |               |                 |

- Sect 7-TAB 7.4, Schedule 4  
- Sect 7-TAB 7.4, Schedule 5  
- Sect 7-TAB 7.4, Schedule 6



OPERATION & MAINTENANCE EXPENSES - ACTIVITY VIEW (Continued)  
FOR THE YEARS ENDING DECEMBER 31, 2011 TO 2013  
(\$000)

| Line No. | Particulars (1)                           | BCUC Reference (2) | 2010 ACTUAL (3) | 2011 APPROVED (4) | 2011 PROJECTED (5) | 2012 FORECAST (6) | 2013 FORECAST (7) | Cross Reference (8) |
|----------|---|--------------------|-----------------|-------------------|--------------------|-------------------|-------------------|---------------------|
| 1        | Facilities Management                     | 500-10             | \$ -            | \$ -              | \$ -               | \$ -              | \$ -              |                     |
| 2        | Shops & Stores                            | 500-20             | -               | -                 | -                  | -                 | -                 |                     |
| 3        | Operations Engineering                    | 500-30             | -               | -                 | -                  | -                 | -                 |                     |
| 4        | Property Services                         | 500-40             | -               | -                 | -                  | -                 | -                 |                     |
| 5        | System Integrity                          | 500-50             | -               | -                 | -                  | -                 | -                 |                     |
| 6        | Environmental Health & Safety             | 500-60             | -               | -                 | -                  | -                 | -                 |                     |
| 7        | Operations Governance                     | 500-70             | -               | -                 | -                  | -                 | -                 |                     |
| 8        | Energy Supply & Resource Development      | 500-80             | -               | -                 | -                  | -                 | -                 |                     |
| 9        | <b>General Operations Total</b>           | <b>500</b>         | <b>-</b>        | <b>-</b>          | <b>-</b>           | <b>-</b>          | <b>-</b>          |                     |
| 10       |   |                    |                 |                   |                    |                   |                   |                     |
| 11       | Energy Efficiency                         | 600-10             | -               | -                 | -                  | -                 | -                 |                     |
| 12       | Marketing - Supervision                   | 600-20             | -               | -                 | -                  | -                 | -                 |                     |
| 13       | Corporate & Marketing Communications      | 600-30             | -               | -                 | -                  | -                 | -                 |                     |
| 14       | Marketing Planning & Development          | 600-40             | -               | -                 | -                  | -                 | -                 |                     |
| 15       | <b>Marketing Total</b>                    | <b>600</b>         | <b>-</b>        | <b>-</b>          | <b>-</b>           | <b>-</b>          | <b>-</b>          |                     |
| 16       |   |                    |                 |                   |                    |                   |                   |                     |
| 17       | Customer Care - Supervision               | 700-10             | -               | -                 | -                  | -                 | -                 |                     |
| 18       | Customer Contact                          | 700-20             | 135             | 136               | 136                | -                 | -                 |                     |
| 19       | Bad Debt Management and Administration    | 700-30             | -               | -                 | -                  | -                 | -                 |                     |
| 20       | Customer Management & Sales               | 700-40             | -               | -                 | -                  | -                 | -                 |                     |
| 21       | <b>Customer Care Total</b>                | <b>700</b>         | <b>135</b>      | <b>136</b>        | <b>136</b>         | <b>-</b>          | <b>-</b>          |                     |
| 22       |   |                    |                 |                   |                    |                   |                   |                     |
| 23       | Business & IT Services - Supervision      | 800-10             | -               | -                 | -                  | -                 | -                 |                     |
| 24       | Application Management                    | 800-20             | -               | -                 | -                  | -                 | -                 |                     |
| 25       | Infrastructure Management                 | 800-30             | -               | -                 | -                  | -                 | -                 |                     |
| 26       | Procurement Services                      | 800-40             | -               | -                 | -                  | -                 | -                 |                     |
| 27       | <b>Business &amp; IT Services Total</b>   | <b>800</b>         | <b>-</b>        | <b>-</b>          | <b>-</b>           | <b>-</b>          | <b>-</b>          |                     |
| 28       |   |                    |                 |                   |                    |                   |                   |                     |
| 29       | Administration & General                  | 900-11             | -               | -                 | -                  | -                 | -                 |                     |
| 30       | Insurance                                 | 900-12             | -               | -                 | -                  | -                 | -                 |                     |
| 31       | Finance and Regulatory Affairs            | 900-13             | -               | -                 | -                  | -                 | -                 |                     |
| 32       | Shared Services Agreement                 | 900-14             | 321             | 331               | 331                | 515               | 529               |                     |
| 33       | Corporate Administration Total            | 900-10             | 321             | 331               | 331                | 515               | 529               |                     |
| 34       | Forecasting                               | 900-20             | -               | -                 | -                  | -                 | -                 |                     |
| 35       | Public Affairs                            | 900-30             | -               | -                 | -                  | -                 | -                 |                     |
| 36       | Business Development                      | 900-40             | -               | -                 | -                  | -                 | -                 |                     |
| 37       | Human Resources                           | 900-50             | -               | -                 | -                  | -                 | -                 |                     |
| 38       | Other Post Employment Benefits (OPEB)     | 900-60             | -               | -                 | -                  | -                 | -                 |                     |
| 39       | <b>Administration &amp; General Total</b> | <b>900</b>         | <b>321</b>      | <b>331</b>        | <b>331</b>         | <b>515</b>        | <b>529</b>        |                     |
| 40       |   |                    |                 |                   |                    |                   |                   |                     |
| 41       | <b>Total Gross O&amp;M Expenses</b>       |                    | <b>794</b>      | <b>815</b>        | <b>812</b>         | <b>884</b>        | <b>911</b>        |                     |
| 42       |   |                    |                 |                   |                    |                   |                   |                     |
| 43       | Add: PST Savings                          |                    | -               | (3)               | (0)                | 0                 | 0                 |                     |
| 44       | Less: Capitalized Overhead                |                    | (114)           | (114)             | (114)              | (124)             | (128)             |                     |
| 45       |   |                    |                 |                   |                    |                   |                   |                     |
| 46       | <b>Total O&amp;M Expenses</b>             |                    | <b>\$ 680</b>   | <b>\$ 698</b>     | <b>\$ 699</b>      | <b>\$ 760</b>     | <b>\$ 784</b>     |                     |
| 47       |   |                    |                 |                   |                    |                   |                   |                     |

- Sect 7-TAB 7.4, Schedule 4  
- Sect 7-TAB 7.4, Schedule 5  
- Sect 7-TAB 7.4, Schedule 6

FORTISBC ENERGY INC. - Fort Nelson

BCUC Order No. G-177-11

Section 7  
TAB 7.4  
Schedule 24

PROPERTY AND SUNDRY TAXES  
FOR THE YEAR ENDING DECEMBER 31, 2011  
(\$000s)

| Line No. | Particulars                         | 2011 PROJECTED |               |                |                               |                           | Cross Reference              |
|----------|-------------------------------------|----------------|---------------|----------------|-------------------------------|---------------------------|------------------------------|
|          |                                     | 2010 ACTUAL    | 2011 APPROVED | Total Expenses | Revised Rates, Total Expenses | Change                    |                              |
|          | (1)                                 | (2)            | (3)           | (4)            | (5)                           | (6)                       | (7)                          |
|          |                                     |                |               |                |                               | (Column (5) - Column (3)) |                              |
| 1        | Property Taxes                      |                |               |                |                               |                           |                              |
| 2        |                                     |                |               |                |                               |                           |                              |
| 3        | 1% in Lieu of General Municipal Tax | \$ 55          | \$ 58         | \$ 58          | \$ 58                         | \$ 0                      |                              |
| 4        |                                     |                |               |                |                               |                           |                              |
| 5        | General, School and Other           | <u>103</u>     | <u>108</u>    | <u>110</u>     | <u>110</u>                    | <u>2</u>                  |                              |
| 6        |                                     |                |               |                |                               |                           |                              |
| 7        |                                     | 158            | 165           | 168            | 168                           | 3                         |                              |
| 8        |                                     |                |               |                |                               |                           |                              |
| 9        | Add / Less: Deferred Property Taxes | <u>-</u>       | <u>-</u>      | <u>2</u>       | <u>2</u>                      | <u>2</u>                  |                              |
| 10       |                                     |                |               |                |                               |                           |                              |
| 11       | Total                               | <u>\$ 158</u>  | <u>\$ 165</u> | <u>\$ 170</u>  | <u>\$ 170</u>                 | <u>\$ 5</u>               | - Sect 7-TAB 7.4, Schedule 4 |

FORTISBC ENERGY INC. - Fort Nelson  
 PROPERTY AND SUNDRY TAXES  
 FOR THE YEAR ENDING DECEMBER 31, 2012  
 (\$000s)

BCUC Order No. G-177-11 Section 7  
 TAB 7.4  
 Schedule 25

| Line No. | Particulars                         | 2012                     |                          |   | Cross Reference |
|----------|-------------------------------------|--------------------------|--------------------------|---|-----------------|
|          |                                     | 2011<br>PROJECTED<br>(2) | Total<br>Expenses<br>(3) | Revised<br>Rates,<br>Total<br>Expenses<br>(4) |                 |
| 1        | Property Taxes                      |                          |                          |   |                 |
| 2        |                                     |                          |                          |   |                 |
| 3        | 1% in Lieu of General Municipal Tax | \$ 58                    | \$ 55                    | \$ 55   | \$ (3)          |
| 4        |                                     |                          |                          |   |                 |
| 5        | General, School and Other           | <u>110</u>               | <u>117</u>               | <u>117</u>                                    | <u>7</u>        |
| 6        |                                     |                          |                          |   |                 |
| 7        |                                     | 168                      | 172                      | 172   | 4               |
| 8        |                                     |                          |                          |   |                 |
| 9        | Add / Less: Deferred Property Taxes | <u>2</u>                 | <u>-</u>                 | <u>-</u>                                      | <u>(2)</u>      |
| 10       |                                     |                          |                          |   |                 |
| 11       | Total                               | <u>\$ 170</u>            | <u>\$ 172</u>            | <u>\$ 172</u>                                 | <u>\$ 2</u>     |

- Sect 7-TAB 7.4, Schedule 5

FORTISBC ENERGY INC. - Fort Nelson  
 PROPERTY AND SUNDRY TAXES  
 FOR THE YEAR ENDING DECEMBER 31, 2013  
 (\$000s)

BCUC Order No. G-177-11      Section 7  
 TAB 7.4  
 Schedule 26

| Line No. | Particulars                         | 2013                 |                       |                                      | Cross Reference |
|----------|-------------------------------------|----------------------|-----------------------|--------------------------------------|-----------------|
|          |                                     | 2012 FORECAST<br>(2) | Total Expenses<br>(3) | Revised Rates, Total Expenses<br>(4) |                 |
| 1        | Property Taxes                      |                      |                       |                                      |                 |
| 2        |                                     |                      |                       |                                      |                 |
| 3        | 1% in Lieu of General Municipal Tax | \$ 55                | \$ 55                 | \$ 55                                | \$ -            |
| 4        |                                     |                      |                       |                                      |                 |
| 5        | General, School and Other           | <u>117</u>           | <u>123</u>            | <u>123</u>                           | <u>6</u>        |
| 6        |                                     |                      |                       |                                      |                 |
| 7        |                                     | 172                  | 178                   | 178                                  | 6               |
| 8        |                                     |                      |                       |                                      |                 |
| 9        | Add / Less: Deferred Property Taxes | <u>-</u>             | <u>-</u>              | <u>-</u>                             | <u>-</u>        |
| 10       |                                     |                      |                       |                                      |                 |
| 11       | Total                               | <u>\$ 172</u>        | <u>\$ 178</u>         | <u>\$ 178</u>                        | <u>\$ 6</u>     |

- Sect 7-TAB 7.4, Schedule 6

DEPRECIATION AND AMORTIZATION EXPENSES  
FOR THE YEAR ENDING DECEMBER 31, 2011  
(\$000s)

| Line No. | Particulars<br>(1)   | 2010 ACTUAL<br>(2) | 2011 APPROVED<br>(3) | 2011 PROJECTED<br>(4) | Change<br>(5)             | Cross Reference<br>(6)        |
|----------|--|--------------------|----------------------|-----------------------|---------------------------|-------------------------------|
|          |  |                    |                      |                       | (Column (4) - Column (3)) |                               |
| 1        | <b><u>Depreciation &amp; Removal Provision</u></b>         |                    |                      |                       |                           |                               |
| 2        |  |                    |                      |                       |                           |                               |
| 3        | Depreciation Expense                                       | \$ 249             | \$ 317               | \$ 325                | \$ 8                      | - Sect 7-TAB 7.4, Schedule 54 |
| 4        |  |                    |                      |                       |                           |                               |
| 5        | Less: Amortization of Contributions in Aid of Construction | <u>(27)</u>        | <u>(29)</u>          | <u>(32)</u>           | <u>(3)</u>                | - Sect 7-TAB 7.4, Schedule 63 |
| 6        |  | 222                | 288                  | 293                   | 5                         |                               |
| 7        |  |                    |                      |                       |                           |                               |
| 8        | <b><u>Amortization Expense</u></b>                         |                    |                      |                       |                           |                               |
| 9        |  |                    |                      |                       |                           |                               |
| 10       | Amortization of Deferred Charges                           | <u>\$ (3)</u>      | <u>\$ 71</u>         | <u>\$ 70</u>          | <u>\$ (1)</u>             | - Sect 7-TAB 7.4, Schedule 66 |
| 11       |  |                    |                      |                       |                           |                               |
| 12       | TOTAL  | <u>\$ 220</u>      | <u>\$ 360</u>        | <u>\$ 363</u>         | <u>\$ 3</u>               | - Sect 7-TAB 7.4, Schedule 4  |

DEPRECIATION AND AMORTIZATION EXPENSES  
FOR THE YEAR ENDING DECEMBER 31, 2012  
(\$000s)

| Line No. | Particulars<br>(1)   | 2011             | 2012          | Change          | Cross Reference<br>(5)        |
|----------|--|------------------|---------------|-----------------|-------------------------------|
|          |  | PROJECTED<br>(2) | (3)           | (4)             |                               |
| 1        | <b><u>Depreciation &amp; Removal Provision</u></b>         |                  |               |                 |                               |
| 2        |  |                  |               |                 |                               |
| 3        | Depreciation Expense                                       | \$ 325           | \$ 334        | \$ 9            | - Sect 7-TAB 7.4, Schedule 57 |
| 4        |  |                  |               |                 |                               |
| 5        | Less: Amortization of Contributions in Aid of Construction | <u>(32)</u>      | <u>(34)</u>   | <u>(2)</u>      | - Sect 7-TAB 7.4, Schedule 64 |
| 6        |  | 293              | 300           | 7               |                               |
| 7        |  |                  |               |                 |                               |
| 8        | <b><u>Amortization Expense</u></b>                         |                  |               |                 |                               |
| 9        |  |                  |               |                 |                               |
| 10       | Amortization of Deferred Charges                           | <u>70</u>        | <u>(82)</u>   | <u>(152)</u>    | - Sect 7-TAB 7.4, Schedule 68 |
| 11       |  |                  |               |                 |                               |
| 12       | TOTAL  | <u>\$ 363</u>    | <u>\$ 218</u> | <u>\$ (145)</u> | - Sect 7-TAB 7.4, Schedule 5  |



DEPRECIATION AND AMORTIZATION EXPENSES  
FOR THE YEAR ENDING DECEMBER 31, 2013  
(\$000s)

| Line No. | Particulars<br>(1)   | 2012 FORECAST<br>(2) | 2013<br>(3)   | Change<br>(4) | Cross Reference<br>(5)        |
|----------|--|----------------------|---------------|---------------|-------------------------------|
| 1        | <b><u>Depreciation &amp; Removal Provision</u></b>         |                      |               |               |                               |
| 2        |  |                      |               |               |                               |
| 3        | Depreciation Expense                                       | \$ 334               | \$ 367        | \$ 33         | - Sect 7-TAB 7.4, Schedule 60 |
| 4        |  |                      |               |               |                               |
| 5        | Less: Amortization of Contributions in Aid of Construction | <u>(34)</u>          | <u>(34)</u>   | <u>-</u>      | - Sect 7-TAB 7.4, Schedule 65 |
| 6        |  | 300                  | 333           | 33            |                               |
| 7        |  |                      |               |               |                               |
| 8        | <b><u>Amortization Expense</u></b>                         |                      |               |               |                               |
| 9        |  |                      |               |               |                               |
| 10       | Amortization of Deferred Charges                           | <u>\$ (82)</u>       | <u>\$ 5</u>   | <u>\$ 87</u>  | - Sect 7-TAB 7.4, Schedule 70 |
| 11       |  |                      |               |               |                               |
| 12       | TOTAL  | <u>\$ 218</u>        | <u>\$ 338</u> | <u>\$ 120</u> | - Sect 7-TAB 7.4, Schedule 6  |

INCOME TAXES  
FOR THE YEAR ENDING DECEMBER 31, 2011  
(\$000s)

| Line No. | Particulars<br>(1)                | 2010<br>ACTUAL<br>(2) | 2011<br>APPROVED<br>(3) | 2011 PROJECTED        |                        |               | Change<br>(7)             | Cross Reference<br>(8)        |
|----------|-----------------------------------|-----------------------|-------------------------|-----------------------|------------------------|---------------|---------------------------|-------------------------------|
|          |                                   |                       |                         | Existing Rates<br>(4) | Revised Revenue<br>(5) | Total<br>(6)  |                           |                               |
|          |                                   |                       |                         |                       |                        |               | (Column (6) - Column (3)) |                               |
| 1        | CALCULATION OF INCOME TAXES       |                       |                         |                       |                        |               |                           |                               |
| 2        | EARNED RETURN                     | \$ 357                | \$ 518                  | \$ 464                | \$ -                   | \$ 464        | \$ (54)                   | - Sect 7-TAB 7.4, Schedule 4  |
| 3        | Deduct - Interest on Debt         | (217)                 | (258)                   | (229)                 | -                      | (229)         | 29                        | - Sect 7-TAB 7.4, Schedule 79 |
| 4        | Net Additions (Deductions)        | (8)                   | (37)                    | 111                   | -                      | 111           | 148                       | - Sect 7-TAB 7.4, Schedule 33 |
| 5        | Adjusted Taxable Income After Tax | <u>\$ 131</u>         | <u>\$ 223</u>           | <u>\$ 346</u>         | <u>\$ -</u>            | <u>\$ 346</u> | <u>\$ 123</u>             |                               |
| 6        |                                   |                       |                         |                       |                        |               |                           |                               |
| 7        | Current Income Tax Rate           | 28.50%                | 26.50%                  | 26.50%                | 26.50%                 | 26.50%        | 0.00%                     |                               |
| 8        | 1 - Current Income Tax Rate       | 71.50%                | 73.50%                  | 73.50%                | 73.50%                 | 73.50%        | 0.00%                     |                               |
| 9        |                                   |                       |                         |                       |                        |               |                           |                               |
| 10       | Taxable Income                    | <u>\$ 184</u>         | <u>\$ 304</u>           | <u>\$ 471</u>         | <u>\$ -</u>            | <u>\$ 471</u> | <u>\$ 167</u>             |                               |
| 11       |                                   |                       |                         |                       |                        |               |                           |                               |
| 12       |                                   |                       |                         |                       |                        |               |                           |                               |
| 13       | Income Tax - Current              | \$ 52                 | \$ 81                   | \$ 125                | \$ -                   | \$ 125        | \$ 44                     |                               |
| 14       |                                   |                       |                         |                       |                        |               |                           |                               |
| 15       | <b>Total Income Tax</b>           | <u>\$ 52</u>          | <u>\$ 81</u>            | <u>\$ 125</u>         | <u>\$ -</u>            | <u>\$ 125</u> | <u>\$ 44</u>              | - Sect 7-TAB 7.4, Schedule 4  |

