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March 7, 2013

British Columbia Utilities Commission
6th Floor, 900 Howe Street
Vancouver, BC
V6Z 2N3

Attention: Ms. Erica M. Hamilton, Commission Secretary

Dear Ms. Hamilton:

**Re: FortisBC Energy Inc. – Lower Mainland, Inland, and Columbia Service Areas
Commodity Cost Reconciliation Account (“CCRA”), Midstream Cost
Reconciliation Account (“MCRA”), and Biomethane Variance Account (“BVA”)
Quarterly Gas Costs
2013 First Quarter Gas Cost Report**

The attached materials provide the FortisBC Energy Inc. (“FEI” or the “Company”) 2013 First Quarter Gas Cost Report for the CCRA, MCRA, and BVA deferral accounts as required under British Columbia Utilities Commission (the “Commission”) guidelines.

CCRA Deferral Account

Based on the five-day average of the February 15, 19, 20, 21, and 22, 2013 forward prices (“five-day average forward prices ending February 22, 2013”), the March 31, 2013 CCRA balance is projected to be approximately \$6 million surplus after tax. Further, based on the five-day average forward prices ending February 22, 2013, the gas purchase cost assumptions, and the forecast commodity cost recoveries at present rates for the 12-month period ending March 31, 2014, and accounting for the projected March 31, 2013 deferral balance, the CCRA trigger ratio is calculated to be 90.5% (Tab 1, Page 2, Column 4, Line 10), which shows an under recovery of costs outside the 95% to 105% deadband range. The tested rate increase that would produce a 100% commodity recovery-to-cost ratio is calculated to be \$0.312/GJ (Tab 1, Page 2, Column 5, Line 25), which falls within the \$0.50/GJ rate change threshold and indicates that a rate change is not required at this time.

The schedules at Tab 2, Pages 1 to 2, provide details of the recorded and forecast, based on the five-day average forward prices ending February 22, 2013, CCRA gas supply costs. The schedule at Tab 2, Page 3 provides the information related to the allocation of the forecast CCRA gas supply costs for the April 1, 2013 to March 31, 2014 prospective period, based on the five-day average forward prices ending February 22, 2013, to the sales rate classes.

MCRA Deferral Account

The monthly deferral account balances for the MCRA are shown on the schedule provided at Tab 1, Page 3, at the existing rates. The MCRA balance at March 31, 2013, based on the five-day average forward prices ending February 22, 2013, is projected to be approximately \$27 million surplus after tax. Further, the MCRA after tax balances at December 31, 2013 and December 31, 2014, based on the five-day average forward prices ending February 22, 2013, are projected to be approximately \$9 million surplus and \$1 million deficit, respectively.

The schedules at Tab 2, Pages 4 to 6, provide details of the recorded 2012 and forecast, based on the five-day average forward prices ending February 22, 2013, MCRA gas supply costs for calendar 2013 and 2014.

FEI will continue to monitor and report the MCRA balances consistent with the Company's position that midstream rates be reported on a quarterly basis and, under normal circumstances, midstream rates be adjusted on an annual basis with a January 1 effective date.

BVA Deferral Account

The monthly deferral account activity and balances for the BVA are shown on the schedules provided at Tab 3, Pages 1 and 2 – the schedule at Page 1 displays volumes, and the schedule at Page 2 displays dollars.

Based on the biomethane gas supply cost assumptions, the forecast biomethane recoveries at the present Biomethane Energy Recovery Charge ("BERC") rate, the BVA balance before accounting for the value of the unsold biomethane volumes is projected to be approximately \$700 thousand deficit after tax at March 31, 2013 (Tab 3, Page 2, Column 4, Line 21); after adjustment for the value of the unsold biomethane volumes at March 31, 2013, the BVA balance is projected to be approximately \$29 thousand deficit after tax (Tab 3, Page 2, Column 4, Line 24).

Further, the BVA balance at December 31, 2013 and December 31, 2014, based on the existing BERC rate and after adjustment for the value of the unsold biomethane volumes is forecast to be \$140 thousand deficit after tax (Tab 3, Page 2, Column 14, Line 24) and \$350 thousand deficit after tax (Tab 3, Page 2, Column 14, Line 37), respectively.