INCOME TAXES  
FOR THE YEAR ENDING DECEMBER 31, 2012  
(\$000s)

| Line No. | Particulars<br>(1)                | 2012                     |                          |                           |               | Cross Reference<br>(7) |                               |
|----------|-----------------------------------|--------------------------|--------------------------|---------------------------|---------------|------------------------|-------------------------------|
|          |                                   | 2011<br>PROJECTED<br>(2) | Existing<br>Rates<br>(3) | Revised<br>Revenue<br>(4) | Total<br>(5)  |                        | Change<br>(6)                 |
| 1        | CALCULATION OF INCOME TAXES       |                          |                          |                           |               |                        |                               |
| 2        | EARNED RETURN                     | \$ 464                   | \$ 575                   | \$ -                      | \$ 575        | \$ 111                 | - Sect 7-TAB 7.4, Schedule 5  |
| 3        | Deduct - Interest on Debt         | (229)                    | (294)                    | -                         | (294)         | (65)                   | - Sect 7-TAB 7.4, Schedule 80 |
| 4        | Net Additions (Deductions)        | 111                      | (55)                     | -                         | (55)          | (166)                  | - Sect 7-TAB 7.4, Schedule 34 |
| 5        | Adjusted Taxable Income After Tax | <u>\$ 346</u>            | <u>\$ 226</u>            | <u>\$ -</u>               | <u>\$ 226</u> | <u>\$ (120)</u>        |                               |
| 6        |                                   |                          |                          |                           |               |                        |                               |
| 7        | Current Income Tax Rate           | 26.50%                   | 25.00%                   | 25.00%                    | 25.00%        | -1.50%                 |                               |
| 8        | 1 - Current Income Tax Rate       | 73.50%                   | 75.00%                   | 75.00%                    | 75.00%        | 1.50%                  |                               |
| 9        |                                   |                          |                          |                           |               |                        |                               |
| 10       | Taxable Income                    | <u>\$ 471</u>            | <u>\$ 301</u>            | <u>\$ -</u>               | <u>\$ 301</u> | <u>\$ (170)</u>        |                               |
| 11       |                                   |                          |                          |                           |               |                        |                               |
| 12       |                                   |                          |                          |                           |               |                        |                               |
| 13       | Income Tax - Current              | \$ 125                   | \$ 76                    | \$ -                      | \$ 76         | \$ (49)                |                               |
| 14       |                                   |                          |                          |                           |               |                        |                               |
| 15       | <b>Total Income Tax</b>           | <u>\$ 125</u>            | <u>\$ 76</u>             | <u>\$ -</u>               | <u>\$ 76</u>  | <u>\$ (49)</u>         | - Sect 7-TAB 7.4, Schedule 5  |

INCOME TAXES  
FOR THE YEAR ENDING DECEMBER 31, 2013  
(\$000s)

| Line No. | Particulars<br>(1)                | 2012<br>FORECAST<br>(2) | 2013                  |                        |               | Change<br>(6)   | Cross Reference<br>(7)        |
|----------|-----------------------------------|-------------------------|-----------------------|------------------------|---------------|-----------------|-------------------------------|
|          |                                   |                         | Existing Rates<br>(3) | Revised Revenue<br>(4) | Total<br>(5)  |                 |                               |
| 1        | CALCULATION OF INCOME TAXES       |                         |                       |                        |               |                 |                               |
| 2        | EARNED RETURN                     | \$ 575                  | \$ 700                | \$ 19                  | \$ 719        | \$ 144          | - Sect 7-TAB 7.4, Schedule 6  |
| 3        | Deduct - Interest on Debt         | (294)                   | (368)                 | -                      | (368)         | (74)            | - Sect 7-TAB 7.4, Schedule 81 |
| 4        | Net Additions (Deductions)        | (55)                    | (266)                 | -                      | (266)         | (211)           | - Sect 7-TAB 7.4, Schedule 35 |
| 5        | Adjusted Taxable Income After Tax | <u>\$ 226</u>           | <u>\$ 66</u>          | <u>\$ 19</u>           | <u>\$ 85</u>  | <u>\$ (141)</u> |                               |
| 6        |                                   |                         |                       |                        |               |                 |                               |
| 7        | Current Income Tax Rate           | 25.00%                  | 25.00%                | 25.00%                 | 25.00%        | 0.00%           |                               |
| 8        | 1 - Current Income Tax Rate       | 75.00%                  | 75.00%                | 75.00%                 | 75.00%        | 0.00%           |                               |
| 9        |                                   |                         |                       |                        |               |                 |                               |
| 10       | Taxable Income                    | <u>\$ 302</u>           | <u>\$ 88</u>          | <u>\$ 25</u>           | <u>\$ 113</u> | <u>\$ (189)</u> |                               |
| 11       |                                   |                         |                       |                        |               |                 |                               |
| 12       |                                   |                         |                       |                        |               |                 |                               |
| 13       | Income Tax - Current              | \$ 76                   | \$ 22                 | \$ 6                   | \$ 28         | \$ (48)         |                               |
| 14       |                                   |                         |                       |                        |               |                 |                               |
| 15       | <b>Total Income Tax</b>           | <u>\$ 76</u>            | <u>\$ 22</u>          | <u>\$ 6</u>            | <u>\$ 28</u>  | <u>\$ (48)</u>  | - Sect 7-TAB 7.4, Schedule 6  |

ADJUSTMENTS TO TAXABLE INCOME  
FOR THE YEAR ENDING DECEMBER 31, 2011  
(\$000s)

| Line No.                  | Particulars                                     | 2010 ACTUAL   | 2011 APPROVED  | 2011 PROJECTED | Change        | Cross Reference               |
|---------------------------|---|---------------|----------------|----------------|---------------|-------------------------------|
|                           | (1)   | (2)           | (3)            | (4)            | (5)           | (6)                           |
| (Column (4) - Column (3)) |   |               |                |                |               |                               |
| 1                         | <b>Addbacks:</b>                                |               |                |                |               |                               |
| 2                         | Non-tax Deductible Expenses                     | \$ 3          | \$ 3           | \$ -           | \$ (3)        |                               |
| 3                         | Depreciation                                    | 222           | 288            | 293            | 5             | - Sect 7-TAB 7.4, Schedule 27 |
| 4                         | Amortization of Debt Issue Expenses             | 3             | 4              | 1              | (3)           |                               |
| 5                         | 2012 Revenue Surplus (Net of Tax)               | -             | -              | -              | -             |                               |
| 6                         |   |               |                |                |               |                               |
| 7                         | <b>Deductions:</b>                              |               |                |                |               |                               |
| 8                         | Amortization of Deferred Charges                | (3)           | 71             | 70             | (1)           | - Sect 7-TAB 7.4, Schedule 27 |
| 9                         | Capital Cost Allowance                          | (173)         | (311)          | (194)          | 117           | - Sect 7-TAB 7.4, Schedule 36 |
| 10                        | Cumulative Eligible Capital Allowance           | -             | -              | -              | -             |                               |
| 11                        | Debt Issue Costs                                | (5)           | (5)            | (3)            | 2             |                               |
| 12                        | Vehicle Lease Payment                           | (8)           | -              | -              | -             |                               |
| 13                        | Pension Reserve                                 | (3)           | (38)           | (7)            | 31            |                               |
| 14                        | Overheads Capitalized Expensed for Tax Purposes | (41)          | (49)           | (49)           | (0)           |                               |
| 15                        | Removal Costs                                   | -             | -              | -              | -             |                               |
| 16                        | Major Inspection Costs                          | (4)           | -              | -              | -             |                               |
| 17                        |   |               |                |                |               |                               |
| 18                        | <b>TOTAL</b>                                    | <u>\$ (8)</u> | <u>\$ (37)</u> | <u>\$ 111</u>  | <u>\$ 148</u> | - Sect 7-TAB 7.4, Schedule 30 |

FORTISBC ENERGY INC. - Fort Nelson  
 ADJUSTMENTS TO TAXABLE INCOME  
 FOR THE YEAR ENDING DECEMBER 31, 2012  
 (\$000s)

BCUC Order No. G-177-11

Section 7  
 TAB 7.4  
 Schedule 34

| Line<br>No. | Particulars<br>(1)                              | 2011             |                |                 | Cross Reference<br>(5)        |
|-------------|---|------------------|----------------|-----------------|-------------------------------|
|             |   | PROJECTED<br>(2) | 2012<br>(3)    | Change<br>(4)   |                               |
| 1           | <b>Addbacks:</b>                                |                  |                |                 |                               |
| 2           | Non-tax Deductible Expenses                     | \$ -             | \$ 3           | \$ 3            |                               |
| 3           | Depreciation                                    | 293              | 300            | 7               | - Sect 7-TAB 7.4, Schedule 28 |
| 4           | Amortization of Debt Issue Expenses             | 1                | 2              | 1               |                               |
| 5           | 2012 Revenue Surplus (Net of Tax)               | -                | 97             | 97              |                               |
| 6           |   |                  |                |                 |                               |
| 7           | <b>Deductions:</b>                              |                  |                |                 |                               |
| 8           | Amortization of Deferred Charges                | 70               | (82)           | (152)           | - Sect 7-TAB 7.4, Schedule 28 |
| 9           | Capital Cost Allowance                          | (194)            | (335)          | (141)           | - Sect 7-TAB 7.4, Schedule 37 |
| 10          | Cumulative Eligible Capital Allowance           | -                | -              | -               |                               |
| 11          | Debt Issue Costs                                | (3)              | (2)            | 1               |                               |
| 12          | Vehicle Lease Payment                           | -                | -              | -               |                               |
| 13          | Pension Reserve                                 | (7)              | 14             | 21              |                               |
| 14          | Overheads Capitalized Expensed for Tax Purposes | (49)             | (52)           | (3)             |                               |
| 15          | Removal Costs                                   | -                | -              | -               |                               |
| 16          | Major Inspection Costs                          | -                | -              | -               |                               |
| 17          |   |                  |                |                 |                               |
| 18          | TOTAL   | <u>\$ 111</u>    | <u>\$ (55)</u> | <u>\$ (166)</u> | - Sect 7-TAB 7.4, Schedule 31 |

FORTISBC ENERGY INC. - Fort Nelson  
 ADJUSTMENTS TO TAXABLE INCOME  
 FOR THE YEAR ENDING DECEMBER 31, 2013  
 (\$000s)

BCUC Order No. G-177-11

Section 7  
 TAB 7.4  
 Schedule 35

| Line No. | Particulars                                     | 2012 FORECAST<br>(2) | 2013<br>(3)     | Change<br>(4)   | Cross Reference<br>(5)        |
|----------|---|----------------------|-----------------|-----------------|-------------------------------|
| 1        | <b>Addbacks:</b>                                |                      |                 |                 |                               |
| 2        | Non-tax Deductible Expenses                     | \$ 3                 | \$ 3            | \$ -            |                               |
| 3        | Depreciation                                    | 300                  | 333             | 33              | - Sect 7-TAB 7.4, Schedule 29 |
| 4        | Amortization of Debt Issue Expenses             | 2                    | 2               | -               |                               |
| 5        | 2012 Revenue Surplus (Net of Tax)               | 97                   | (97)            | (194)           |                               |
| 6        |   |                      |                 |                 |                               |
| 7        | <b>Deductions:</b>                              |                      |                 |                 |                               |
| 8        | Amortization of Deferred Charges                | (82)                 | 5               | 87              | - Sect 7-TAB 7.4, Schedule 29 |
| 9        | Capital Cost Allowance                          | (335)                | (467)           | (132)           | - Sect 7-TAB 7.4, Schedule 38 |
| 10       | Cumulative Eligible Capital Allowance           | -                    | -               | -               |                               |
| 11       | Debt Issue Costs                                | (2)                  | (1)             | 1               |                               |
| 12       | Vehicle Lease Payment                           | -                    | -               | -               |                               |
| 13       | Pension Reserve                                 | 14                   | 10              | (4)             |                               |
| 14       | Overheads Capitalized Expensed for Tax Purposes | (52)                 | (54)            | (2)             |                               |
| 15       | Removal Costs                                   | -                    | -               | -               |                               |
| 16       | Major Inspection Costs                          | -                    | -               | -               |                               |
| 17       |   |                      |                 |                 |                               |
| 18       | TOTAL   | <u>\$ (55)</u>       | <u>\$ (266)</u> | <u>\$ (211)</u> | - Sect 7-TAB 7.4, Schedule 32 |

CAPITAL COST ALLOWANCE  
FOR THE YEAR ENDING DECEMBER 31, 2011  
(\$000s)

| Line No. | Class   | CCA Rate   | 12/31/2010 UCC Balance | Adjustments | 2011 Net Additions | 2011 CCA        | 12/31/2011 UCC Balance |
|----------|---------|------------|------------------------|-------------|--------------------|-----------------|------------------------|
| (1)      | (1)     | (2)        | (3)                    | (4)         | (5)                | (6)             | (7)                    |
| 1        | 1       | 4%         | \$ 2,669               | \$ -        | \$ -               | \$ (107)        | \$ 2,562               |
| 2        | 1(b)    | 6%         | 483                    | -           | -                  | (29)            | 454                    |
| 3        | 2       | 6%         | 307                    | -           | -                  | (18)            | 289                    |
| 4        | 3       | 5%         | 16                     | -           | -                  | (1)             | 15                     |
| 5        | 6       | 10%        | 1                      | -           | -                  | -               | 1                      |
| 6        | 7       | 15%        | -                      | -           | -                  | -               | -                      |
| 7        | 8       | 20%        | 3                      | -           | 8                  | (1)             | 10                     |
| 8        | 10      | 30%        | 3                      | -           | -                  | (1)             | 2                      |
| 9        | 12      | 100%       | -                      | -           | -                  | -               | -                      |
| 10       | 13      | manual     | 1                      | -           | -                  | (1)             | -                      |
| 11       | 14      | manual     | -                      | -           | -                  | -               | -                      |
| 12       | 17      | 8%         | -                      | -           | -                  | -               | -                      |
| 13       | 38      | 30%        | -                      | -           | -                  | -               | -                      |
| 14       | 39      | 25%        | -                      | -           | -                  | -               | -                      |
| 15       | 45      | 45%        | -                      | -           | -                  | -               | -                      |
| 16       | 47      | 8%         | -                      | 82          | -                  | (7)             | 75                     |
| 17       | 49      | 8%         | 179                    | -           | 13                 | (15)            | 177                    |
| 18       | 50 / 52 | 55% / 100% | -                      | -           | -                  | -               | -                      |
| 19       | 51      | 6%         | 183                    | (82)        | 277                | (14)            | 364                    |
| 20       | 43.2    | 50%        | -                      | -           | -                  | -               | -                      |
| 22       |         | Total      | <u>\$ 3,845</u>        | <u>\$ -</u> | <u>\$ 298</u>      | <u>\$ (194)</u> | <u>\$ 3,949</u>        |

Cross Reference

- Sect 7-TAB 7.4, Schedule 33



CAPITAL COST ALLOWANCE  
FOR THE YEAR ENDING DECEMBER 31, 2012  
(\$000s)

| Line No. | Class | CCA Rate | 12/31/2011 UCC Balance | Adjustments   | 2012 Net Additions | 2012 CCA        | 12/31/2012 UCC Balance |
|----------|-------|----------|------------------------|---------------|--------------------|-----------------|------------------------|
| (1)      | (1)   | (2)      | (3)                    | (4)           | (5)                | (6)             | (7)                    |
| 1        | 1     | 4%       | \$ 2,562               | \$ -          | \$ -               | \$ (102)        | \$ 2,460               |
| 2        | 1(b)  | 6%       | 454                    | -             | 132                | (31)            | 555                    |
| 3        | 2     | 6%       | 289                    | (1)           | -                  | (17)            | 271                    |
| 4        | 3     | 5%       | 15                     | -             | -                  | (1)             | 14                     |
| 5        | 6     | 10%      | 1                      | -             | -                  | -               | 1                      |
| 6        | 7     | 15%      | -                      | -             | -                  | -               | -                      |
| 7        | 8     | 20%      | 10                     | -             | 10                 | (3)             | 17                     |
| 8        | 10    | 30%      | 2                      | -             | -                  | (1)             | 1                      |
| 9        | 12    | 100%     | -                      | -             | -                  | -               | -                      |
| 10       | 13    | manual   | -                      | -             | -                  | -               | -                      |
| 11       | 14    | manual   | -                      | -             | -                  | -               | -                      |
| 12       | 17    | 8%       | -                      | -             | -                  | -               | -                      |
| 13       | 38    | 30%      | -                      | -             | -                  | -               | -                      |
| 14       | 39    | 25%      | -                      | -             | -                  | -               | -                      |
| 15       | 45    | 45%      | -                      | -             | -                  | -               | -                      |
| 16       | 47    | 8%       | 75                     | -             | -                  | (6)             | 69                     |
| 17       | 49    | 8%       | 177                    | -             | 3,319              | (147)           | 3,349                  |
| 18       | 50    | 55%      | -                      | -             | -                  | -               | -                      |
| 19       | 51    | 6%       | 364                    | -             | 183                | (27)            | 520                    |
| 20       | 43.2  | 50%      | -                      | -             | -                  | -               | -                      |
| 21       |       |          |                        |               |                    |                 |                        |
| 22       |       | Total    | <u>\$ 3,949</u>        | <u>\$ (1)</u> | <u>\$ 3,644</u>    | <u>\$ (335)</u> | <u>\$ 7,257</u>        |

Cross Reference

- Sect 7-TAB 7.4, Schedule 34

CAPITAL COST ALLOWANCE  
FOR THE YEAR ENDING DECEMBER 31, 2013  
(\$000s)

| Line No. | Class | CCA Rate | 12/31/2012 UCC Balance | Adjustments   | 2013 Net Additions | 2013 CCA        | 12/31/2013 UCC Balance |
|----------|-------|----------|------------------------|---------------|--------------------|-----------------|------------------------|
| (1)      | (1)   | (2)      | (3)                    | (4)           | (5)                | (6)             | (7)                    |
| 1        | 1     | 4%       | \$ 2,460               | \$ -          | \$ -               | \$ (98)         | \$ 2,362               |
| 2        | 1(b)  | 6%       | 555                    | -             | -                  | (33)            | 522                    |
| 3        | 2     | 6%       | 271                    | -             | -                  | (16)            | 255                    |
| 4        | 3     | 5%       | 14                     | -             | -                  | (1)             | 13                     |
| 5        | 6     | 10%      | 1                      | -             | -                  | -               | 1                      |
| 6        | 7     | 15%      | -                      | -             | -                  | -               | -                      |
| 7        | 8     | 20%      | 17                     | -             | 10                 | (4)             | 23                     |
| 8        | 10    | 30%      | 1                      | -             | -                  | -               | 1                      |
| 9        | 12    | 100%     | -                      | -             | -                  | -               | -                      |
| 10       | 13    | manual   | -                      | -             | -                  | -               | -                      |
| 11       | 14    | manual   | -                      | -             | -                  | -               | -                      |
| 12       | 17    | 8%       | -                      | -             | -                  | -               | -                      |
| 13       | 38    | 30%      | -                      | -             | -                  | -               | -                      |
| 14       | 39    | 25%      | -                      | -             | -                  | -               | -                      |
| 15       | 45    | 45%      | -                      | -             | -                  | -               | -                      |
| 16       | 47    | 8%       | 69                     | -             | -                  | (6)             | 63                     |
| 17       | 49    | 8%       | 3,349                  | -             | 13                 | (268)           | 3,094                  |
| 18       | 50    | 55%      | -                      | -             | -                  | -               | -                      |
| 19       | 51    | 6%       | 520                    | (1)           | 325                | (41)            | 803                    |
| 20       | 43.2  | 50%      | -                      | -             | -                  | -               | -                      |
| 21       |       |          |                        |               |                    |                 |                        |
| 22       |       | Total    | <u>\$ 7,257</u>        | <u>\$ (1)</u> | <u>\$ 348</u>      | <u>\$ (467)</u> | <u>\$ 7,137</u>        |