The schedule at Tab 3, Page 3 provides a breakdown of the monthly actual and forecast biomethane recoveries by rate class. The schedules at Tab 3, Pages 4.1 to 4.3 provide a breakdown of the monthly actual and forecast biomethane supply costs by project.

FEI will continue to monitor and report the BVA balances consistent with the Company's position that the biomethane rate be reported on a quarterly basis and, under normal circumstances, the biomethane rate be adjusted on an annual basis with a January 1 effective date.

The Company requests the information contained in Tab 3, Pages 4.1, 4.2, and 4.3 be treated as CONFIDENTIAL.

CONFIDENTIALITY

Consistent with past practice and previous discussions and positions on the confidentiality of selected filings (and further emphasized in the Company's January 31, 1994 submission to the Commission) FEI is requesting that this information be filed on a confidential basis pursuant to Section 71(5) of the *Utilities Commission Act* and requests that the Commission exercise its discretion under Section 6.0 of the Rules for Natural Gas Energy Supply Contracts and allow these documents to remain confidential. FEI believes this will ensure that market sensitive information is protected, and FEI's ability to obtain favourable commercial terms for future gas contracting is not impaired.

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

Summary

In summary, the Company proposes the commodity, midstream, and biomethane rates remain unchanged at April 1, 2013.

FEI will continue to monitor the forward prices, and will report CCRA, MCRA, and BVA balances in its 2013 Second Quarter Gas Cost Report.

We trust that the Commission will find this filing in order. If there are any questions regarding this filing, please contact Brian Noel at 604-592-7467.

All of which is respectfully submitted.

Yours very truly,

FORTISBC ENERGY INC.

Original signed:

Diane Roy

Attachments

**FORTISBC ENERGY INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
INCLUDING FORTISBC ENERGY (WHISTLER) INC.
CCRA MONTHLY BALANCES AT EXISTING RATES (AFTER VOLUME ADJUSTMENTS)
FOR THE FORECAST PERIOD APRIL 1, 2013 TO MARCH 31, 2015
FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 15, 19, 20, 21, AND 22, 2013
\$(Millions)**