Cross Reference

- Sect 7-TAB 7.4, Schedule 35



UTILITY RATE BASE  
FOR THE YEAR ENDING DECEMBER 31, 2012  
(\$000s)

| Line No. | Particulars<br>(1)                               | 2011<br>PROJECTED<br>(2) | 2012 FORECAST                 |                    | Change<br>(6)   | Cross Reference<br>(7) |                               |
|----------|--|--------------------------|-------------------------------|--------------------|-----------------|------------------------|-------------------------------|
|          |  |                          | Existing 2011<br>Rates<br>(3) | Adjustments<br>(4) |                 |                        | Revised<br>Rates<br>(5)       |
| 1        | Gas Plant in Service, Beginning                  | \$ 8,642                 | \$ 8,780                      | \$ -               | \$ 8,780        | \$ 138                 | - Sect 7-TAB 7.4, Schedule 48 |
| 2        | Opening Balance Adjustment                       | -                        | -                             | -                  | -               | -                      |                               |
| 3        | Gas Plant in Service, Ending                     | 8,780                    | 12,563                        | -                  | 12,563          | 3,783                  | - Sect 7-TAB 7.4, Schedule 48 |
| 4        |  |                          |                               |                    |                 |                        |                               |
| 5        | Accumulated Depreciation Beginning - Plant       | \$ (2,213)               | \$ (2,342)                    | \$ -               | \$ (2,342)      | \$ (129)               | - Sect 7-TAB 7.4, Schedule 57 |
| 6        | Opening Balance Adjustment (re Negative Salvage) | -                        | -                             | -                  | -               | -                      | - Sect 7-TAB 7.4, Schedule 57 |
| 7        | Accumulated Depreciation Ending - Plant          | (2,342)                  | (2,673)                       | -                  | (2,673)         | (331)                  | - Sect 7-TAB 7.4, Schedule 57 |
| 8        |  |                          |                               |                    |                 |                        |                               |
| 9        | Negative Salvage Depreciation Beginning - Plant  | \$ -                     | \$ -                          | \$ -               | \$ -            | \$ -                   | - Sect 7-TAB 7.4, Schedule 61 |
| 10       | Opening Balance Adjustment (re Negative Salvage) | -                        | -                             | -                  | -               | -                      | - Sect 7-TAB 7.4, Schedule 61 |
| 11       | Negative Salvage Depreciation Ending - Plant     | -                        | -                             | -                  | -               | -                      | - Sect 7-TAB 7.4, Schedule 61 |
| 12       |  |                          |                               |                    |                 |                        |                               |
| 13       | CIAC, Beginning                                  | \$ (1,287)               | \$ (1,287)                    | \$ -               | \$ (1,287)      | \$ -                   | - Sect 7-TAB 7.4, Schedule 64 |
| 14       | Opening Balance Adjustment                       | -                        | -                             | -                  | -               | -                      | - Sect 7-TAB 7.4, Schedule 64 |
| 15       | CIAC, Ending                                     | (1,287)                  | (1,287)                       | -                  | (1,287)         | -                      | - Sect 7-TAB 7.4, Schedule 64 |
| 16       |  |                          |                               |                    |                 |                        |                               |
| 17       | Accumulated Amortization Beginning - CIAC        | \$ 490                   | \$ 522                        | \$ -               | \$ 522          | \$ 32                  | - Sect 7-TAB 7.4, Schedule 64 |
| 18       | Opening Balance Adjustment                       | -                        | -                             | -                  | -               | -                      | - Sect 7-TAB 7.4, Schedule 64 |
| 19       | Accumulated Amortization Ending - CIAC           | 522                      | 556                           | -                  | 556             | 34                     | - Sect 7-TAB 7.4, Schedule 64 |
| 20       |  |                          |                               |                    |                 |                        |                               |
| 21       | Net Plant in Service, Mid-Year                   | <u>\$ 5,653</u>          | <u>\$ 7,416</u>               | <u>\$ -</u>        | <u>\$ 7,416</u> | <u>\$ 1,764</u>        |                               |
| 22       |  |                          |                               |                    |                 |                        |                               |
| 23       | Adjustment to 13-Month Average                   | -                        | -                             | -                  | -               | -                      |                               |
| 24       | Work in Progress, No AFUDC                       | -                        | -                             | -                  | -               | -                      |                               |
| 25       | Unamortized Deferred Charges                     | 85                       | (38)                          | -                  | (38)            | (123)                  | - Sect 7-TAB 7.4, Schedule 68 |
| 26       | Cash Working Capital                             | 13                       | 10                            | -                  | 10              | (3)                    | - Sect 7-TAB 7.4, Schedule 73 |
| 27       | Other Working Capital                            | 4                        | 4                             | -                  | 4               | -                      | - Sect 7-TAB 7.4, Schedule 73 |
| 28       | <b>Utility Rate Base</b>                         | <u>\$ 5,755</u>          | <u>\$ 7,392</u>               | <u>\$ -</u>        | <u>\$ 7,392</u> | <u>\$ 1,637</u>        | - Sect 7-TAB 7.4, Schedule 80 |
| 29       |  |                          |                               |                    |                 |                        |                               |
| 30       |  |                          |                               |                    |                 |                        |                               |

UTILITY RATE BASE  
FOR THE YEAR ENDING DECEMBER 31, 2013  
(\$000s)

| Line No. | Particulars<br>(1)                              | 2012 FORECAST<br>(2) | 2013 FORECAST              |                    |                      | Change<br>(6)   | Cross Reference<br>(7)        |
|----------|---|----------------------|----------------------------|--------------------|----------------------|-----------------|-------------------------------|
|          |   |                      | Existing 2011 Rates<br>(3) | Adjustments<br>(4) | Revised Rates<br>(5) |                 |                               |
| 1        | Gas Plant in Service, Beginning                 | \$ 8,780             | \$ 12,563                  | \$ -               | \$ 12,563            | \$ 3,783        | - Sect 7-TAB 7.4, Schedule 51 |
| 2        | Opening Balance Adjustment                      | -                    | -                          | -                  | -                    | -               |                               |
| 3        | Gas Plant in Service, Ending                    | 12,563               | 12,957                     | -                  | 12,957               | 394             | - Sect 7-TAB 7.4, Schedule 51 |
| 4        |   |                      |                            |                    |                      |                 |                               |
| 5        | Accumulated Depreciation Beginning - Plant      | \$ (2,342)           | \$ (2,673)                 | \$ -               | \$ (2,673)           | \$ (331)        | - Sect 7-TAB 7.4, Schedule 60 |
| 6        | Opening Balance Adjustment                      | -                    | -                          | -                  | -                    | -               |                               |
| 7        | Accumulated Depreciation Ending - Plant         | (2,673)              | (3,033)                    | -                  | (3,033)              | (360)           | - Sect 7-TAB 7.4, Schedule 60 |
| 8        |   |                      |                            |                    |                      |                 |                               |
| 9        | Negative Salvage Depreciation Beginning - Plant | \$ -                 | \$ -                       | \$ -               | \$ -                 | \$ -            | - Sect 7-TAB 7.4, Schedule 62 |
| 10       | Opening Balance Adjustment                      | -                    | -                          | -                  | -                    | -               |                               |
| 11       | Negative Salvage Depreciation Ending - Plant    | -                    | -                          | -                  | -                    | -               | - Sect 7-TAB 7.4, Schedule 62 |
| 12       |   |                      |                            |                    |                      |                 |                               |
| 13       | CIAC, Beginning                                 | \$ (1,287)           | \$ (1,287)                 | \$ -               | \$ (1,287)           | \$ -            | - Sect 7-TAB 7.4, Schedule 65 |
| 14       | Opening Balance Adjustment                      | -                    | -                          | -                  | -                    | -               |                               |
| 15       | CIAC, Ending                                    | (1,287)              | (1,287)                    | -                  | (1,287)              | -               | - Sect 7-TAB 7.4, Schedule 65 |
| 16       |   |                      |                            |                    |                      |                 |                               |
| 17       | Accumulated Amortization Beginning - CIAC       | \$ 522               | \$ 556                     | \$ -               | \$ 556               | \$ 34           | - Sect 7-TAB 7.4, Schedule 65 |
| 18       | Opening Balance Adjustment                      | -                    | -                          | -                  | -                    | -               |                               |
| 19       | Accumulated Amortization Ending - CIAC          | 556                  | 590                        | -                  | 590                  | 34              | - Sect 7-TAB 7.4, Schedule 65 |
| 20       |   |                      |                            |                    |                      |                 |                               |
| 21       | Net Plant in Service, Mid-Year                  | <u>\$ 7,416</u>      | <u>\$ 9,193</u>            | <u>\$ -</u>        | <u>\$ 9,193</u>      | <u>\$ 1,777</u> |                               |
| 22       |   |                      |                            |                    |                      |                 |                               |
| 23       | Adjustment to 13-Month Average                  | -                    | -                          | -                  | -                    | -               |                               |
| 24       | Work in Progress, No AFUDC                      | -                    | -                          | -                  | -                    | -               |                               |
| 25       | Unamortized Deferred Charges                    | (38)                 | 33                         | -                  | 33                   | 71              | - Sect 7-TAB 7.4, Schedule 70 |
| 26       | Cash Working Capital                            | 10                   | 10                         | 1                  | 11                   | 1               | - Sect 7-TAB 7.4, Schedule 74 |
| 27       | Other Working Capital                           | 4                    | 4                          | -                  | 4                    | -               | - Sect 7-TAB 7.4, Schedule 74 |
| 28       | <b>Utility Rate Base</b>                        | <u>\$ 7,392</u>      | <u>\$ 9,240</u>            | <u>\$ 1</u>        | <u>\$ 9,241</u>      | <u>\$ 1,849</u> | - Sect 7-TAB 7.4, Schedule 81 |
| 29       |   |                      |                            |                    |                      |                 |                               |
| 30       |   |                      |                            |                    |                      |                 |                               |

CAPITAL EXPENDITURES AND PLANT ADDITIONS  
FOR THE YEARS ENDING DECEMBER 31, 2011 TO 2013  
(\$000)

| Line No. | Particulars<br>(1)   | 2011<br>Projected<br>(2) | 2012<br>Forecast<br>(3) | 2013<br>Forecast<br>(4) | Reference<br>(5)   |
|----------|--|--------------------------|-------------------------|-------------------------|--|
| 1        | <b>CAPITAL EXPENDITURES</b>                                      |                          |                         |                         |  |
| 2        |  |                          |                         |                         |  |
| 3        | <u>Regular Capital Expenditures</u>                              |                          |                         |                         |  |
| 4        |  |                          |                         |                         |  |
| 5        | Total Regular Capital Expenditures                               | \$ 233                   | \$ 3,275                | \$ 276                  |  |
| 6        |  |                          |                         |                         |  |
| 7        |  |                          |                         |                         |  |
| 8        | <u>Special Projects - CPCN's</u>                                 | \$ -                     | \$ -                    | \$ -                    |  |
| 9        |  |                          |                         |                         |  |
| 10       |  |                          |                         |                         |  |
| 11       | TOTAL CAPITAL EXPENDITURES                                       | \$ 233                   | \$ 3,275                | \$ 276                  |  |
| 12       |  |                          |                         |                         |  |
| 13       |  |                          |                         |                         |  |
| 14       | <b>RECONCILIATION OF CAPITAL EXPENDITURES TO PLANT ADDITIONS</b> |                          |                         |                         |  |
| 15       |  |                          |                         |                         |  |
| 16       | <u>Regular Capital</u>   |                          |                         |                         |  |
| 17       | Regular Capital Expenditures                                     | \$ 233                   | \$ 3,275                | \$ 276                  |  |
| 18       | Add - Opening WIP  | -                        | -                       | -                       |  |
| 19       | Add - Opening WIP Adjustment                                     | -                        | 300                     | -                       |  |
| 20       | Less - Closing WIP   | -                        | -                       | -                       |  |
| 21       | Add - AFUDC  | -                        | 89                      | -                       | - Sect 7-TAB 7.4, Schedule 45                                  |
| 22       | Add - Overhead Capitalized                                       | 114                      | 122                     | 126                     | - Sect 7-TAB 7.4, Schedule 48<br>- Sect 7-TAB 7.4, Schedule 51 |
| 23       |  |                          |                         |                         |  |
| 24       | TOTAL PLANT ADDITIONS  | \$ 347                   | \$ 3,786                | \$ 401                  |  |







GAS PLANT IN SERVICE CONTINUITY SCHEDULE (Continued)  
 FOR THE YEAR ENDING DECEMBER 31, 2011  
 (\$000s)

| Line No. | Particulars<br>(1)                      | Balance<br>12/31/2010<br>(2) | CPCN'S<br>(3) | 2011<br>Additions<br>(4) | 2011<br>AFUDC<br>(5) | 2011<br>CapOH<br>(6) | Retirements<br>(7) | Transfers/<br>Recovery<br>(8) | Balance<br>12/31/2011<br>(9) | Mid-year GPIS<br>for Depreciation<br>(10) |
|----------|---|------------------------------|---------------|--------------------------|----------------------|----------------------|--------------------|-------------------------------|------------------------------|---|
| 1        | <b>GENERAL PLANT &amp; EQUIPMENT</b>    |                              |               |                          |                      |                      |                    |                               |                              |   |
| 2        | 480-00 Land in Fee Simple               | \$ 1                         | \$ -          | \$ -                     | \$ -                 | \$ -                 | \$ -               | \$ -                          | \$ 1                         | \$ 1                                      |
| 3        | 481-00 Land Rights                      | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 4        | 482-00 Structures & Improvements        | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 5        | - Frame Buildings                       | 242                          | -             | -                        | -                    | -                    | -                  | -                             | 242                          | 242                                       |
| 6        | - Masonry Buildings                     | 424                          | -             | -                        | -                    | -                    | (146)              | -                             | 278                          | 351                                       |
| 7        | - Leasehold Improvement                 | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 8        | Office Equipment & Furniture            | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 9        | 483-30 GP Office Equipment              | 12                           | -             | -                        | -                    | -                    | -                  | -                             | 12                           | 12  |
| 10       | 483-40 GP Furniture                     | 25                           | -             | -                        | -                    | -                    | -                  | -                             | 25                           | 25  |
| 11       | 483-10 GP Computer Hardware             | 182                          | -             | -                        | -                    | -                    | -                  | -                             | 182                          | 182                                       |
| 12       | 483-20 GP Computer Software             | 130                          | -             | -                        | -                    | -                    | -                  | -                             | 130                          | 130                                       |
| 13       | 483-21 GP Computer Software             | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 14       | 483-22 GP Computer Software             | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 15       | 484-00 Vehicles                         | 11                           | -             | -                        | -                    | -                    | -                  | -                             | 11                           | 11  |
| 16       | 484-00 Vehicles - Leased                | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 17       | 485-10 Heavy Work Equipment             | 3                            | -             | -                        | -                    | -                    | -                  | -                             | 3                            | 3   |
| 18       | 485-20 Heavy Mobile Equipment           | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 19       | 486-00 Small Tools & Equipment          | 84                           | -             | 8                        | -                    | -                    | -                  | -                             | 92                           | 88  |
| 20       | 487-00 Equipment on Customer's Premises | -                            | -             | -                        | -                    | -                    | (15)               | -                             | (15)                         | (8)                                       |
| 21       | - VRA Compressor Installation Costs     | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 22       | 488-00 Communications Equipment         | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 23       | - Telephone                             | 25                           | -             | -                        | -                    | -                    | -                  | -                             | 25                           | 25  |
| 24       | - Radio                                 | 2                            | -             | -                        | -                    | -                    | -                  | -                             | 2                            | 2   |
| 25       | 489-00 Other General Equipment          | -                            | -             | -                        | -                    | -                    | (2)                | -                             | (2)                          | (1)                                       |
| 26       | TOTAL GENERAL                           | 1,141                        | -             | 8                        | -                    | -                    | (163)              | -                             | 986                          | 1,064                                     |
| 27       |   |                              |               |                          |                      |                      |                    |                               |                              |   |
| 28       | <b>UNCLASSIFIED PLANT</b>               |                              |               |                          |                      |                      |                    |                               |                              |   |
| 29       | 499 Plant Suspense                      | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 30       | TOTAL UNCLASSIFIED                      | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 31       |   |                              |               |                          |                      |                      |                    |                               |                              |   |
| 32       | TOTAL CAPITAL                           | \$ 8,642                     | \$ -          | \$ 233                   | \$ -                 | \$ 113               | \$ (208)           | \$ -                          | \$ 8,780                     | \$ 8,711                                  |
| 33       |   |                              |               |                          |                      |                      |                    |                               |                              |   |
| 34       | Cross Reference                         |                              |               |                          |                      |                      |                    |                               |                              |   |
| 35       |   |                              |               |                          |                      |                      |                    |                               |                              |   |

- Sect 7-TAB 7.4, Schedule 39  
 - Sect 7-TAB 7.4, Schedule 42

- Sect 7-TAB 7.4, Schedule 39  
 - Sect 7-TAB 7.4, Schedule 54





GAS PLANT IN SERVICE CONTINUITY SCHEDULE (Continued)  
 FOR THE YEAR ENDING DECEMBER 31, 2012  
 (\$000s)

| Line No. | Particulars<br>(1)                      | Balance<br>12/31/2011<br>(2) | CPCN'S<br>(3) | 2012<br>Additions<br>(4) | 2012<br>AFUDC<br>(5) | 2012<br>CapOH<br>(6) | Retirements<br>(7) | Transfers/<br>Recovery<br>(8) | Balance<br>12/31/2012<br>(9) | Mid-year GPIS<br>for Depreciation<br>(10) |
|----------|---|------------------------------|---------------|--------------------------|----------------------|----------------------|--------------------|-------------------------------|------------------------------|---|
| 1        | <b>GENERAL PLANT &amp; EQUIPMENT</b>    |                              |               |                          |                      |                      |                    |                               |                              |   |
| 2        | 480-00 Land in Fee Simple               | \$ 1                         | \$ -          | \$ -                     | \$ -                 | \$ -                 | \$ -               | \$ -                          | \$ 1                         | \$ 1                                      |
| 3        | 481-00 Land Rights                      | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 4        | 482-00 Structures & Improvements        | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 5        | - Frame Buildings                       | 242                          | -             | -                        | -                    | -                    | -                  | -                             | 242                          | 242                                       |
| 6        | - Masonry Buildings                     | 278                          | -             | 129                      | -                    | -                    | -                  | -                             | 407                          | 343                                       |
| 7        | - Leasehold Improvement                 | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 8        | Office Equipment & Furniture            | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 9        | 483-30 GP Office Equipment              | 12                           | -             | -                        | -                    | -                    | -                  | -                             | 12                           | 12  |
| 10       | 483-40 GP Furniture                     | 25                           | -             | -                        | -                    | -                    | -                  | -                             | 25                           | 25  |
| 11       | 483-10 GP Computer Hardware             | 182                          | -             | -                        | -                    | -                    | -                  | -                             | 182                          | 182                                       |
| 12       | 483-20 GP Computer Software             | 130                          | -             | -                        | -                    | -                    | -                  | -                             | 130                          | 130                                       |
| 13       | 483-21 GP Computer Software             | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 14       | 483-22 GP Computer Software             | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 15       | 484-00 Vehicles                         | 11                           | -             | -                        | -                    | -                    | -                  | -                             | 11                           | 11  |
| 16       | 484-00 Vehicles - Leased                | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 17       | 485-10 Heavy Work Equipment             | 3                            | -             | -                        | -                    | -                    | -                  | -                             | 3                            | 3   |
| 18       | 485-20 Heavy Mobile Equipment           | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 19       | 486-00 Small Tools & Equipment          | 92                           | -             | 10                       | -                    | -                    | (3)                | -                             | 99                           | 96  |
| 20       | 487-00 Equipment on Customer's Premises | (15)                         | -             | -                        | -                    | -                    | -                  | -                             | (15)                         | (15)                                      |
| 21       | - VRA Compressor Installation Costs     | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 22       | 488-00 Communications Equipment         | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 23       | - Telephone                             | 25                           | -             | -                        | -                    | -                    | -                  | -                             | 25                           | 25  |
| 24       | - Radio                                 | 2                            | -             | -                        | -                    | -                    | -                  | -                             | 2                            | 2   |
| 25       | 489-00 Other General Equipment          | (2)                          | -             | -                        | -                    | -                    | -                  | -                             | (2)                          | (2)                                       |
| 26       | TOTAL GENERAL                           | <u>986</u>                   | <u>-</u>      | <u>139</u>               | <u>-</u>             | <u>-</u>             | <u>(3)</u>         | <u>-</u>                      | <u>1,122</u>                 | <u>1,054</u>                              |
| 27       |   |                              |               |                          |                      |                      |                    |                               |                              |   |
| 28       | <b>UNCLASSIFIED PLANT</b>               |                              |               |                          |                      |                      |                    |                               |                              |   |
| 29       | 499 Plant Suspense                      | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 30       | TOTAL UNCLASSIFIED                      | <u>-</u>                     | <u>-</u>      | <u>-</u>                 | <u>-</u>             | <u>-</u>             | <u>-</u>           | <u>-</u>                      | <u>-</u>                     | <u>-</u>                                  |
| 31       |   |                              |               |                          |                      |                      |                    |                               |                              |   |
| 32       | TOTAL CAPITAL                           | <u>\$ 8,780</u>              | <u>\$ -</u>   | <u>\$ 3,575</u>          | <u>\$ 90</u>         | <u>\$ 121</u>        | <u>\$ (3)</u>      | <u>\$ -</u>                   | <u>\$ 12,563</u>             | <u>\$ 10,672</u>                          |
| 33       |   |                              |               |                          |                      |                      |                    |                               |                              |   |
| 34       | Cross Reference                         |                              |               |                          |                      |                      |                    |                               |                              |   |
| 35       |   |                              |               |                          |                      |                      |                    |                               |                              |   |