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
														Jan-12 to Dec-12
1		Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	
2		Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	
3	CCRA Balance - Beginning (Pre-tax) ^(1*)	\$ (19)	\$ (20)	\$ (24)	\$ (29)	\$ (30)	\$ (30)	\$ (30)	\$ (28)	\$ (27)	\$ (26)	\$ (22)	\$ (18)	\$ (19)
4	Gas Costs Incurred	\$ 32	\$ 28	\$ 29	\$ 23	\$ 25	\$ 25	\$ 27	\$ 26	\$ 26	\$ 30	\$ 30	\$ 31	\$ 331
5	Revenue from APPROVED Recovery Rates	\$ (34)	\$ (32)	\$ (34)	\$ (24)	\$ (25)	\$ (25)	\$ (25)	\$ (25)	\$ (25)	\$ (25)	\$ (26)	\$ (27)	\$ (326)
6	CCRA Balance - Ending (Pre-tax) ^(2*)	\$ (20)	\$ (24)	\$ (29)	\$ (30)	\$ (30)	\$ (30)	\$ (28)	\$ (27)	\$ (26)	\$ (22)	\$ (18)	\$ (13)	\$ (13)
7														
8	CCRA Balance - Ending (After-tax) ^(3*)	\$ (15)	\$ (18)	\$ (22)	\$ (22)	\$ (23)	\$ (23)	\$ (21)	\$ (21)	\$ (20)	\$ (16)	\$ (13)	\$ (10)	\$ (10)
9														
10														Jan-13 to Mar-13
11		Recorded	Projected	Projected										
12		Jan-13	Feb-13	Mar-13										
13	CCRA Balance - Beginning (Pre-tax) ^(1*)	\$ (13)	\$ (11)	\$ (9)										\$ (13)
14	Gas Costs Incurred	\$ 29	\$ 27	\$ 30										\$ 85
15	Revenue from EXISTING Recovery Rate	\$ (26)	\$ (24)	\$ (27)										\$ (78)
16	CCRA Balance - Ending (Pre-tax) ^(2*)	\$ (11)	\$ (9)	\$ (7)										\$ (7)
17														
18	CCRA Balance - Ending (After-tax) ^(3*)	\$ (8)	\$ (7)	\$ (6)										\$ (6)
19														
20														
21														Apr-13 to Mar-14
22		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
23		Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	
24	CCRA Balance - Beginning (Pre-tax) ^(1*)	\$ (7)	\$ (6)	\$ (5)	\$ (4)	\$ (3)	\$ (1)	\$ 1	\$ 4	\$ 9	\$ 15	\$ 21	\$ 27	\$ (7)
25	Gas Costs Incurred	\$ 27	\$ 28	\$ 27	\$ 28	\$ 29	\$ 28	\$ 30	\$ 31	\$ 33	\$ 33	\$ 30	\$ 33	\$ 358
26	Revenue from EXISTING Recovery Rates	\$ (26)	\$ (27)	\$ (26)	\$ (27)	\$ (27)	\$ (26)	\$ (27)	\$ (26)	\$ (27)	\$ (27)	\$ (24)	\$ (27)	\$ (318)
27	CCRA Balance - Ending (Pre-tax) ^(2*)	\$ (6)	\$ (5)	\$ (4)	\$ (3)	\$ (1)	\$ 1	\$ 4	\$ 9	\$ 15	\$ 21	\$ 27	\$ 33	\$ 33
28														
29	CCRA Balance - Ending (After-tax) ^(3*)	\$ (5)	\$ (4)	\$ (3)	\$ (2)	\$ (1)	\$ 1	\$ 3	\$ 6	\$ 11	\$ 16	\$ 20	\$ 25	\$ 25
30														
31														
32														Apr-14 to Mar-15
33		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
34		Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	
35	CCRA Balance - Beginning (Pre-tax) ^(1*)	\$ 33	\$ 37	\$ 41	\$ 45	\$ 49	\$ 54	\$ 59	\$ 64	\$ 72	\$ 82	\$ 92	\$ 101	\$ 33
36	Gas Costs Incurred	\$ 30	\$ 31	\$ 31	\$ 32	\$ 32	\$ 31	\$ 33	\$ 34	\$ 37	\$ 38	\$ 34	\$ 37	\$ 403
37	Revenue from EXISTING Recovery Rates	\$ (27)	\$ (28)	\$ (27)	\$ (28)	\$ (28)	\$ (27)	\$ (28)	\$ (27)	\$ (28)	\$ (28)	\$ (25)	\$ (28)	\$ (326)
38	CCRA Balance - Ending (Pre-tax) ^(2*)	\$ 37	\$ 41	\$ 45	\$ 49	\$ 54	\$ 59	\$ 64	\$ 72	\$ 82	\$ 92	\$ 101	\$ 111	\$ 111
39														
40	CCRA Balance - Ending (After-tax) ^(3*)	\$ 28	\$ 31	\$ 34	\$ 37	\$ 41	\$ 44	\$ 48	\$ 54	\$ 61	\$ 69	\$ 76	\$ 83	\$ 83

Notes: Slight differences in totals due to rounding.

(1*) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts (Jan 1, 2012, 2013, 2014, and 2015 at 25.0%).

(2*) For rate setting purposes CCRA pre-tax balances include grossed-up projected deferred interest of approximately \$1.5 million credit as at March 31, 2013.

(3*) For rate setting purposes CCRA after tax balances are independently grossed-up to reflect pre-tax amounts.

**FORTISBC ENERGY INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
INCLUDING FORTISBC ENERGY (WHISTLER) INC.
CCRA RATE CHANGE TRIGGER MECHANISM
FOR THE FORECAST PERIOD APRIL 1, 2013 TO MARCH 31, 2014
FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 15, 19, 20, 21, AND 22, 2013**