- Sect 7-TAB 7.4, Schedule 40

- Sect 7-TAB 7.4, Schedule 42

- Sect 7-TAB 7.4, Schedule 40

- Sect 7-TAB 7.4, Schedule 57





GAS PLANT IN SERVICE CONTINUITY SCHEDULE (Continued)  
 FOR THE YEAR ENDING DECEMBER 31, 2013  
 (\$000s)

| Line No. | Particulars<br>(1)                      | Balance<br>12/31/2012<br>(2) | CPCN'S<br>(3) | 2013<br>Additions<br>(4) | 2013<br>AFUDC<br>(5) | 2013<br>CapOH<br>(6) | Retirements<br>(7) | Transfers/<br>Recovery<br>(8) | Balance<br>12/31/2013<br>(9) | Mid-year GPIS<br>for Depreciation<br>(10) |
|----------|---|------------------------------|---------------|--------------------------|----------------------|----------------------|--------------------|-------------------------------|------------------------------|---|
| 1        | <b>GENERAL PLANT &amp; EQUIPMENT</b>    |                              |               |                          |                      |                      |                    |                               |                              |   |
| 2        | 480-00 Land in Fee Simple               | \$ 1                         | \$ -          | \$ -                     | \$ -                 | \$ -                 | \$ -               | \$ -                          | \$ 1                         | \$ 1                                      |
| 3        | 481-00 Land Rights                      | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 4        | 482-00 Structures & Improvements        | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 5        | - Frame Buildings                       | 242                          | -             | -                        | -                    | -                    | -                  | -                             | 242                          | 242                                       |
| 6        | - Masonry Buildings                     | 407                          | -             | -                        | -                    | -                    | -                  | -                             | 407                          | 407                                       |
| 7        | - Leasehold Improvement                 | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 8        | Office Equipment & Furniture            | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 9        | 483-30 GP Office Equipment              | 12                           | -             | -                        | -                    | -                    | -                  | -                             | 12                           | 12  |
| 10       | 483-40 GP Furniture                     | 25                           | -             | -                        | -                    | -                    | -                  | -                             | 25                           | 25  |
| 11       | 483-10 GP Computer Hardware             | 182                          | -             | -                        | -                    | -                    | -                  | -                             | 182                          | 182                                       |
| 12       | 483-20 GP Computer Software             | 130                          | -             | -                        | -                    | -                    | -                  | -                             | 130                          | 130                                       |
| 13       | 483-21 GP Computer Software             | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 14       | 483-22 GP Computer Software             | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 15       | 484-00 Vehicles                         | 11                           | -             | -                        | -                    | -                    | -                  | -                             | 11                           | 11  |
| 16       | 484-00 Vehicles - Leased                | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 17       | 485-10 Heavy Work Equipment             | 3                            | -             | -                        | -                    | -                    | -                  | -                             | 3                            | 3   |
| 18       | 485-20 Heavy Mobile Equipment           | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 19       | 486-00 Small Tools & Equipment          | 99                           | -             | 10                       | -                    | -                    | (7)                | -                             | 102                          | 101                                       |
| 20       | 487-00 Equipment on Customer's Premises | (15)                         | -             | -                        | -                    | -                    | -                  | -                             | (15)                         | (15)                                      |
| 21       | - VRA Compressor Installation Costs     | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 22       | 488-00 Communications Equipment         | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 23       | - Telephone                             | 25                           | -             | -                        | -                    | -                    | -                  | -                             | 25                           | 25  |
| 24       | - Radio                                 | 2                            | -             | -                        | -                    | -                    | -                  | -                             | 2                            | 2   |
| 25       | 489-00 Other General Equipment          | (2)                          | -             | -                        | -                    | -                    | -                  | -                             | (2)                          | (2)                                       |
| 26       | TOTAL GENERAL                           | 1,122                        | -             | 10                       | -                    | -                    | (7)                | -                             | 1,125                        | 1,124                                     |
| 27       |   |                              |               |                          |                      |                      |                    |                               |                              |   |
| 28       | <b>UNCLASSIFIED PLANT</b>               |                              |               |                          |                      |                      |                    |                               |                              |   |
| 29       | 499 Plant Suspense                      | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 30       | TOTAL UNCLASSIFIED                      | -                            | -             | -                        | -                    | -                    | -                  | -                             | -                            | -   |
| 31       |   |                              |               |                          |                      |                      |                    |                               |                              |   |
| 32       | TOTAL CAPITAL                           | \$ 12,563                    | \$ -          | \$ 276                   | \$ -                 | \$ 125               | \$ (7)             | \$ -                          | \$ 12,957                    | \$ 12,760                                 |
| 33       |   |                              |               |                          |                      |                      |                    |                               |                              |   |
| 34       | Cross Reference                         |                              |               |                          |                      |                      |                    |                               |                              |   |
| 35       |   |                              |               |                          |                      |                      |                    |                               |                              |   |

- Sect 7-TAB 7.4, Schedule 41  
 - Sect 7-TAB 7.4, Schedule 42

- Sect 7-TAB 7.4, Schedule 41  
 - Sect 7-TAB 7.4, Schedule 60

DEPRECIATION AND AMORTIZATION CONTINUITY SCHEDULE  
FOR THE YEAR ENDING DECEMBER 31, 2011  
(\$000s)

| Line No. | Particulars<br>(1)                          | Mid-year GPIS<br>for Depreciation<br>(2) | Annual<br>Depreciation<br>Rate %<br>(3) | Provision            |                         |                    | Accumulated       |                   |
|----------|---|--|---|----------------------|-------------------------|--------------------|-------------------|-------------------|
|          |   |  |   | 2011<br>(Cr.)<br>(4) | Adjust-<br>ments<br>(5) | Retirements<br>(6) | 12/31/2010<br>(7) | 12/31/2011<br>(8) |
| 1        | <b>INTANGIBLE PLANT</b>                     |  |   |                      |                         |                    |                   |                   |
| 2        | 117-00 Utility Plant Acquisition Adjustment | \$ -                                     | 0.00%                                   | \$ -                 | \$ -                    | \$ -               | \$ -              | \$ -              |
| 3        | 175-00 Unamortized Conversion Expense       | -  | 1.00%                                   | -                    | -                       | -                  | -                 | -                 |
| 4        | 178-00 Organization Expense                 | -  | 1.00%                                   | -                    | -                       | -                  | -                 | -                 |
| 5        | 179-01 Other Deferred Charges               | -  | 0.00%                                   | -                    | -                       | -                  | -                 | -                 |
| 6        | 401-00 Franchise and Consents               | -  | 19.76%                                  | -                    | -                       | -                  | -                 | -                 |
| 7        | 402-00 Utility Plant Acquisition Adjustment | -  | 23.66%                                  | -                    | -                       | -                  | -                 | -                 |
| 8        | 402-00 Other Intangible Plant               | -  | 2.14%                                   | -                    | -                       | -                  | -                 | -                 |
| 9        | 431-00 Mfg'd Gas Land Rights                | -  | 0.00%                                   | -                    | -                       | -                  | -                 | -                 |
| 10       | 461-00 Transmission Land Rights             | 9  | 0.00%                                   | -                    | -                       | -                  | -                 | -                 |
| 11       | 461-13 IP Land Rights Whistler              | -  | 0.00%                                   | -                    | -                       | -                  | -                 | -                 |
| 12       | 471-00 Distribution Land Rights             | 21                                       | 0.00%                                   | -                    | -                       | -                  | -                 | -                 |
| 13       | 402-01 Application Software - 12.5%         | -  | 12.50%                                  | -                    | -                       | -                  | -                 | -                 |
| 14       | 402-02 Application Software - 20%           | -  | 20.00%                                  | -                    | -                       | -                  | -                 | -                 |
| 15       | <b>TOTAL INTANGIBLE</b>                     | <u>30</u>                                |   | <u>-</u>             | <u>-</u>                | <u>-</u>           | <u>-</u>          | <u>-</u>          |





DEPRECIATION AND AMORTIZATION CONTINUITY SCHEDULE (Continued)  
 FOR THE YEAR ENDING DECEMBER 31, 2011  
 (\$000s)

| Line No. | Particulars<br>(1)                      | Mid-year GPIS for Depreciation<br>(2) | Annual Depreciation Rate %<br>(3) | Provision                     |                               |                    | Accumulated                   |                   |
|----------|---|---------------------------------------|-----------------------------------|-------------------------------|-------------------------------|--------------------|-------------------------------|-------------------|
|          |   |                                       |                                   | 2011 (Cr.)<br>(4)             | Adjustments<br>(5)            | Retirements<br>(6) | 12/31/2010<br>(7)             | 12/31/2011<br>(8) |
| 1        | <b>GENERAL PLANT &amp; EQUIPMENT</b>    |                                       |                                   |                               |                               |                    |                               |                   |
| 2        | 480-00 Land in Fee Simple               | \$ 1                                  | 0.00%                             | \$ -                          | \$ -                          | \$ -               | \$ -                          | \$ -              |
| 3        | 481-00 Land Rights                      | -                                     | 0.00%                             | -                             | -                             | -                  | -                             | -                 |
| 4        | 482-00 Structures & Improvements        | -                                     | 0.00%                             | -                             | -                             | -                  | -                             | -                 |
| 5        | - Frame Buildings                       | 242                                   | 3.67%                             | 9                             | -                             | -                  | 9                             | 18                |
| 6        | - Masonry Buildings                     | 351                                   | 2.50%                             | 9                             | -                             | (146)              | 182                           | 45                |
| 7        | - Leasehold Improvement                 | -                                     | 0.00%                             | -                             | -                             | -                  | 7                             | 7                 |
| 8        | Office Equipment & Furniture            | -                                     | 0.00%                             | -                             | -                             | -                  | -                             | -                 |
| 9        | 483-30 GP Office Equipment              | 12                                    | 6.67%                             | 1                             | -                             | -                  | 20                            | 21                |
| 10       | 483-40 GP Furniture                     | 25                                    | 5.00%                             | 1                             | -                             | -                  | -                             | 1                 |
| 11       | 483-10 GP Computer Hardware             | 182                                   | 20.00%                            | 36                            | -                             | -                  | 229                           | 265               |
| 12       | 483-20 GP Computer Software             | 130                                   | 12.50%                            | 16                            | -                             | -                  | 7                             | 23                |
| 13       | 483-21 GP Computer Software             | -                                     | 20.00%                            | -                             | -                             | -                  | -                             | -                 |
| 14       | 483-22 GP Computer Software             | -                                     | 0.00%                             | -                             | -                             | -                  | -                             | -                 |
| 15       | 484-00 Vehicles                         | 11                                    | 7.70%                             | 1                             | -                             | -                  | (26)                          | (25)              |
| 16       | 484-00 Vehicles - Leased                | -                                     | 0.00%                             | -                             | -                             | -                  | -                             | -                 |
| 17       | 485-10 Heavy Work Equipment             | 3                                     | 6.64%                             | -                             | -                             | -                  | (52)                          | (52)              |
| 18       | 485-20 Heavy Mobile Equipment           | -                                     | 8.48%                             | -                             | -                             | -                  | -                             | -                 |
| 19       | 486-00 Small Tools & Equipment          | 88                                    | 5.00%                             | 4                             | -                             | -                  | 55                            | 59                |
| 20       | 487-00 Equipment on Customer's Premises | (8)                                   | 6.67%                             | (1)                           | -                             | (15)               | -                             | (16)              |
| 21       | - VRA Compressor Installation Costs     | -                                     | 0.00%                             | -                             | -                             | -                  | -                             | -                 |
| 22       | 488-00 Communications Equipment         | -                                     | 0.00%                             | -                             | -                             | -                  | -                             | -                 |
| 23       | - Telephone                             | 25                                    | 6.67%                             | 2                             | -                             | -                  | 26                            | 28                |
| 24       | - Radio                                 | 2                                     | 6.67%                             | -                             | -                             | -                  | 8                             | 8                 |
| 25       | 489-00 Other General Equipment          | (1)                                   | 0.00%                             | -                             | -                             | (2)                | -                             | (2)               |
| 26       | TOTAL GENERAL                           | <u>1,064</u>                          |                                   | <u>78</u>                     | <u>-</u>                      | <u>(163)</u>       | <u>465</u>                    | <u>380</u>        |
| 27       |   |                                       |                                   |                               |                               |                    |                               |                   |
| 28       | <b>UNCLASSIFIED PLANT</b>               |                                       |                                   |                               |                               |                    |                               |                   |
| 29       | 499 Plant Suspense                      | -                                     | 0.00%                             | -                             | -                             | -                  | -                             | -                 |
| 30       | TOTAL UNCLASSIFIED                      | <u>-</u>                              |                                   | <u>-</u>                      | <u>-</u>                      | <u>-</u>           | <u>-</u>                      | <u>-</u>          |
| 31       |   |                                       |                                   |                               |                               |                    |                               |                   |
| 32       | TOTALS                                  | <u>\$ 8,711</u>                       |                                   | <u>\$ 325</u>                 | <u>\$ -</u>                   | <u>\$ (196)</u>    | <u>\$ 2,213</u>               | <u>\$ 2,342</u>   |
| 33       |   |                                       |                                   |                               |                               |                    |                               |                   |
| 34       | Cross Reference                         |                                       |                                   | - Sect 7-TAB 7.4, Schedule 45 | - Sect 7-TAB 7.4, Schedule 27 |                    | - Sect 7-TAB 7.4, Schedule 39 |                   |

DEPRECIATION AND AMORTIZATION CONTINUITY SCHEDULE  
FOR THE YEAR ENDING DECEMBER 31, 2012  
(\$000s)

| Line No. | Particulars<br>(1)                          | Mid-year GPIS for Depreciation<br>(2) | Annual Depreciation Rate %<br>(3) | Provision         |                    |                    | Accumulated       |                   |
|----------|---|---------------------------------------|-----------------------------------|-------------------|--------------------|--------------------|-------------------|-------------------|
|          |   |                                       |                                   | 2012 (Cr.)<br>(4) | Adjustments<br>(5) | Retirements<br>(6) | 12/31/2011<br>(7) | 12/31/2012<br>(8) |
| 1        | <b>INTANGIBLE PLANT</b>                     |                                       |                                   |                   |                    |                    |                   |                   |
| 2        | 117-00 Utility Plant Acquisition Adjustment | \$ -                                  | 0.00%                             | \$ -              | \$ -               | \$ -               | \$ -              | \$ -              |
| 3        | 175-00 Unamortized Conversion Expense       | -                                     | 1.00%                             | -                 | -                  | -                  | -                 | -                 |
| 4        | 178-00 Organization Expense                 | -                                     | 1.00%                             | -                 | -                  | -                  | -                 | -                 |
| 5        | 179-01 Other Deferred Charges               | -                                     | 0.00%                             | -                 | -                  | -                  | -                 | -                 |
| 6        | 401-00 Franchise and Consents               | -                                     | 49.19%                            | -                 | -                  | -                  | -                 | -                 |
| 7        | 402-00 Utility Plant Acquisition Adjustment | -                                     | 57.14%                            | -                 | -                  | -                  | -                 | -                 |
| 8        | 402-00 Other Intangible Plant               | -                                     | 2.38%                             | -                 | -                  | -                  | -                 | -                 |
| 9        | 431-00 Mfg'd Gas Land Rights                | -                                     | 0.00%                             | -                 | -                  | -                  | -                 | -                 |
| 10       | 461-00 Transmission Land Rights             | 9                                     | 0.00%                             | -                 | -                  | -                  | -                 | -                 |
| 11       | 461-13 IP Land Rights Whistler              | -                                     | 0.00%                             | -                 | -                  | -                  | -                 | -                 |
| 12       | 471-00 Distribution Land Rights             | 21                                    | 0.00%                             | -                 | -                  | -                  | -                 | -                 |
| 13       | 402-01 Application Software - 12.5%         | -                                     | 12.50%                            | -                 | -                  | -                  | -                 | -                 |
| 14       | 402-02 Application Software - 20%           | -                                     | 20.00%                            | -                 | -                  | -                  | -                 | -                 |
| 15       | <b>TOTAL INTANGIBLE</b>                     | <u>30</u>                             |                                   | <u>-</u>          | <u>-</u>           | <u>-</u>           | <u>-</u>          | <u>-</u>          |



DEPRECIATION AND AMORTIZATION CONTINUITY SCHEDULE (Continued)  
 FOR THE YEAR ENDING DECEMBER 31, 2012  
 (\$000s)

| Line No. | Particulars                             | Mid-year GPIS for Depreciation (2) | Annual Depreciation Rate % (3) | Provision                     |                 |                 | Accumulated                   |                 |
|----------|---|------------------------------------|--------------------------------|-------------------------------|-----------------|-----------------|-------------------------------|-----------------|
|          |   |                                    |                                | 2012 (Cr.) (4)                | Adjustments (5) | Retirements (6) | 12/31/2011 (7)                | 12/31/2012 (8)  |
| 1        | <b>GENERAL PLANT &amp; EQUIPMENT</b>    |                                    |                                |                               |                 |                 |                               |                 |
| 2        | 480-00 Land in Fee Simple               | \$ 1                               | 0.00%                          | \$ -                          | \$ -            | \$ -            | \$ -                          | \$ -            |
| 3        | 481-00 Land Rights                      | -                                  | 0.00%                          | -                             | -               | -               | -                             | -               |
| 4        | 482-00 Structures & Improvements        | -                                  | 0.00%                          | -                             | -               | -               | -                             | -               |
| 5        | - Frame Buildings                       | 242                                | 4.82%                          | 12                            | -               | -               | 18                            | 30              |
| 6        | - Masonry Buildings                     | 343                                | 2.23%                          | 8                             | -               | -               | 45                            | 53              |
| 7        | - Leasehold Improvement                 | -                                  | 0.00%                          | -                             | -               | -               | 7                             | 7               |
| 8        | Office Equipment & Furniture            | -                                  | 0.00%                          | -                             | -               | -               | -                             | -               |
| 9        | 483-30 GP Office Equipment              | 12                                 | 6.67%                          | 1                             | -               | -               | 21                            | 22              |
| 10       | 483-40 GP Furniture                     | 25                                 | 5.00%                          | 1                             | -               | -               | 1                             | 2               |
| 11       | 483-10 GP Computer Hardware             | 182                                | 20.00%                         | 36                            | -               | -               | 265                           | 301             |
| 12       | 483-20 GP Computer Software             | 130                                | 12.50%                         | 16                            | -               | -               | 23                            | 39              |
| 13       | 483-21 GP Computer Software             | -                                  | 20.00%                         | -                             | -               | -               | -                             | -               |
| 14       | 483-22 GP Computer Software             | -                                  | 0.00%                          | -                             | -               | -               | -                             | -               |
| 15       | 484-00 Vehicles                         | 11                                 | 5.16%                          | 1                             | -               | -               | (25)                          | (24)            |
| 16       | 484-00 Vehicles - Leased                | -                                  | 0.00%                          | -                             | -               | -               | -                             | -               |
| 17       | 485-10 Heavy Work Equipment             | 3                                  | 8.96%                          | -                             | -               | -               | (52)                          | (52)            |
| 18       | 485-20 Heavy Mobile Equipment           | -                                  | 18.06%                         | -                             | -               | -               | -                             | -               |
| 19       | 486-00 Small Tools & Equipment          | 96                                 | 5.00%                          | 5                             | -               | (3)             | 59                            | 61              |
| 20       | 487-00 Equipment on Customer's Premises | (15)                               | 6.67%                          | (1)                           | -               | -               | (16)                          | (17)            |
| 21       | - VRA Compressor Installation Costs     | -                                  | 0.00%                          | -                             | -               | -               | -                             | -               |
| 22       | 488-00 Communications Equipment         | -                                  | 0.00%                          | -                             | -               | -               | -                             | -               |
| 23       | - Telephone                             | 25                                 | 6.67%                          | 2                             | -               | -               | 28                            | 30              |
| 24       | - Radio                                 | 2                                  | 6.67%                          | -                             | -               | -               | 8                             | 8               |
| 25       | 489-00 Other General Equipment          | (2)                                | 0.00%                          | -                             | -               | -               | (2)                           | (2)             |
| 26       | TOTAL GENERAL                           | <u>1,054</u>                       |                                | <u>81</u>                     | <u>-</u>        | <u>(3)</u>      | <u>380</u>                    | <u>458</u>      |
| 27       |   |                                    |                                |                               |                 |                 |                               |                 |
| 28       | <b>UNCLASSIFIED PLANT</b>               |                                    |                                |                               |                 |                 |                               |                 |
| 29       | 499 Plant Suspense                      | -                                  | 0.00%                          | -                             | -               | -               | -                             | -               |
| 30       | TOTAL UNCLASSIFIED                      | <u>-</u>                           |                                | <u>-</u>                      | <u>-</u>        | <u>-</u>        | <u>-</u>                      | <u>-</u>        |
| 31       |   |                                    |                                |                               |                 |                 |                               |                 |
| 32       | TOTALS                                  | <u>\$ 10,672</u>                   |                                | <u>\$ 334</u>                 | <u>\$ -</u>     | <u>\$ (3)</u>   | <u>\$ 2,342</u>               | <u>\$ 2,673</u> |
| 33       |   |                                    |                                |                               |                 |                 |                               |                 |
| 34       | Cross Reference                         | - Sect 7-TAB 7.4, Schedule 48      |                                | - Sect 7-TAB 7.4, Schedule 28 |                 |                 | - Sect 7-TAB 7.4, Schedule 40 |                 |

DEPRECIATION AND AMORTIZATION CONTINUITY SCHEDULE  
 FOR THE YEAR ENDING DECEMBER 31, 2013  
 (\$000s)

| Line No. | Particulars<br>(1)                          | Mid-year GPIS<br>for Depreciation<br>(2) | Annual<br>Depreciation<br>Rate %<br>(3) | Provision            |                         |                    | Accumulated       |                   |
|----------|---|--|---|----------------------|-------------------------|--------------------|-------------------|-------------------|
|          |   |  |   | 2013<br>(Cr.)<br>(4) | Adjust-<br>ments<br>(5) | Retirements<br>(6) | 12/31/2012<br>(7) | 12/31/2013<br>(8) |
| 1        | <b>INTANGIBLE PLANT</b>                     |  |   |                      |                         |                    |                   |                   |
| 2        | 117-00 Utility Plant Acquisition Adjustment | \$ -                                     | 0.00%                                   | \$ -                 | \$ -                    | \$ -               | \$ -              | \$ -              |
| 3        | 175-00 Unamortized Conversion Expense       | -  | 1.00%                                   | -                    | -                       | -                  | -                 | -                 |
| 4        | 178-00 Organization Expense                 | -  | 1.00%                                   | -                    | -                       | -                  | -                 | -                 |
| 5        | 179-01 Other Deferred Charges               | -  | 0.00%                                   | -                    | -                       | -                  | -                 | -                 |
| 6        | 401-00 Franchise and Consents               | -  | 49.19%                                  | -                    | -                       | -                  | -                 | -                 |
| 7        | 402-00 Utility Plant Acquisition Adjustment | -  | 57.14%                                  | -                    | -                       | -                  | -                 | -                 |
| 8        | 402-00 Other Intangible Plant               | -  | 2.38%                                   | -                    | -                       | -                  | -                 | -                 |
| 9        | 431-00 Mfg'd Gas Land Rights                | -  | 0.00%                                   | -                    | -                       | -                  | -                 | -                 |
| 10       | 461-00 Transmission Land Rights             | 9  | 0.00%                                   | -                    | -                       | -                  | -                 | -                 |
| 11       | 461-13 IP Land Rights Whistler              | -  | 0.00%                                   | -                    | -                       | -                  | -                 | -                 |
| 12       | 471-00 Distribution Land Rights             | 21                                       | 0.00%                                   | -                    | -                       | -                  | -                 | -                 |
| 13       | 402-01 Application Software - 12.5%         | -  | 12.50%                                  | -                    | -                       | -                  | -                 | -                 |
| 14       | 402-02 Application Software - 20%           | -  | 20.00%                                  | -                    | -                       | -                  | -                 | -                 |
| 15       | TOTAL INTANGIBLE                            | <u>30</u>                                |   | <u>-</u>             | <u>-</u>                | <u>-</u>           | <u>-</u>          | <u>-</u>          |



DEPRECIATION AND AMORTIZATION CONTINUITY SCHEDULE (Continued)  
 FOR THE YEAR ENDING DECEMBER 31, 2013  
 (\$000s)

| Line No. | Particulars<br>(1)                      | Mid-year GPIS<br>for Depreciation<br>(2) | Annual<br>Depreciation<br>Rate %<br>(3) | Provision                     |                               |                    | Accumulated                   |                   |
|----------|---|--|---|-------------------------------|-------------------------------|--------------------|-------------------------------|-------------------|
|          |   |  |   | 2013<br>(Cr.)<br>(4)          | Adjust-<br>ments<br>(5)       | Retirements<br>(6) | 12/31/2012<br>(7)             | 12/31/2013<br>(8) |
| 1        | <b>GENERAL PLANT &amp; EQUIPMENT</b>    |  |   |                               |                               |                    |                               |                   |
| 2        | 480-00 Land in Fee Simple               | \$ 1                                     | 0.00%                                   | \$ -                          | \$ -                          | \$ -               | \$ -                          | \$ -              |
| 3        | 481-00 Land Rights                      | -  | 0.00%                                   | -                             | -                             | -                  | -                             | -                 |
| 4        | 482-00 Structures & Improvements        | -  | 0.00%                                   | -                             | -                             | -                  | -                             | -                 |
| 5        | - Frame Buildings                       | 242                                      | 4.82%                                   | 12                            | -                             | -                  | 30                            | 42                |
| 6        | - Masonry Buildings                     | 407                                      | 2.23%                                   | 9                             | -                             | -                  | 53                            | 62                |
| 7        | - Leasehold Improvement                 | -  | 10.00%                                  | -                             | -                             | -                  | 7                             | 7                 |
| 8        | Office Equipment & Furniture            | -  | 0.00%                                   | -                             | -                             | -                  | -                             | -                 |
| 9        | 483-30 GP Office Equipment              | 12                                       | 6.67%                                   | 1                             | -                             | -                  | 22                            | 23                |
| 10       | 483-40 GP Furniture                     | 25                                       | 5.00%                                   | 1                             | -                             | -                  | 2                             | 3                 |
| 11       | 483-10 GP Computer Hardware             | 182                                      | 20.00%                                  | 36                            | -                             | -                  | 301                           | 337               |
| 12       | 483-20 GP Computer Software             | 130                                      | 12.50%                                  | 16                            | -                             | -                  | 39                            | 55                |
| 13       | 483-21 GP Computer Software             | -  | 20.00%                                  | -                             | -                             | -                  | -                             | -                 |
| 14       | 483-22 GP Computer Software             | -  | 0.00%                                   | -                             | -                             | -                  | -                             | -                 |
| 15       | 484-00 Vehicles                         | 11                                       | 5.16%                                   | 1                             | -                             | -                  | (24)                          | (23)              |
| 16       | 484-00 Vehicles - Leased                | -  | 0.00%                                   | -                             | -                             | -                  | -                             | -                 |
| 17       | 485-10 Heavy Work Equipment             | 3  | 8.96%                                   | -                             | -                             | -                  | (52)                          | (52)              |
| 18       | 485-20 Heavy Mobile Equipment           | -  | 18.06%                                  | -                             | -                             | -                  | -                             | -                 |
| 19       | 486-00 Small Tools & Equipment          | 101                                      | 5.00%                                   | 5                             | -                             | (7)                | 61                            | 59                |
| 20       | 487-00 Equipment on Customer's Premises | (15)                                     | 6.67%                                   | (1)                           | -                             | -                  | (17)                          | (18)              |
| 21       | - VRA Compressor Installation Costs     | -  | 0.00%                                   | -                             | -                             | -                  | -                             | -                 |
| 22       | 488-00 Communications Equipment         | -  | 0.00%                                   | -                             | -                             | -                  | -                             | -                 |
| 23       | - Telephone                             | 25                                       | 6.67%                                   | 2                             | -                             | -                  | 30                            | 32                |
| 24       | - Radio                                 | 2  | 6.67%                                   | -                             | -                             | -                  | 8                             | 8                 |
| 25       | 489-00 Other General Equipment          | (2)                                      | 0.00%                                   | -                             | -                             | -                  | (2)                           | (2)               |
| 26       | TOTAL GENERAL                           | <u>1,124</u>                             |   | <u>82</u>                     | <u>-</u>                      | <u>(7)</u>         | <u>458</u>                    | <u>533</u>        |
| 27       |   |  |   |                               |                               |                    |                               |                   |
| 28       | <b>UNCLASSIFIED PLANT</b>               |  |   |                               |                               |                    |                               |                   |
| 29       | 499 Plant Suspense                      | -  | 0.00%                                   | -                             | -                             | -                  | -                             | -                 |
| 30       | TOTAL UNCLASSIFIED                      | <u>-</u>                                 |   | <u>-</u>                      | <u>-</u>                      | <u>-</u>           | <u>-</u>                      | <u>-</u>          |
| 31       |   |  |   |                               |                               |                    |                               |                   |
| 32       | TOTALS                                  | <u>\$ 12,760</u>                         |   | <u>\$ 367</u>                 | <u>\$ -</u>                   | <u>\$ (7)</u>      | <u>\$ 2,673</u>               | <u>\$ 3,033</u>   |
| 33       |   |  |   |                               |                               |                    |                               |                   |
| 34       | Cross Reference                         |  |   | - Sect 7-TAB 7.4, Schedule 51 | - Sect 7-TAB 7.4, Schedule 29 |                    | - Sect 7-TAB 7.4, Schedule 41 |                   |



FORTISBC ENERGY INC. - Fort Nelson

BCUC Order No. G-177-11

Section 7  
TAB 7.4  
Schedule 63

CONTRIBUTIONS IN AID OF CONSTRUCTION  
FOR THE YEAR ENDING DECEMBER 31, 2011  
(\$000s)

| Line No. | Particulars<br>(1)         | Balance           | Adjustment  | 2011           |                  | Balance            | Cross Reference<br>(7)        |
|----------|----------------------------|-------------------|-------------|----------------|------------------|--------------------|-------------------------------|
|          |                            | 12/31/2010<br>(2) |             | (3)            | Additions<br>(4) | Retirements<br>(5) |                               |
| 1        | <b>CIAC</b>                |                   |             |                |                  |                    |                               |
| 2        |                            |                   |             |                |                  |                    |                               |
| 3        | Distribution Contributions | \$ 1,287          | \$ -        | \$ -           | \$ -             | \$ 1,287           |                               |
| 4        |                            |                   |             |                |                  |                    |                               |
| 5        | TOTAL Contributions        | 1,287             | -           | -              | -                | 1,287              | - Sect 7-TAB 7.4, Schedule 39 |
| 6        |                            |                   |             |                |                  |                    |                               |
| 7        |                            |                   |             |                |                  |                    |                               |
| 8        |                            |                   |             |                |                  |                    |                               |
| 9        | <b>Amortization</b>        |                   |             |                |                  |                    |                               |
| 10       |                            |                   |             |                |                  |                    |                               |
| 11       | Distribution Contributions | (490)             | -           | (32)           | -                | (522)              |                               |
| 12       |                            |                   |             |                |                  |                    |                               |
| 13       | TOTAL CIAC Amortization    | (490)             | -           | (32)           | -                | (522)              | - Sect 7-TAB 7.4, Schedule 39 |
| 14       |                            |                   |             |                |                  |                    |                               |
| 15       | <b>NET CONTRIBUTIONS</b>   | <u>\$ 797</u>     | <u>\$ -</u> | <u>\$ (32)</u> | <u>\$ -</u>      | <u>\$ 765</u>      |                               |

CONTRIBUTIONS IN AID OF CONSTRUCTION  
FOR THE YEAR ENDING DECEMBER 31, 2012  
(\$000s)

| Line No. | Particulars<br>(1)         | Balance           | Adjustment  | 2012           |                  | Balance            | Cross Reference               |
|----------|----------------------------|-------------------|-------------|----------------|------------------|--------------------|-------------------------------|
|          |                            | 12/31/2011<br>(2) |             | (3)            | Additions<br>(4) | Retirements<br>(5) |                               |
| 1        | <b>CIAC</b>                |                   |             |                |                  |                    |                               |
| 2        |                            |                   |             |                |                  |                    |                               |
| 3        | Distribution Contributions | \$ 1,287          | \$ -        | \$ -           | \$ -             | \$ 1,287           |                               |
| 4        |                            |                   |             |                |                  |                    |                               |
| 5        | TOTAL Contributions        | 1,287             | -           | -              | -                | 1,287              | - Sect 7-TAB 7.4, Schedule 40 |
| 6        |                            |                   |             |                |                  |                    |                               |
| 7        |                            |                   |             |                |                  |                    |                               |
| 8        |                            |                   |             |                |                  |                    |                               |
| 9        | <b>Amortization</b>        |                   |             |                |                  |                    |                               |
| 10       |                            |                   |             |                |                  |                    |                               |
| 11       | Distribution Contributions | (522)             | -           | (34)           | -                | (556)              |                               |
| 12       |                            |                   |             |                |                  |                    |                               |
| 13       | TOTAL CIAC Amortization    | (522)             | -           | (34)           | -                | (556)              | - Sect 7-TAB 7.4, Schedule 40 |
| 14       |                            |                   |             |                |                  |                    |                               |
| 15       | <b>NET CONTRIBUTIONS</b>   | <u>\$ 765</u>     | <u>\$ -</u> | <u>\$ (34)</u> | <u>\$ -</u>      | <u>\$ 731</u>      |                               |

CONTRIBUTIONS IN AID OF CONSTRUCTION  
FOR THE YEAR ENDING DECEMBER 31, 2013  
(\$000s)

| Line No. | Particulars<br>(1)         | Balance           | Adjustment  | 2013           |                  | Balance            | Cross Reference<br>(7)        |
|----------|----------------------------|-------------------|-------------|----------------|------------------|--------------------|-------------------------------|
|          |                            | 12/31/2012<br>(2) |             | (3)            | Additions<br>(4) | Retirements<br>(5) |                               |
| 1        | <b>CIAC</b>                |                   |             |                |                  |                    |                               |
| 2        |                            |                   |             |                |                  |                    |                               |
| 3        | Distribution Contributions | \$ 1,287          | \$ -        | \$ -           | \$ -             | \$ 1,287           |                               |
| 4        |                            |                   |             |                |                  |                    |                               |
| 5        | TOTAL Contributions        | 1,287             | -           | -              | -                | 1,287              | - Sect 7-TAB 7.4, Schedule 41 |
| 6        |                            |                   |             |                |                  |                    |                               |
| 7        |                            |                   |             |                |                  |                    |                               |
| 8        |                            |                   |             |                |                  |                    |                               |
| 9        | <b>Amortization</b>        |                   |             |                |                  |                    |                               |
| 10       |                            |                   |             |                |                  |                    |                               |
| 11       | Distribution Contributions | (556)             | -           | (34)           | -                | (590)              |                               |
| 12       |                            |                   |             |                |                  |                    |                               |
| 13       | TOTAL CIAC Amortization    | (556)             | -           | (34)           | -                | (590)              | - Sect 7-TAB 7.4, Schedule 41 |
| 14       |                            |                   |             |                |                  |                    |                               |
| 15       | <b>NET CONTRIBUTIONS</b>   | <u>\$ 731</u>     | <u>\$ -</u> | <u>\$ (34)</u> | <u>\$ -</u>      | <u>\$ 697</u>      |                               |

UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION - RATE BASE  
FOR THE YEAR ENDING DECEMBER 31, 2011  
(\$000s)

| Line No. | Particulars<br>(1)                                | Balance           | Opening                              | Gross            | Less-        | Net              | Amortization   | Recoveries   |                     | Balance            | Mid-Year                |
|----------|---|-------------------|--------------------------------------|------------------|--------------|------------------|----------------|--------------|---------------------|--------------------|-------------------------|
|          |   | 12/31/2010<br>(2) | Bal. Transfer /<br>Adjustment<br>(3) | Additions<br>(4) | Taxes<br>(5) | Additions<br>(6) | Expense<br>(7) | Rider<br>(8) | Tax on Rider<br>(9) | 12/31/2011<br>(10) | Average<br>2011<br>(11) |
| 1        | <u>Margin Related</u>                             |                   |                                      |                  |              |                  |                |              |                     |                    |                         |
| 2        | Revenue Stabilization Adjustment Mechanism (RSAM) | 28                | -                                    | (47)             | 12           | (34)             | -              | (17)         | 4                   | (19)               | 5                       |
| 3        | Interest on CCRA / MCRA / RSAM / Gas Storage      | 5                 | -                                    | (1)              | -            | (1)              | -              | (2)          | 1                   | 3                  | 4                       |
| 4        | Gas Cost Reconciliation Account (GCRA)            | (45)              | -                                    | (16)             | 4            | (12)             | -              | -            | -                   | (57)               | (51)                    |
| 5        |   |                   |                                      |                  |              |                  |                |              |                     |                    |                         |
| 6        | <u>Non-Controllable Items</u>                     |                   |                                      |                  |              |                  |                |              |                     |                    |                         |
| 7        | Property Tax Deferral                             | (1)               | -                                    | (2)              | 1            | (1)              | -              | -            | -                   | (2)                | (2)                     |
| 8        | Interest Variance                                 | (6)               | -                                    | (3)              | 1            | (3)              | 6              | -            | -                   | (2)                | (4)                     |
| 9        | Customer Service Variance Account                 | -                 | -                                    | -                | -            | -                | -              | -            | -                   | -                  | -                       |
| 10       |   |                   |                                      |                  |              |                  |                |              |                     |                    |                         |
| 11       | <u>Cost of Current Applications</u>               |                   |                                      |                  |              |                  |                |              |                     |                    |                         |
| 12       | 2010-2011 Revenue Requirement Application         | 21                | -                                    | -                | -            | -                | (21)           | -            | -                   | -                  | 11                      |
| 13       | 2012-2013 Revenue Requirement Application         | -                 | -                                    | 5                | (1)          | 4                | -              | -            | -                   | 4                  | 2                       |
| 14       |   |                   |                                      |                  |              |                  |                |              |                     |                    |                         |
| 15       | <u>Other</u>                                      |                   |                                      |                  |              |                  |                |              |                     |                    |                         |
| 16       | Deferred Removal Costs                            | -                 | -                                    | -                | -            | -                | -              | -            | -                   | -                  | -                       |
| 17       | Gains and Losses on Asset Disposition             | -                 | 11                                   | 12               | -            | 12               | -              | -            | -                   | 23                 | 17                      |
| 18       | 2011 Muskwa River Crossing                        | -                 | -                                    | -                | -            | -                | -              | -            | -                   | -                  | -                       |
| 19       | IFRS Transitional Costs                           | 75                | -                                    | -                | -            | -                | -              | -            | -                   | 75                 | 75                      |
| 20       | Fort Nelson 2012 Revenue Surplus                  | -                 | -                                    | -                | -            | -                | -              | -            | -                   | -                  | -                       |
| 21       |   |                   |                                      |                  |              |                  |                |              |                     |                    |                         |
| 22       | <u>Residual Deferred Charges</u>                  |                   |                                      |                  |              |                  |                |              |                     |                    |                         |
| 23       | Fort Nelson ROE & Capital Structure Deferral      | 55                | -                                    | -                | -            | -                | (55)           | -            | -                   | -                  | 28                      |
| 24       |   |                   |                                      |                  |              |                  |                |              |                     |                    |                         |
| 25       | Total Deferred Charges for Rate Base              | \$ 132            | \$ 11                                | \$ (52)          | \$ 17        | \$ (35)          | \$ (70)        | \$ (19)      | \$ 5                | \$ 25              | \$ 85                   |
| 26       |   |                   |                                      |                  |              |                  |                |              |                     |                    |                         |
| 27       | Cross Reference                                   |                   |                                      |                  |              |                  |                |              |                     |                    |                         |