Line No.	Particulars (1)	Pre-Tax (\$Millions) (2)	Forecast Volume (GJ) (3)	Percentage (4)	Unit Cost (\$/GJ) (5)	Reference / Comment (6)
1	<u>CCRA RATE CHANGE TRIGGER RATIO</u>					
2						
3	Projected Deferral Balance at Existing Recovery Rate at Mar 31, 2013	\$ (7)				(Tab 1, Page 1, Col.14, Line 16)
4						
5	Forecast Incurred Gas Costs - Apr 2013 to Mar 2014	\$ 358				(Tab 1, Page 1, Col.14, Line 25)
6						
7	Forecast Recovery Gas Costs - Apr 2013 to Mar 2014	\$ 318				(Tab 1, Page 1, Col.14, Line 26)
8						
9						
10	CCRA					
11	Ratio = $\frac{\text{Forecast Recovered Gas Costs (Line 7)}}{\text{Forecast Incurred Gas Costs (Line 5) + Projected CCRA Balance (Line 3)}}$	= \$ 318		= <u><u>90.5%</u></u>		Outside 95% to 105% deadband
12		= \$ 351				
13						
14						
15						
16						
17	<u>CCRA RATE CHANGE THRESHOLD (+/- \$0.50/GJ)</u>					
18						
19	Tested Rate					
20						
21	Forecast 12-month sales recovery volumes - Apr 2013 to Mar 2014		106,675.6			(Tab 2, Page 3, Col. 5, Line 1)
22						
23	(Over) / Under Recovery at Existing CCRA Rate	\$ 33				(Line 3 + Line 5 - Line 7)
24						
25	Tested Rate (Decrease) / Increase				<u><u>\$ 0.312</u></u>	Within minimum +/- \$0.50/GJ threshold

Notes: Slight differences in totals due to rounding.

**FORTISBC ENERGY INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
INCLUDING FORTISBC ENERGY (WHISTLER) INC.
MCRA MONTHLY BALANCES AT EXISTING RATES (AFTER VOLUME ADJUSTMENTS)
FOR THE FORECAST PERIOD APRIL 1, 2013 TO MARCH 31, 2015
FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 15, 19, 20, 21, AND 22, 2013**