- Sect 7-TAB 7.4, Schedule 27

- Sect 7-TAB 7.4, Schedule 39

UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION  
FOR THE YEAR ENDING DECEMBER 31, 2012  
(\$000s)

| Line No. | Particulars                                       | Forecast | Opening         | Gross   | Less- | Net     | Amortization | Recoveries |        | Balance | Mid-Year |
|----------|---|----------|-----------------|---------|-------|---------|--------------|------------|--------|---------|----------|
|          |   | Balance  | Bal. Transfer / |         |       |         |              | Additions  | Taxes  |         |          |
|          | (1)   | (2)      | (3)             | (4)     | (5)   | (6)     | (7)          | (8)        | (9)    | (10)    | (11)     |
| 1        | <u>Margin Related</u>                             |          |                 |         |       |         |              |            |        |         |          |
| 2        | Revenue Stabilization Adjustment Mechanism (RSAM) | (19)     | -               | -       | -     | -       | -            | 8          | (2)    | (12)    | (16)     |
| 3        | Interest on CCRA / MCRA / RSAM / Gas Storage      | 3        | -               | -       | -     | -       | -            | (1)        | -      | 2       | 3        |
| 4        | Gas Cost Reconciliation Account (GCRA)            | (57)     | -               | 76      | (19)  | 57      | -            | -          | -      | 0       | (28)     |
| 5        |   |          |                 |         |       |         |              |            |        |         |          |
| 6        | <u>Non-Controllable Items</u>                     |          |                 |         |       |         |              |            |        |         |          |
| 7        | Property Tax Deferral                             | (2)      | -               | -       | -     | -       | 1            | -          | -      | (2)     | (2)      |
| 8        | Interest Variance                                 | (2)      | -               | -       | -     | -       | 1            | -          | -      | (1)     | (2)      |
| 9        | Customer Service Variance Account                 | -        | -               | -       | -     | -       | -            | -          | -      | -       | -        |
| 10       |   |          |                 |         |       |         |              |            |        |         |          |
| 11       | <u>Cost of Current Applications</u>               |          |                 |         |       |         |              |            |        |         |          |
| 12       | 2010-2011 Revenue Requirement Application         | -        | -               | -       | -     | -       | -            | -          | -      | -       | -        |
| 13       | 2012-2013 Revenue Requirement Application         | 4        | -               | -       | -     | -       | (2)          | -          | -      | 2       | 3        |
| 14       |   |          |                 |         |       |         |              |            |        |         |          |
| 15       | <u>Other</u>                                      |          |                 |         |       |         |              |            |        |         |          |
| 16       | Deferred Removal Costs                            | -        | -               | -       | -     | -       | -            | -          | -      | -       | -        |
| 17       | Gains and Losses on Asset Disposition             | 23       | 75              | -       | -     | -       | (5)          | -          | -      | 93      | 96       |
| 18       | 2011 Muskwa River Crossing                        | -        | (87)            | -       | -     | -       | 87           | -          | -      | -       | (44)     |
| 19       | IFRS Transitional Costs                           | 75       | (75)            | -       | -     | -       | -            | -          | -      | -       | -        |
| 20       | Fort Nelson 2012 Revenue Surplus                  | -        | -               | (129)   | 32    | (97)    | -            | -          | -      | (97)    | (49)     |
| 21       |   |          |                 |         |       |         |              |            |        |         |          |
| 22       | <u>Residual Deferred Charges</u>                  |          |                 |         |       |         |              |            |        |         |          |
| 23       | Fort Nelson ROE & Capital Structure Deferral      | -        | -               | -       | -     | -       | -            | -          | -      | -       | -        |
| 24       |   |          |                 |         |       |         |              |            |        |         |          |
| 25       | Total Deferred Charges for Rate Base              | \$ 25    | \$ (87)         | \$ (54) | \$ 13 | \$ (40) | \$ 82        | \$ 7       | \$ (2) | \$ (15) | \$ (38)  |
| 26       |   |          |                 |         |       |         |              |            |        |         |          |
| 27       | Cross Reference                                   |          |                 |         |       |         |              |            |        |         |          |

UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION  
FOR THE YEAR ENDING DECEMBER 31, 2013  
(\$000s)

| Line No. | Particulars                                       | Forecast | Opening         | Gross  | Less-   | Net   | Amortization | Recoveries |        | Balance | Mid-Year |
|----------|---|----------|-----------------|--------|---------|-------|--------------|------------|--------|---------|----------|
|          |   | Balance  | Bal. Transfer / |        |         |       |              | Additions  | Taxes  |         |          |
|          | (1)   | (2)      | (3)             | (4)    | (5)     | (6)   | (7)          | (8)        | (9)    | (10)    | (11)     |
| 1        | <u>Margin Related</u>                             |          |                 |        |         |       |              |            |        |         |          |
| 2        | Revenue Stabilization Adjustment Mechanism (RSAM) | (12)     | -               | -      | -       | -     | -            | 8          | (2)    | (6)     | (9)      |
| 3        | Interest on CCRA / MCRA / RSAM / Gas Storage      | 2        | -               | -      | -       | -     | -            | (1)        | -      | 1       | 2        |
| 4        | Gas Cost Reconciliation Account (GCRA)            | 0        | -               | -      | -       | -     | -            | -          | -      | 0       | -        |
| 5        |   |          |                 |        |         |       |              |            |        |         |          |
| 6        | <u>Non-Controllable Items</u>                     |          |                 |        |         |       |              |            |        |         |          |
| 7        | Property Tax Deferral                             | (2)      | -               | -      | -       | -     | 1            | -          | -      | (1)     | (1)      |
| 8        | Interest Variance                                 | (1)      | -               | -      | -       | -     | 1            | -          | -      | (1)     | (1)      |
| 9        | Customer Service Variance Account                 | -        | -               | -      | -       | -     | -            | -          | -      | -       | -        |
| 10       |   |          |                 |        |         |       |              |            |        |         |          |
| 11       | <u>Cost of Current Applications</u>               |          |                 |        |         |       |              |            |        |         |          |
| 12       | 2010-2011 Revenue Requirement Application         | -        | -               | -      | -       | -     | -            | -          | -      | -       | -        |
| 13       | 2012-2013 Revenue Requirement Application         | 2        | -               | -      | -       | -     | (2)          | -          | -      | -       | 1        |
| 14       |   |          |                 |        |         |       |              |            |        |         |          |
| 15       | <u>Other</u>                                      |          |                 |        |         |       |              |            |        |         |          |
| 16       | Deferred Removal Costs                            | -        | -               | -      | -       | -     | -            | -          | -      | -       | -        |
| 17       | Gains and Losses on Asset Disposition             | 93       | -               | -      | -       | -     | (5)          | -          | -      | 89      | 91       |
| 18       | 2011 Muskwa River Crossing                        | -        | -               | -      | -       | -     | -            | -          | -      | -       | -        |
| 19       | IFRS Transitional Costs                           | -        | -               | -      | -       | -     | -            | -          | -      | -       | -        |
| 20       | Fort Nelson 2012 Revenue Surplus                  | (97)     | -               | 129    | (32)    | 97    | -            | -          | -      | -       | (49)     |
| 21       |   |          |                 |        |         |       |              |            |        |         |          |
| 22       | <u>Residual Deferred Charges</u>                  |          |                 |        |         |       |              |            |        |         |          |
| 23       | Fort Nelson ROE & Capital Structure Deferral      | -        | -               | -      | -       | -     | -            | -          | -      | -       | -        |
| 24       |   |          |                 |        |         |       |              |            |        |         |          |
| 25       | Total Deferred Charges for Rate Base              | \$ (15)  | \$ -            | \$ 129 | \$ (32) | \$ 97 | \$ (5)       | \$ 7       | \$ (2) | \$ 82   | \$ 33    |
| 26       |   |          |                 |        |         |       |              |            |        |         |          |
| 27       | Cross Reference                                   |          |                 |        |         |       |              |            |        |         |          |

- Sect 7-TAB 7.4, Schedule 29

- Sect 7-TAB 7.4, Schedule 41

WORKING CAPITAL ALLOWANCE  
FOR THE YEAR ENDING DECEMBER 31, 2011  
(\$000s)

| Line No. | Particulars                        | 2010 ACTUAL     | 2011 APPROVED | 2011 PROJECTED      |               | Change                    | Cross Reference               |
|----------|------------------------------------|-----------------|---------------|---------------------|---------------|---------------------------|-------------------------------|
|          |                                    |                 |               | Existing 2011 Rates | Revised Rates |                           |                               |
|          | (1)                                | (2)             | (3)           | (4)                 | (5)           | (6)                       | (7)                           |
|          |                                    |                 |               |                     |               | (Column (5) - Column (3)) |                               |
| 1        | <b>Cash Working Capital</b>        |                 |               |                     |               |                           |                               |
| 2        | Cash Required for                  |                 |               |                     |               |                           |                               |
| 3        | Operating Expenses                 | \$ (23)         | \$ 97         | \$ 54               | \$ 54         | \$ (43)                   | - Sect 7-TAB 7.4, Schedule 75 |
| 4        |                                    |                 |               |                     |               |                           |                               |
| 5        | Customer Deposits                  | (204)           | -             | -                   | -             | -                         |                               |
| 6        |                                    |                 |               |                     |               |                           |                               |
| 7        | Less - Funds Available:            |                 |               |                     |               |                           |                               |
| 8        |                                    |                 |               |                     |               |                           |                               |
| 9        | Reserve for Bad Debts              | (27)            | (25)          | (16)                | (16)          | 9                         |                               |
| 10       |                                    |                 |               |                     |               |                           |                               |
| 11       | Withholdings From Employees        | (19)            | (18)          | (25)                | (25)          | (7)                       |                               |
| 12       |                                    |                 |               |                     |               |                           |                               |
| 13       | Subtotal                           | <u>(273)</u>    | <u>54</u>     | <u>13</u>           | <u>13</u>     | <u>(41)</u>               | - Sect 7-TAB 7.4, Schedule 39 |
| 14       |                                    |                 |               |                     |               |                           |                               |
| 15       | <b>Other Working Capital Items</b> |                 |               |                     |               |                           |                               |
| 16       | Gas in Storage                     | -               | -             | -                   | -             | -                         |                               |
| 17       | Inventory - Materials & Supplies   | 17              | 3             | 4                   | 4             | 1                         |                               |
| 18       |                                    |                 |               |                     |               |                           |                               |
| 19       | Subtotal                           | <u>17</u>       | <u>3</u>      | <u>4</u>            | <u>4</u>      | <u>1</u>                  | - Sect 7-TAB 7.4, Schedule 39 |
| 20       |                                    |                 |               |                     |               |                           |                               |
| 21       | Total                              | <u>\$ (256)</u> | <u>\$ 57</u>  | <u>\$ 17</u>        | <u>\$ 17</u>  | <u>\$ (40)</u>            |                               |

FORTISBC ENERGY INC. - Fort Nelson  
 WORKING CAPITAL ALLOWANCE  
 FOR THE YEAR ENDING DECEMBER 31, 2012  
 (\$000s)

BCUC Order No. G-177-11

Section 7  
 TAB 7.4  
 Schedule 73

| Line No. | Particulars<br>(1)                 | 2011<br>PROJECTED<br>(2) | 2012                          |                         | Change<br>(5) | Cross Reference<br>(6)        |
|----------|------------------------------------|--------------------------|-------------------------------|-------------------------|---------------|-------------------------------|
|          |                                    |                          | Existing 2011<br>Rates<br>(3) | Revised<br>Rates<br>(4) |               |                               |
| 1        | <b>Cash Working Capital</b>        |                          |                               |                         |               |                               |
| 2        | Cash Required for                  |                          |                               |                         |               |                               |
| 3        | Operating Expenses                 | \$ 54                    | \$ 56                         | \$ 56                   | \$ 2          | - Sect 7-TAB 7.4, Schedule 75 |
| 4        |                                    |                          |                               |                         |               |                               |
| 5        | Customer Deposits                  | -                        | -                             | -                       | -             |                               |
| 6        |                                    |                          |                               |                         |               |                               |
| 7        | Less - Funds Available:            |                          |                               |                         |               |                               |
| 8        |                                    |                          |                               |                         |               |                               |
| 9        | Reserve for Bad Debts              | (16)                     | (21)                          | (21)                    | (5)           |                               |
| 10       |                                    |                          |                               |                         |               |                               |
| 11       | Withholdings From Employees        | (25)                     | (25)                          | (25)                    | -             |                               |
| 12       |                                    |                          |                               |                         |               |                               |
| 13       | Subtotal                           | <u>13</u>                | <u>10</u>                     | <u>10</u>               | <u>(3)</u>    | - Sect 7-TAB 7.4, Schedule 40 |
| 14       |                                    |                          |                               |                         |               |                               |
| 15       | <b>Other Working Capital Items</b> |                          |                               |                         |               |                               |
| 16       | Gas in Storage                     | -                        | -                             | -                       | -             |                               |
| 17       | Inventory - Materials & Supplies   | 4                        | 4                             | 4                       | -             |                               |
| 18       |                                    |                          |                               |                         |               |                               |
| 19       | Subtotal                           | <u>4</u>                 | <u>4</u>                      | <u>4</u>                | <u>-</u>      | - Sect 7-TAB 7.4, Schedule 40 |
| 20       |                                    |                          |                               |                         |               |                               |
| 21       | Total                              | <u>\$ 17</u>             | <u>\$ 14</u>                  | <u>\$ 14</u>            | <u>\$ (3)</u> |                               |



WORKING CAPITAL ALLOWANCE  
FOR THE YEAR ENDING DECEMBER 31, 2013  
(\$000s)

| Line No. | Particulars<br>(1)                 | 2012<br>FORECAST<br>(2) | 2013                          |                         | Change<br>(5) | Cross Reference<br>(6)        |
|----------|------------------------------------|-------------------------|-------------------------------|-------------------------|---------------|-------------------------------|
|          |                                    |                         | Existing 2011<br>Rates<br>(3) | Revised<br>Rates<br>(4) |               |                               |
| 1        | <b>Cash Working Capital</b>        |                         |                               |                         |               |                               |
| 2        | Cash Required for                  |                         |                               |                         |               |                               |
| 3        | Operating Expenses                 | \$ 56                   | \$ 57                         | \$ 58                   | \$ 2          | - Sect 7-TAB 7.4, Schedule 75 |
| 4        |                                    |                         |                               |                         |               |                               |
| 5        | Customer Deposits                  | -                       | -                             | -                       | -             |                               |
| 6        |                                    |                         |                               |                         |               |                               |
| 7        | Less - Funds Available:            |                         |                               |                         |               |                               |
| 8        |                                    |                         |                               |                         |               |                               |
| 9        | Reserve for Bad Debts              | (21)                    | (21)                          | (21)                    | -             |                               |
| 10       |                                    |                         |                               |                         |               |                               |
| 11       | Withholdings From Employees        | (25)                    | (26)                          | (26)                    | (1)           |                               |
| 12       |                                    |                         |                               |                         |               |                               |
| 13       | Subtotal                           | <u>10</u>               | <u>10</u>                     | <u>11</u>               | <u>1</u>      | - Sect 7-TAB 7.4, Schedule 41 |
| 14       |                                    |                         |                               |                         |               |                               |
| 15       | <b>Other Working Capital Items</b> |                         |                               |                         |               |                               |
| 16       | Gas in Storage                     | -                       | -                             | -                       | -             |                               |
| 17       | Inventory - Materials & Supplies   | 4                       | 4                             | 4                       | -             |                               |
| 18       |                                    |                         |                               |                         |               |                               |
| 19       | Subtotal                           | <u>4</u>                | <u>4</u>                      | <u>4</u>                | <u>-</u>      | - Sect 7-TAB 7.4, Schedule 41 |
| 20       |                                    |                         |                               |                         |               |                               |
| 21       | Total                              | <u>\$ 14</u>            | <u>\$ 14</u>                  | <u>\$ 15</u>            | <u>\$ 1</u>   |                               |



CASH WORKING CAPITAL  
LAG TIME FROM DATE OF PAYMENT TO RECEIPT OF CASH  
FOR THE YEARS ENDING DECEMBER 31, 2011 TO 2013  
(\$000s)

| Line No. | Particulars  | 2011                  |                                |             | 2012                  |                                |             | 2013                  |                                |             | Cross Reference               |
|----------|--|-----------------------|--------------------------------|-------------|-----------------------|--------------------------------|-------------|-----------------------|--------------------------------|-------------|-------------------------------|
|          |  | Revenue At 2011 Rates | Lag Days Service to Collection | Dollar Days | Revenue At 2011 Rates | Lag Days Service to Collection | Dollar Days | Revenue At 2011 Rates | Lag Days Service to Collection | Dollar Days |                               |
|          | (1)  | (2)                   | (3)                            | (4)         | (5)                   | (6)                            | (7)         | (8)                   | (9)                            | (10)        | (11)                          |
| 1        | <b>REVENUE</b>                                     |                       |                                |             |                       |                                |             |                       |                                |             |                               |
| 2        |  |                       |                                |             |                       |                                |             |                       |                                |             |                               |
| 3        | Gas Sales and Transportation Service Revenue       |                       |                                |             |                       |                                |             |                       |                                |             | - Sect 7-TAB 7.4, Schedule 14 |
| 4        | Residential and Commercial                         | \$ 4,563              | 38.4                           | \$ 175,290  | \$ 4,633              | 38.4                           | \$ 177,998  | \$ 4,705              | 38.4                           | \$ 180,771  | - Sect 7-TAB 7.4, Schedule 16 |
| 5        | Industrials & Others: Rates 4, 5, 7, 23, 25 and 27 | 141                   | 45.2                           | 6,382       | 141                   | 45.2                           | 6,382       | 141                   | 45.2                           | 6,382       |                               |
| 6        | NGV Fuel - Stations                                | -                     | 0.0                            | -           | -                     | 0.0                            | -           | -                     | 0.0                            | -           |                               |
| 7        |  |                       |                                |             |                       |                                |             |                       |                                |             |                               |
| 8        | Rates 22, Burrard, FEVI (Oth Rev), SCP (Oth Rev)   | -                     | 0.0                            | -           | -                     | 0.0                            | -           | -                     | 0.0                            | -           |                               |
| 9        |  |                       |                                |             |                       |                                |             |                       |                                |             |                               |
| 10       | Total Gas Sales                                    | 4,704                 | 38.6                           | 181,672     | 4,774                 | 38.6                           | 184,380     | 4,846                 | 38.6                           | 187,153     |                               |
| 11       | Other Revenues                                     |                       |                                |             |                       |                                |             |                       |                                |             |                               |
| 12       | Royalty Revenue (FEVI)                             | -                     | 0.0                            | -           | -                     | 0.0                            | -           | -                     | 0.0                            | -           | - Sect 7-TAB 7.4, Schedule 4  |
| 13       | Late Payment Charges                               | 13                    | 38.9                           | 506         | 13                    | 38.9                           | 506         | 13                    | 38.9                           | 506         | - Sect 7-TAB 7.4, Schedule 18 |
| 14       | Returned Cheque Charges                            | -                     | 0.0                            | 4           | -                     | 0.0                            | 4           | -                     | 0.0                            | 4           | - Sect 7-TAB 7.4, Schedule 19 |
| 15       | Connection Charges                                 | 11                    | 37.6                           | 414         | 11                    | 37.6                           | 414         | 11                    | 37.6                           | 414         | - Sect 7-TAB 7.4, Schedule 20 |
| 16       | Other Utility Income                               | -                     | 0.0                            | -           | -                     | 0.0                            | -           | -                     | 0.0                            | -           |                               |
| 17       |  |                       |                                |             |                       |                                |             |                       |                                |             |                               |
| 18       |  |                       |                                |             |                       |                                |             |                       |                                |             |                               |
| 19       | Total Revenue                                      | \$ 4,728              | 38.6                           | \$ 182,596  | \$ 4,798              | 38.6                           | \$ 185,304  | \$ 4,870              | 38.6                           | \$ 188,077  |                               |
| 20       |  |                       |                                |             |                       |                                |             |                       |                                |             |                               |
| 21       |  |                       |                                |             |                       |                                |             |                       |                                |             |                               |
| 22       | <b>REVENUE, REVISED RATES</b>                      |                       |                                |             |                       |                                |             |                       |                                |             |                               |
| 23       |  |                       |                                |             |                       |                                |             |                       |                                |             |                               |
| 24       | Gas Sales and Transportation Service Revenue       |                       |                                |             |                       |                                |             |                       |                                |             | - Sect 7-TAB 7.4, Schedule 14 |
| 25       | Residential and Commercial                         | \$ 4,563              | 38.4                           | \$ 175,290  | \$ 4,633              | 38.4                           | \$ 177,998  | \$ 4,728              | 38.4                           | \$ 181,655  | - Sect 7-TAB 7.4, Schedule 16 |
| 26       | Industrials & Others: Rates 4, 5, 7, 23, 25 and 27 | 141                   | 45.2                           | 6,382       | 141                   | 45.2                           | 6,382       | 143                   | 45.2                           | 6,473       |                               |
| 27       | NGV Fuel - Stations                                | -                     | 0.0                            | -           | -                     | 0.0                            | -           | -                     | 0.0                            | -           |                               |
| 28       |  |                       |                                |             |                       |                                |             |                       |                                |             |                               |
| 29       | Rates 22, Burrard, FEVI (Oth Rev), SCP (Oth Rev)   | -                     | 0.0                            | -           | -                     | 0.0                            | -           | -                     | 0.0                            | -           |                               |
| 30       |  |                       |                                |             |                       |                                |             |                       |                                |             |                               |
| 31       | Total Gas Sales                                    | 4,704                 | 38.6                           | 181,672     | 4,774                 | 38.6                           | 184,380     | 4,871                 | 38.6                           | 188,128     |                               |
| 32       | Other Revenues                                     |                       |                                |             |                       |                                |             |                       |                                |             |                               |
| 33       | Royalty Revenue (FEVI)                             | -                     | 0.0                            | -           | -                     | 0.0                            | -           | -                     | 0.0                            | -           |                               |
| 34       | Late Payment Charges                               | 13                    | 38.9                           | 506         | 13                    | 38.9                           | 506         | 13                    | 38.9                           | 506         | - Sect 7-TAB 7.4, Schedule 18 |
| 35       | Returned Cheque Charges                            | -                     | 0.0                            | 4           | -                     | 0.0                            | 4           | -                     | 0.0                            | 4           | - Sect 7-TAB 7.4, Schedule 19 |
| 36       | Connection Charges                                 | 11                    | 37.6                           | 414         | 11                    | 37.6                           | 414         | 11                    | 37.6                           | 414         | - Sect 7-TAB 7.4, Schedule 20 |
| 37       | Other Utility Income                               | -                     | 0.0                            | -           | -                     | 0.0                            | -           | -                     | 0.0                            | -           |                               |
| 38       |  |                       |                                |             |                       |                                |             |                       |                                |             |                               |
| 39       |  |                       |                                |             |                       |                                |             |                       |                                |             |                               |
| 40       | Total Revenue                                      | \$ 4,728              | 38.6                           | \$ 182,596  | \$ 4,798              | 38.6                           | \$ 185,304  | \$ 4,895              | 38.6                           | \$ 189,052  |                               |

CASH WORKING CAPITAL  
LEAD TIME IN PAYMENT OF EXPENSES  
FOR THE YEARS ENDING DECEMBER 31, 2011 TO 2013  
(\$000s)

| Line No. | Particulars<br>(1)                   | 2011            |   |                       | 2012            |   |                       | 2013            |   |                        | Cross Reference<br>(11)       |
|----------|--------------------------------------|-----------------|---|-----------------------|-----------------|---|-----------------------|-----------------|---|------------------------|-------------------------------|
|          |                                      | Amount<br>(2)   | Lead Days<br>Expense to<br>Payment<br>(3) | Dollar<br>Days<br>(4) | Amount<br>(5)   | Lead Days<br>Expense to<br>Payment<br>(6) | Dollar<br>Days<br>(7) | Amount<br>(8)   | Lead Days<br>Expense to<br>Payment<br>(9) | Dollar<br>Days<br>(10) |                               |
| 1        | <b>EXPENSES</b>                      |                 |   |                       |                 |   |                       |                 |   |                        |                               |
| 2        |                                      |                 |   |                       |                 |   |                       |                 |   |                        |                               |
| 3        | Operating And Maintenance            |                 |   |                       |                 |   |                       |                 |   |                        |                               |
| 4        | Expenses                             | \$ 699          | 25.5                                      | \$ 17,825             | \$ 760          | 25.5                                      | \$ 19,380             | \$ 784          | 25.5                                      | \$ 19,992              | - Sect 7-TAB 7.4, Schedule 4  |
| 5        | Transportation Costs                 | -               | 0.0                                       | -                     | -               | 0.0                                       | -                     | -               | 0.0                                       | -                      | - Sect 7-TAB 7.4, Schedule 5  |
| 6        | Gas Purchases (excl Royalty Credits) | 2,860           | 40.2                                      | 114,972               | 2,900           | 40.2                                      | 116,580               | 2,945           | 40.2                                      | 118,389                | - Sect 7-TAB 7.4, Schedule 6  |
| 7        |                                      |                 |   |                       |                 |   |                       |                 |   |                        |                               |
| 8        | Taxes Other Than Income              |                 |   |                       |                 |   |                       |                 |   |                        | - Sect 7-TAB 7.4, Schedule 24 |
| 9        | Property Taxes                       | 168             | 2.0                                       | 336                   | 172             | 2.0                                       | 344                   | 178             | 2.0                                       | 356                    | - Sect 7-TAB 7.4, Schedule 25 |
| 10       | Franchise Fees                       | -               | 0.0                                       | -                     | -               | 0.0                                       | -                     | -               | 0.0                                       | -                      | - Sect 7-TAB 7.4, Schedule 26 |
| 11       | Carbon Tax                           | 636             | 29.1                                      | 18,498                | 789             | 29.1                                      | 22,946                | 874             | 29.1                                      | 25,422                 |                               |
| 12       | HST - Net                            | 40              | 38.8                                      | 1,566                 | 98              | 38.8                                      | 3,808                 | 100             | 38.8                                      | 3,868                  |                               |
| 13       | PST Component of HST (REC)           | 31              | 37.1                                      | 1,148                 | (26)            | 33.8                                      | (873)                 | (26)            | 33.8                                      | (879)                  | - Sect 7-TAB 7.4, Schedule 30 |
| 14       | Income Tax                           | 125             | 15.2                                      | 1,900                 | 76              | 15.2                                      | 1,155                 | 22              | 15.2                                      | 334                    | - Sect 7-TAB 7.4, Schedule 31 |
| 15       |                                      |                 |   |                       |                 |   |                       |                 |   |                        | - Sect 7-TAB 7.4, Schedule 32 |
| 16       | Total                                | <u>\$ 4,559</u> | <u>34.3</u>                               | <u>\$ 156,244</u>     | <u>\$ 4,769</u> | <u>34.3</u>                               | <u>\$ 163,340</u>     | <u>\$ 4,876</u> | <u>34.3</u>                               | <u>\$ 167,482</u>      |                               |
| 17       |                                      |                 |   |                       |                 |   |                       |                 |   |                        |                               |
| 18       |                                      |                 |   |                       |                 |   |                       |                 |   |                        |                               |
| 19       | <b>EXPENSES, REVISED RATES</b>       |                 |   |                       |                 |   |                       |                 |   |                        |                               |
| 20       |                                      |                 |   |                       |                 |   |                       |                 |   |                        |                               |
| 21       | Operating And Maintenance            |                 |   |                       |                 |   |                       |                 |   |                        |                               |
| 22       | Expenses                             | \$ 699          | 25.5                                      | \$ 17,825             | \$ 760          | 25.5                                      | \$ 19,380             | \$ 784          | 25.5                                      | \$ 19,992              | - Sect 7-TAB 7.4, Schedule 4  |
| 23       | Transportation Costs                 | -               | 0.0                                       | -                     | -               | 0.0                                       | -                     | -               | 0.0                                       | -                      | - Sect 7-TAB 7.4, Schedule 5  |
| 24       | Gas Purchases (excl Royalty Credits) | 2,860           | 40.2                                      | 114,972               | 2,900           | 40.2                                      | 116,580               | 2,945           | 40.2                                      | 118,389                | - Sect 7-TAB 7.4, Schedule 6  |
| 25       |                                      |                 |   |                       |                 |   |                       |                 |   |                        |                               |
| 26       | Taxes Other Than Income              |                 |   |                       |                 |   |                       |                 |   |                        | - Sect 7-TAB 7.4, Schedule 24 |
| 27       | Property Taxes                       | 168             | 2.0                                       | 336                   | 172             | 2.0                                       | 344                   | 178             | 2.0                                       | 356                    | - Sect 7-TAB 7.4, Schedule 25 |
| 28       | Franchise Fees                       | -               | 0.0                                       | -                     | -               | 0.0                                       | -                     | -               | 0.0                                       | -                      | - Sect 7-TAB 7.4, Schedule 26 |
| 29       | Carbon Tax                           | 636             | 29.1                                      | 18,498                | 789             | 29.1                                      | 22,946                | 874             | 29.1                                      | 25,422                 |                               |
| 30       | HST - Net                            | 40              | 38.8                                      | 1,566                 | 98              | 38.8                                      | 3,808                 | 100             | 38.8                                      | 3,881                  |                               |
| 31       | PST Component of HST (REC)           | 31              | 37.1                                      | 1,148                 | (26)            | 33.8                                      | (873)                 | (26)            | 33.8                                      | (884)                  | - Sect 7-TAB 7.4, Schedule 30 |
| 32       | Income Tax                           | 125             | 15.2                                      | 1,900                 | 76              | 15.2                                      | 1,155                 | 28              | 15.2                                      | 426                    | - Sect 7-TAB 7.4, Schedule 31 |
| 33       |                                      |                 |   |                       |                 |   |                       |                 |   |                        | - Sect 7-TAB 7.4, Schedule 32 |
| 34       | Total                                | <u>\$ 4,559</u> | <u>34.3</u>                               | <u>\$ 156,244</u>     | <u>\$ 4,769</u> | <u>34.3</u>                               | <u>\$ 163,340</u>     | <u>\$ 4,882</u> | <u>34.3</u>                               | <u>\$ 167,582</u>      |                               |

\* 2011 was calculated using prior approved GST and PST method

FUTURE INCOME TAX LIABILITY / ASSET  
 FOR THE YEARS ENDING DECEMBER 31, 2011 TO 2013  
 (\$000s)

| Line No. | Particulars<br>(1)  | 2010 ACTUAL<br>(2) | 2011 APPROVED<br>(3) | 2011 PROJECTED<br>(4) | 2012 FORECAST<br>(5) | 2013 FORECAST<br>(6) | Cross Reference<br>(7)  |
|----------|---|--------------------|----------------------|-----------------------|----------------------|----------------------|---|
| 1        | Property Plant & Equipment  |                    |                      |                       |                      |                      |   |
| 2        | Net Book Value *  | \$ -               | \$ -                 | \$ -                  | \$ -                 | \$ -                 |   |
| 3        | Less: Undepreciated Capital Cost  | -                  | -                    | -                     | -                    | -                    |   |
| 4        |   | -                  | -                    | -                     | -                    | -                    |   |
| 5        | Weighted Average Future Tax Rate  | 0.00%              | 0.00%                | 25.00%                | 25.00%               | 25.00%               |   |
| 6        |   | -                  | -                    | -                     | -                    | -                    |   |
| 7        |   |                    |                      |                       |                      |                      |   |
| 8        | Total FIT Liability- After Tax (PP&E)   | -                  | -                    | -                     | -                    | -                    |   |
| 9        | Total FIT Liability- After Tax (Non-PP&E)                                     | -                  | -                    | -                     | -                    | -                    |   |
| 10       | Total FIT Liability- After Tax  | -                  | -                    | -                     | -                    | -                    |   |
| 11       |   |                    |                      |                       |                      |                      |   |
| 12       | Tax Gross Up  | -                  | -                    | -                     | -                    | -                    |   |
| 13       |   |                    |                      |                       |                      |                      |   |
| 14       | FIT Liability/Asset - End of Year   | -                  | -                    | -                     | -                    | -                    |   |
| 15       |   |                    |                      |                       |                      |                      |   |
| 16       | FIT Liability/Asset - Opening Balance   | -                  | -                    | -                     | -                    | -                    |   |
| 17       |   |                    |                      |                       |                      |                      |   |
| 18       | FIT Liability/Asset - Mid Year  | \$ -               | \$ -                 | \$ -                  | \$ -                 | \$ -                 | - Sect 7-TAB 7.4, Schedule 39<br>- Sect 7-TAB 7.4, Schedule 40<br>- Sect 7-TAB 7.4, Schedule 41 |
| 19       |   |                    |                      |                       |                      |                      |   |
| 20       |   |                    |                      |                       |                      |                      |   |
| 21       | Note: * FIT Not Applicable for Fort Nelson as it is not it's own legal entity |                    |                      |                       |                      |                      |   |

FORTISBC ENERGY INC. - Fort Nelson  
 RETURN ON CAPITAL  
 FOR THE YEAR ENDING DECEMBER 31, 2011  
 (\$000s)

BCUC Order No. G-177-11

Section 7  
 TAB 7.4  
 Schedule 79

| Line No. | Particulars                    | Capitalization Amount | %              | Average Embedded Cost | Cost Component | Earned Return | Cross Reference               |
|----------|--------------------------------|-----------------------|----------------|-----------------------|----------------|---------------|-------------------------------|
|          | (1)                            | (2)                   | (3)            | (4)                   | (5)            | (6)           | (7)                           |
| 1        | 2011 RATES                     |                       |                |                       |                |               |                               |
| 2        | Long-Term Debt                 | \$ 3,013              | 52.35%         | 6.94%                 | 3.63%          | \$ 209        | - Sect 7-TAB 7.4, Schedule 82 |
| 3        | Unfunded Debt                  | 440                   | 7.65%          | 4.50%                 | 0.34%          | 20            |                               |
| 4        | Common Equity                  | <u>2,302</u>          | <u>40.00%</u>  | <u>10.23%</u>         | <u>4.09%</u>   | <u>235</u>    |                               |
| 5        |                                |                       |                |                       |                |               | - Sect 7-TAB 7.4, Schedule 4  |
| 6        |                                | <u>\$ 5,755</u>       | <u>100.00%</u> |                       | <u>8.06%</u>   | <u>\$ 464</u> | - Sect 7-TAB 7.4, Schedule 39 |
| 7        |                                |                       |                |                       |                |               |                               |
| 8        |                                |                       |                |                       |                |               |                               |
| 9        |                                |                       |                |                       |                |               |                               |
| 10       | 2011 REVISED RATES - PROJECTED |                       |                |                       |                |               |                               |
| 11       | Long-Term Debt                 | \$ 3,013              | 52.35%         | 6.94%                 | 3.63%          | \$ 209        | - Sect 7-TAB 7.4, Schedule 82 |
| 12       | Unfunded Debt                  |                       |                |                       |                |               |                               |
| 13       | Adjustment, Revised Rates      | 440                   | 7.65%          | 4.50%                 | 0.34%          | 20            |                               |
| 14       | Common Equity                  | <u>2,302</u>          | <u>40.00%</u>  | <u>10.23%</u>         | <u>4.09%</u>   | <u>235</u>    |                               |
| 15       |                                |                       |                |                       |                |               | - Sect 7-TAB 7.4, Schedule 4  |
| 16       |                                | <u>\$ 5,755</u>       | <u>100.00%</u> |                       | <u>8.06%</u>   | <u>\$ 464</u> | - Sect 7-TAB 7.4, Schedule 39 |

FORTISBC ENERGY INC. - Fort Nelson  
RETURN ON CAPITAL  
FOR THE YEAR ENDING DECEMBER 31, 2012  
(\$000s)

BCUC Order No. G-177-11

Section 7  
TAB 7.4  
Schedule 80

| Line No. | Particulars<br>(1)        | Capitalization Amount<br>(2) | %<br>(3)       | Average Embedded Cost<br>(4) | Cost Component<br>(5) | Earned Return<br>(6) | Cross Reference<br>(7)        |
|----------|---------------------------|------------------------------|----------------|------------------------------|-----------------------|----------------------|-------------------------------|
| 1        | 2012 AT 2011 RATES        |                              |                |                              |                       |                      |                               |
| 2        | Long-Term Debt            | \$ 4,200                     | 56.82%         | 6.85%                        | 3.89%                 | \$ 288               | - Sect 7-TAB 7.4, Schedule 83 |
| 3        | Unfunded Debt             | 235                          | 3.18%          | 2.50%                        | 0.08%                 | 6                    |                               |
| 4        | Common Equity             | <u>2,957</u>                 | <u>40.00%</u>  | 9.53%                        | <u>3.81%</u>          | <u>281</u>           |                               |
| 5        |                           |                              |                |                              |                       |                      | - Sect 7-TAB 7.4, Schedule 5  |
| 6        |                           | <u>\$ 7,392</u>              | <u>100.00%</u> |                              | <u>7.78%</u>          | <u>\$ 575</u>        | - Sect 7-TAB 7.4, Schedule 40 |
| 7        |                           |                              |                |                              |                       |                      |                               |
| 8        |                           |                              |                |                              |                       |                      |                               |
| 9        |                           |                              |                |                              |                       |                      |                               |
| 10       | 2012 REVISED RATES        |                              |                |                              |                       |                      |                               |
| 11       | Long-Term Debt            | \$ 4,200                     | 56.82%         | 6.85%                        | 3.89%                 | \$ 288               | - Sect 7-TAB 7.4, Schedule 83 |
| 12       | Unfunded Debt             |                              |                |                              |                       |                      |                               |
| 13       | Adjustment, Revised Rates | 235                          | 3.18%          | 2.50%                        | 0.08%                 | 6                    |                               |
| 14       | Common Equity             | <u>2,957</u>                 | <u>40.00%</u>  | 9.50%                        | <u>3.80%</u>          | <u>281</u>           |                               |
| 15       |                           |                              |                |                              |                       |                      | - Sect 7-TAB 7.4, Schedule 5  |
| 16       |                           | <u>\$ 7,392</u>              | <u>100.00%</u> |                              | <u>7.78%</u>          | <u>\$ 575</u>        | - Sect 7-TAB 7.4, Schedule 40 |

FORTISBC ENERGY INC. - Fort Nelson  
 RETURN ON CAPITAL  
 FOR THE YEAR ENDING DECEMBER 31, 2013  
 (\$000s)

BCUC Order No. G-177-11

Section 7  
 TAB 7.4  
 Schedule 81

| Line No. | Particulars<br>(1)        | Capitalization Amount<br>(2) | %<br>(3)       | Average Embedded Cost<br>(4) | Cost Component<br>(5) | Earned Return<br>(6) | Cross Reference<br>(7)        |
|----------|---------------------------|------------------------------|----------------|------------------------------|-----------------------|----------------------|-------------------------------|
| 1        | 2013 AT 2011 RATES        |                              |                |                              |                       |                      |                               |
| 2        | Long-Term Debt            | \$ 5,144                     | 55.67%         | 6.87%                        | 3.82%                 | \$ 354               | - Sect 7-TAB 7.4, Schedule 84 |
| 3        | Unfunded Debt             | 400                          | 4.33%          | 3.50%                        | 0.15%                 | 14                   |                               |
| 4        | Common Equity             | <u>3,696</u>                 | <u>40.00%</u>  | 9.03%                        | <u>3.61%</u>          | <u>332</u>           | - Sect 7-TAB 7.4, Schedule 6  |
| 5        |                           |                              |                |                              |                       |                      | - Sect 7-TAB 7.4, Schedule 41 |
| 6        |                           | <u>\$ 9,240</u>              | <u>100.00%</u> |                              | <u>7.58%</u>          | <u>\$ 700</u>        |                               |
| 7        |                           |                              |                |                              |                       |                      |                               |
| 8        |                           |                              |                |                              |                       |                      |                               |
| 9        |                           |                              |                |                              |                       |                      |                               |
| 10       | 2013 REVISED RATES        |                              |                |                              |                       |                      |                               |
| 11       | Long-Term Debt            | \$ 5,144                     | 55.66%         | 6.87%                        | 3.82%                 | \$ 354               | - Sect 7-TAB 7.4, Schedule 84 |
| 12       | Unfunded Debt             |                              |                |                              |                       |                      |                               |
| 13       | Adjustment, Revised Rates | 401                          | 4.34%          | 3.50%                        | 0.15%                 | 14                   |                               |
| 14       | Common Equity             | <u>3,696</u>                 | <u>40.00%</u>  | 9.50%                        | <u>3.80%</u>          | <u>351</u>           | - Sect 7-TAB 7.4, Schedule 6  |
| 15       |                           |                              |                |                              |                       |                      | - Sect 7-TAB 7.4, Schedule 41 |
| 16       |                           | <u>\$ 9,241</u>              | <u>100.00%</u> |                              | <u>7.78%</u>          | <u>\$ 719</u>        |                               |



FORTISBC ENERGY INC. - Fort Nelson

Section 7  
TAB 7.4  
Schedule 82

EMBEDDED COST OF LONG-TERM DEBT (per BCUC Approved RRA)  
FOR THE YEAR ENDING DECEMBER 31, 2011  
(\$000s)

| Line No. | Particulars<br>(1)  | Issue Date<br>(2) | Maturity Date<br>(3) | Coupon Rate<br>(4) | Principal Amount of Issue<br>(5) | Issue Expense<br>(6) | Net Proceeds of Issue<br>(7) | Effective Interest Cost<br>(8) | Average Principal Outstanding<br>(9) | Annual Cost<br>(10) |
|----------|---|-------------------|----------------------|--------------------|----------------------------------|----------------------|------------------------------|--------------------------------|--------------------------------------|---------------------|
| 1        | Series A Purchase Money Mortgage                                  | 3-Dec-1990        | 30-Sep-2015          | 11.800%            | \$ 58,943                        | \$ 855               | \$ 69,031 *                  | 12.054%                        | \$ 69,886                            | \$ 8,424            |
| 2        | Series B Purchase Money Mortgage                                  | 30-Nov-1991       | 30-Nov-2016          | 10.300%            | 157,274                          | 2,228                | 155,046                      | 10.461%                        | 157,274                              | 16,452              |
| 3        |   |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |
| 4        | Medium Term Note - Series 11                                      | 21-Sep-1999       | 21-Sep-2029          | 6.950%             | 150,000                          | 2,290                | 147,710                      | 7.073%                         | 150,000                              | 10,610              |
| 5        | 2004 Long Term Debt Issue - Series 18                             | 29-Apr-2004       | 1-May-2034           | 6.500%             | 150,000                          | 1,915                | 148,085                      | 6.598%                         | 150,000                              | 9,897               |
| 6        | 2005 Long Term Debt Issue - Series 19                             | 25-Feb-2005       | 25-Feb-2035          | 5.900%             | 150,000                          | 1,663                | 148,337                      | 5.980%                         | 150,000                              | 8,970               |
| 7        | 2006 Long Term Debt Issue - Series 21                             | 25-Sep-2006       | 25-Sep-2036          | 5.550%             | 120,000                          | 784                  | 119,216                      | 5.595%                         | 120,000                              | 6,714               |
| 8        | 2007 Medium Term Debt Issue - Series 22                           | 2-Oct-2007        | 2-Oct-2037           | 6.000%             | 250,000                          | 2,303                | 247,697                      | 6.067%                         | 250,000                              | 15,168              |
| 9        | 2008 Medium Term Debt Issue - Series 23                           | 13-May-2008       | 13-May-2038          | 5.800%             | 250,000                          | 2,389                | 247,611                      | 5.868%                         | 250,000                              | 14,670              |
| 10       | 2009 Med.Term Debt Issue- Series 24                               | 24-Feb-2009       | 24-Feb-2039          | 6.550%             | 100,000                          | 1,000                | 99,000                       | 6.627%                         | 100,000                              | 6,627               |
| 11       |   |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |
| 12       | 2011 Medium Term Debt Issue- Series 25                            | 1-Jul-2011        | 1-Jul-2021           | 5.650%             | 100,000                          | 1,000                | 99,000                       | 5.783%                         | 50,411                               | 2,915               |
| 13       |   |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |
| 14       | LILO Obligations - Kelowna  |                   |                      |                    |                                  |                      |                              | 5.919%                         | 25,729                               | 1,523               |
| 15       | LILO Obligations - Nelson   |                   |                      |                    |                                  |                      |                              | 7.105%                         | 4,110                                | 292                 |
| 16       | LILO Obligations - Vernon   |                   |                      |                    |                                  |                      |                              | 8.242%                         | 12,267                               | 1,011               |
| 17       | LILO Obligations - Prince George                                  |                   |                      |                    |                                  |                      |                              | 7.257%                         | 31,571                               | 2,291               |
| 18       | LILO Obligations - Creston  |                   |                      |                    |                                  |                      |                              | 6.509%                         | 2,996                                | 195                 |
| 19       |   |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |
| 20       | Vehicle Lease Obligation  |                   |                      |                    |                                  |                      |                              | 7.633%                         | 13,455                               | 1,027               |
| 21       |   |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |
| 22       | Sub-Total   |                   |                      |                    |                                  |                      |                              |                                | \$ 1,537,699                         | \$ 106,786          |
| 23       | Fort Nelson Division Portion of Long Term Debt                    |                   |                      |                    |                                  |                      |                              |                                | 3,013                                | 209                 |
| 24       | Total   |                   |                      |                    |                                  |                      |                              |                                | \$ 3,013                             | \$ 209              |
| 25       |   |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |
| 26       | *Includes adjustment of \$10,943 for BC Hydro Premium (Series A). |                   |                      |                    |                                  |                      |                              |                                | Average Embedded Cost                | 6.94%               |
| 27       |   |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |
| 28       | Cross Reference   |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |

- Sect 7-TAB 7.4, Schedule 79

FORTISBC ENERGY INC. - Fort Nelson

BCUC Order No. G-177-11  
 - Sect 7-TAB 7.4, Sc  
 Section 7  
 TAB 7.4  
 Schedule 83

EMBEDDED COST OF LONG-TERM DEBT  
 FOR THE YEAR ENDING DECEMBER 31, 2012  
 (\$000s)

| Line No. | Particulars<br>(1)  | Issue Date<br>(2) | Maturity Date<br>(3) | Coupon Rate<br>(4) | Principal Amount of Issue<br>(5) | Issue Expense<br>(6) | Net Proceeds of Issue<br>(7) | Effective Interest Cost<br>(8) | Average Principal Outstanding<br>(9) | Annual Cost<br>(10) |
|----------|---|-------------------|----------------------|--------------------|----------------------------------|----------------------|------------------------------|--------------------------------|--------------------------------------|---------------------|
| 1        | Series A Purchase Money Mortgage                                  | 3-Dec-1990        | 30-Sep-2015          | 11.800%            | \$ 58,943                        | \$ 855               | \$ 72,292 *                  | 12.054%                        | \$ 73,147                            | \$ 8,817            |
| 2        | Series B Purchase Money Mortgage                                  | 30-Nov-1991       | 30-Nov-2016          | 10.300%            | 157,274                          | 2,228                | 155,046                      | 10.461%                        | 157,274                              | 16,452              |
| 3        |   |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |
| 4        | Medium Term Note - Series 11                                      | 21-Sep-1999       | 21-Sep-2029          | 6.950%             | 150,000                          | 2,290                | 147,710                      | 7.073%                         | 150,000                              | 10,610              |
| 5        | 2004 Long Term Debt Issue - Series 18                             | 29-Apr-2004       | 1-May-2034           | 6.500%             | 150,000                          | 1,915                | 148,085                      | 6.598%                         | 150,000                              | 9,897               |
| 6        | 2005 Long Term Debt Issue - Series 19                             | 25-Feb-2005       | 25-Feb-2035          | 5.900%             | 150,000                          | 1,663                | 148,337                      | 5.980%                         | 150,000                              | 8,970               |
| 7        | 2006 Long Term Debt Issue - Series 21                             | 25-Sep-2006       | 25-Sep-2036          | 5.550%             | 120,000                          | 784                  | 119,216                      | 5.595%                         | 120,000                              | 6,714               |
| 8        | 2007 Medium Term Debt Issue - Series 22                           | 2-Oct-2007        | 2-Oct-2037           | 6.000%             | 250,000                          | 2,303                | 247,697                      | 6.067%                         | 250,000                              | 15,168              |
| 9        | 2008 Medium Term Debt Issue - Series 23                           | 13-May-2008       | 13-May-2038          | 5.800%             | 250,000                          | 2,412                | 247,588                      | 5.869%                         | 250,000                              | 14,673              |
| 10       | 2009 Med.Term Debt Issue- Series 24                               | 24-Feb-2009       | 24-Feb-2039          | 6.550%             | 100,000                          | 1,000                | 99,000                       | 6.627%                         | 100,000                              | 6,627               |
| 11       |   |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |
| 12       | 2011 Medium Term Debt Issue - Series 25                           | 1-Oct-2011        | 1-Oct-2021           | 4.497%             | 100,000                          | 1,000                | 99,000                       | 4.623%                         | 100,000                              | 4,623               |
| 13       |   |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |
| 14       | LILO Obligations - Kelowna  |                   |                      |                    |                                  |                      |                              | 6.428%                         | 22,821                               | 1,467               |
| 15       | LILO Obligations - Nelson   |                   |                      |                    |                                  |                      |                              | 7.768%                         | 3,656                                | 284                 |
| 16       | LILO Obligations - Vernon   |                   |                      |                    |                                  |                      |                              | 9.032%                         | 10,895                               | 984                 |
| 17       | LILO Obligations - Prince George                                  |                   |                      |                    |                                  |                      |                              | 7.960%                         | 28,114                               | 2,238               |
| 18       | LILO Obligations - Creston  |                   |                      |                    |                                  |                      |                              | 7.113%                         | 2,671                                | 190                 |
| 19       |   |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |
| 20       | Vehicle Lease Obligation  |                   |                      |                    |                                  |                      |                              | 5.360%                         | 12,873                               | 690                 |
| 21       |   |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |
| 22       | Sub-Total   |                   |                      |                    |                                  |                      |                              |                                | \$ 1,581,451                         | \$ 108,404          |
| 23       | Fort Nelson Division Portion of Long Term Debt                    |                   |                      |                    |                                  |                      |                              |                                | 4,200                                | 288                 |
| 24       | Total   |                   |                      |                    |                                  |                      |                              |                                | \$ 4,200                             | \$ 288              |
| 25       |   |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |
| 26       | *Includes adjustment of \$14,204 for BC Hydro Premium (Series A). |                   |                      |                    |                                  |                      |                              |                                | Average Embedded Cost                | 6.85%               |
| 27       |   |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |
| 28       | Cross Reference   |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |

- Sect 7-TAB 7.4, Schedule 80

FORTISBC ENERGY INC. - Fort Nelson

BCUC Order No. G-177-11  
 - Sect 7-TAB 7.4, Sc  
 Section 7  
 TAB 7.4  
 Schedule 84

EMBEDDED COST OF LONG-TERM DEBT  
 FOR THE YEAR ENDING DECEMBER 31, 2013  
 (\$000s)

| Line No. | Particulars<br>(1)  | Issue Date<br>(2) | Maturity Date<br>(3) | Coupon Rate<br>(4) | Principal Amount of Issue<br>(5) | Issue Expense<br>(6) | Net Proceeds of Issue<br>(7) | Effective Interest Cost<br>(8) | Average Principal Outstanding<br>(9) | Annual Cost<br>(10) |
|----------|---|-------------------|----------------------|--------------------|----------------------------------|----------------------|------------------------------|--------------------------------|--------------------------------------|---------------------|
| 1        | Series A Purchase Money Mortgage                                  | 3-Dec-1990        | 30-Sep-2015          | 11.800%            | \$ 58,943                        | \$ 855               | \$ 74,100 *                  | 12.054%                        | \$ 74,955                            | \$ 9,035            |
| 2        | Series B Purchase Money Mortgage                                  | 30-Nov-1991       | 30-Nov-2016          | 10.300%            | 157,274                          | 2,228                | 156,497 **                   | 10.461%                        | 158,725                              | 16,604              |
| 3        |   |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |
| 4        | Medium Term Note - Series 11                                      | 21-Sep-1999       | 21-Sep-2029          | 6.950%             | 150,000                          | 2,290                | 147,710                      | 7.073%                         | 150,000                              | 10,610              |
| 5        | 2004 Long Term Debt Issue - Series 18                             | 29-Apr-2004       | 1-May-2034           | 6.500%             | 150,000                          | 1,915                | 148,085                      | 6.598%                         | 150,000                              | 9,897               |
| 6        | 2005 Long Term Debt Issue - Series 19                             | 25-Feb-2005       | 25-Feb-2035          | 5.900%             | 150,000                          | 1,663                | 148,337                      | 5.980%                         | 150,000                              | 8,970               |
| 7        | 2006 Long Term Debt Issue - Series 21                             | 25-Sep-2006       | 25-Sep-2036          | 5.550%             | 120,000                          | 784                  | 119,216                      | 5.595%                         | 120,000                              | 6,714               |
| 8        | 2007 Medium Term Debt Issue - Series 22                           | 2-Oct-2007        | 2-Oct-2037           | 6.000%             | 250,000                          | 2,303                | 247,697                      | 6.067%                         | 250,000                              | 15,168              |
| 9        | 2008 Medium Term Debt Issue - Series 23                           | 13-May-2008       | 13-May-2038          | 5.800%             | 250,000                          | 2,412                | 247,588                      | 5.869%                         | 250,000                              | 14,673              |
| 10       | 2009 Med.Term Debt Issue- Series 24                               | 24-Feb-2009       | 24-Feb-2039          | 6.550%             | 100,000                          | 1,000                | 99,000                       | 6.627%                         | 100,000                              | 6,627               |
| 11       |   |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |
| 12       | 2011 Medium Term Debt Issue - Series 25                           | 1-Oct-2011        | 1-Oct-2021           | 4.497%             | 100,000                          | 1,000                | 99,000                       | 4.623%                         | 100,000                              | 4,623               |
| 13       |   |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |
| 14       | LILO Obligations - Kelowna  |                   |                      |                    |                                  |                      |                              | 6.445%                         | 21,892                               | 1,411               |
| 15       | LILO Obligations - Nelson   |                   |                      |                    |                                  |                      |                              | 7.872%                         | 3,519                                | 277                 |
| 16       | LILO Obligations - Vernon   |                   |                      |                    |                                  |                      |                              | 9.153%                         | 10,466                               | 958                 |
| 17       | LILO Obligations - Prince George                                  |                   |                      |                    |                                  |                      |                              | 8.067%                         | 27,085                               | 2,185               |
| 18       | LILO Obligations - Creston  |                   |                      |                    |                                  |                      |                              | 7.218%                         | 2,577                                | 186                 |
| 19       |   |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |
| 20       | Vehicle Lease Obligation  |                   |                      |                    |                                  |                      |                              | 6.335%                         | 12,124                               | 768                 |
| 21       |   |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |
| 22       | Sub-Total   |                   |                      |                    |                                  |                      |                              |                                | \$ 1,581,343                         | \$ 108,706          |
| 23       | Fort Nelson Division Portion of Long Term Debt                    |                   |                      |                    |                                  |                      |                              |                                | 5,144                                | 354                 |
| 24       | Total   |                   |                      |                    |                                  |                      |                              |                                | \$ 5,144                             | \$ 354              |
| 25       |   |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |
| 26       | *Includes adjustment of \$16,012 for BC Hydro Premium (Series A). |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |
| 27       | **Includes adjustment of \$1,451 for BC Hydro Premium (Series B). |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |
| 28       | Cross Reference   |                   |                      |                    |                                  |                      |                              |                                |                                      |                     |

Average Embedded Cost 6.87%

- Sect 7-TAB 7.4, Schedule 81

CALCULATION OF AMORTIZATION OF RSAM (RIDER 5)  
FOR THE YEARS ENDING DECEMBER 31, 2012 TO 2013  
(\$000s)

| Line No. | Particulars   | 2012         | 2013         | 2012                  | 2013                        | 2012                                    | 2013                                    |
|----------|---|--------------|--------------|-----------------------|-----------------------------|---|---|
|          |   | Volumes (TJ) | Volumes (TJ) | Amortization (\$000s) | Amortization (\$000s)       | Amortization of RSAM Unit Rider (\$/GJ) | Amortization of RSAM Unit Rider (\$/GJ) |
|          | (1)   | (2)          | (3)          | (4)                   | (5)                         | (6)                                     | (7)                                     |
| 1        | <b>RSAM (Rider 5) Calculation</b>   |              |              |                       |                             |   |   |
| 2        |   |              |              |                       |                             |   |   |
| 3        | Schedule 1 - Residential  | 273.2        | 274.3        |                       |                             | (\$0.011)                               | (\$0.011)                               |
| 4        | Schedule 2.1 - Commercial   | 203.2        | 207.8        |                       |                             | (\$0.011)                               | (\$0.011)                               |
| 5        | Schedule 2.2 - Commercial   | 101.0        | 104.3        |                       |                             | (\$0.011)                               | (\$0.011)                               |
| 7        | Schedule 25 - Transportation Service  | 55.1         | 55.1         |                       |                             | (\$0.011)                               | (\$0.011)                               |
| 10       |   |              |              |                       |                             |   |   |
| 11       |   | <u>632.5</u> | <u>641.5</u> | <u>(\$7)</u>          | <u>(\$7)</u> <sup>(1)</sup> |   |   |
| 12       |   |              |              |                       |                             |   |   |
| 13       |   |              |              |                       |                             |   |   |
| 14       | <b>Note 1: RSAM Rider Change</b>  |              |              |                       |                             |   |   |
| 15       |   |              |              |                       |                             |   |   |
| 16       | In 2011, FortisBC Energy forecasts that there will be approximately \$-35 thousand (net-of-tax) of RSAM additions.  |              |              |                       |                             |   |   |
| 17       | After offsetting the 2011 RSAM Rider recovery, the RSAM account including interest is now projected to be a credit balance of \$-16 thousand on a net-of-tax basis by the end of 2011. The RSAM balance is to be amortized over three years. Accordingly, the net-of-tax RSAM balance to be amortized in each year in 2012 and 2013 is a credit of \$-5 thousand. On a pre-tax basis, this amounts to \$7 thousand or a refund to the customer of \$0.011/GJ in 2012, which is a \$0.044 reduction from the existing charge of \$0.033/GJ. The corresponding 2013 refund to the customer is \$0.011/GJ. |              |              |                       |                             |   |   |
| 21       |   |              |              |                       |                             |   |   |
| 22       |   |              |              |                       |                             |   |   |
| 23       |   |              |              |                       |                             |   |   |
| 24       | 2012 Net-Of-Tax Amortization = 1/3 of Projected December 31, 2011 RSAM Balance  |              |              |                       |                             |   |   |
| 25       | = 1/3 * (\$-19 RSAM + \$3 RSAM Interest)  |              |              |                       |                             |   |   |
| 26       | = 1/3 * \$-16   |              |              |                       |                             |   |   |
| 27       | = \$-5 Net-of-tax amortization  |              |              |                       |                             |   |   |
| 28       |   |              |              |                       |                             |   |   |
| 29       | 2012 Pre-Tax Amortization = Net-of-tax amortization / (1 - tax rate) + Amortization on Prior years' balances  |              |              |                       |                             |   |   |
| 30       | = \$-5 / (1 - 25%)  |              |              |                       |                             |   |   |
| 31       | = \$-7 Pre-tax amortization   |              |              |                       |                             |   |   |
| 32       |   |              |              |                       |                             |   |   |
| 33       | 2013 Net-Of-Tax Amortization = 1/2 of Projected December 31, 2012 RSAM Balance  |              |              |                       |                             |   |   |
| 34       | = 1/2 * (\$-12 RSAM + \$2 RSAM Interest)  |              |              |                       |                             |   |   |
| 35       | = 1/2 * \$-10   |              |              |                       |                             |   |   |
| 36       | = \$-5 Net-of-tax amortization  |              |              |                       |                             |   |   |
| 37       |   |              |              |                       |                             |   |   |
| 38       | 2013 Pre-Tax Amortization = Net-of-tax amortization / (1 - tax rate) + Amortization on Prior years' balances  |              |              |                       |                             |   |   |
| 39       | = \$-5 / (1 - 25%)  |              |              |                       |                             |   |   |
| 40       | = \$-7 Pre-tax amortization   |              |              |                       |                             |   |   |