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
		\$(Millions)												
		Recorded Jan-12	Recorded Feb-12	Recorded Mar-12	Recorded Apr-12	Recorded May-12	Recorded Jun-12	Recorded Jul-12	Recorded Aug-12	Recorded Sep-12	Recorded Oct-12	Recorded Nov-12	Recorded Dec-12	Total 2012
1														
2														
3	MCRA Cumulative Balance - Beginning (Pre-tax) ^(1*)	\$ (8)	\$ (14)	\$ (32)	\$ (42)	\$ (43)	\$ (44)	\$ (39)	\$ (32)	\$ (24)	\$ (18)	\$ (16)	\$ (21)	\$ (8)
4	2012 MCRA Activities													
5	Rate Rider 6													
6	Amount to be amortized in 2012													
7	Rider 6 Amortization at APPROVED 2012 Rates	\$ 1	\$ 1	\$ 1	\$ 1	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 6
8														
9	Gas Costs Incurred	\$ 57	\$ 46	\$ 35	\$ 19	\$ 13	\$ 14	\$ 16	\$ 17	\$ 20	\$ 25	\$ 36	\$ 50	\$ 348
10	Revenue from APPROVED Recovery Rates	\$ (64)	\$ (65)	\$ (47)	\$ (20)	\$ (15)	\$ (9)	\$ (9)	\$ (10)	\$ (14)	\$ (23)	\$ (42)	\$ (53)	\$ (371)
11	Total Midstream Base Rates (Pre-tax)	\$ (7)	\$ (19)	\$ (11)	\$ (1)	\$ (2)	\$ 5	\$ 7	\$ 8	\$ 6	\$ 2	\$ (6)	\$ (4)	\$ (23)
12														
13	MCRA Cumulative Balance - Ending (Pre-tax) ^(2*)	\$ (14)	\$ (32)	\$ (42)	\$ (43)	\$ (44)	\$ (39)	\$ (32)	\$ (24)	\$ (18)	\$ (16)	\$ (21)	\$ (24)	\$ (24)
14														
15	MCRA Cumulative Balance - Ending (After-tax) ^(3*)	\$ (10)	\$ (24)	\$ (32)	\$ (32)	\$ (33)	\$ (29)	\$ (24)	\$ (18)	\$ (14)	\$ (12)	\$ (16)	\$ (18)	\$ (18)
16														
17														
18		Recorded Jan-13	Projected Feb-13	Projected Mar-13	Forecast Apr-13	Forecast May-13	Forecast Jun-13	Forecast Jul-13	Forecast Aug-13	Forecast Sep-13	Forecast Oct-13	Forecast Nov-13	Forecast Dec-13	Total 2013
19														
20	MCRA Cumulative Balance - Beginning (Pre-tax) ^(1*)	\$ (24)	\$ (27)	\$ (28)	\$ (36)	\$ (36)	\$ (32)	\$ (27)	\$ (22)	\$ (16)	\$ (11)	\$ (9)	\$ (10)	\$ (24)
21	2013 MCRA Activities													
22	Rate Rider 6													
23	Amount to be amortized in 2013 ^(4*)													
24	Rider 6 Amortization at APPROVED 2013 Rates	\$ 1	\$ 1	\$ 1	\$ 1	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 9
25	Midstream Base Rates													
26	Gas Costs Incurred	\$ 57	\$ 41	\$ 29	\$ 16	\$ 5	\$ 3	\$ (1)	\$ (1)	\$ 4	\$ 13	\$ 39	\$ 45	\$ 250
27	Revenue from EXISTING Recovery Rates	\$ (61)	\$ (43)	\$ (35)	\$ (17)	\$ (2)	\$ 1	\$ 6	\$ 7	\$ 2	\$ (12)	\$ (41)	\$ (48)	\$ (245)
28	Total Midstream Base Rates (Pre-tax)	\$ (5)	\$ (2)	\$ (6)	\$ (0)	\$ 3	\$ 5	\$ 5	\$ 6	\$ 5	\$ 1	\$ (2)	\$ (4)	\$ 6
29														
30	MCRA Cumulative Balance - Ending (Pre-tax) ^(2*)	\$ (27)	\$ (28)	\$ (36)	\$ (36)	\$ (32)	\$ (27)	\$ (22)	\$ (16)	\$ (11)	\$ (9)	\$ (10)	\$ (13)	\$ (13)
31														
32	MCRA Cumulative Balance - Ending (After-tax) ^(3*)	\$ (20)	\$ (21)	\$ (27)	\$ (27)	\$ (24)	\$ (21)	\$ (17)	\$ (12)	\$ (8)	\$ (7)	\$ (8)	\$ (9)	\$ (9)
33														
34														
35		Forecast Jan-14	Forecast Feb-14	Forecast Mar-14	Forecast Apr-14	Forecast May-14	Forecast Jun-14	Forecast Jul-14	Forecast Aug-14	Forecast Sep-14	Forecast Oct-14	Forecast Nov-14	Forecast Dec-14	Total 2014
36														
37	MCRA Balance - January 1, 2014 (Pre-tax) ^(1*)	\$ (13)	\$ (14)	\$ (14)	\$ (15)	\$ (14)	\$ (10)	\$ (6)	\$ (2)	\$ 2	\$ 6	\$ 7	\$ 4	\$ (13)
38	2014 MCRA Activities													
39	Rate Rider 6													
40														
41	Rider 6 Amortization at EXISTING 2013 Rates	\$ 1	\$ 1	\$ 1	\$ 1	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 9
42	Midstream Base Rates													
43	Gas Costs Incurred	\$ 44	\$ 42	\$ 32	\$ 17	\$ 5	\$ 4	\$ (1)	\$ (2)	\$ 4	\$ 13	\$ 39	\$ 46	\$ 242
44	Revenue from EXISTING Recovery Rates	\$ (47)	\$ (43)	\$ (33)	\$ (17)	\$ (3)	\$ 0	\$ 5	\$ 6	\$ 1	\$ (13)	\$ (43)	\$ (50)	\$ (237)
45	Total Midstream Base Rates (Pre-tax)	\$ (3)	\$ (1)	\$ (2)	\$ 0	\$ 3	\$ 4	\$ 3	\$ 4	\$ 4	\$ 0	\$ (4)	\$ (4)	\$ 5
46														
47	MCRA Cumulative Balance - Ending (Pre-tax) ^(2*)	\$ (14)	\$ (14)	\$ (15)	\$ (14)	\$ (10)	\$ (6)	\$ (2)	\$ 2	\$ 6	\$ 7	\$ 4	\$ 1	\$ 1
48														
49	MCRA Cumulative Balance - Ending (After-tax) ^(3*)	\$ (11)	\$ (11)	\$ (11)	\$ (10)	\$ (8)	\$ (5)	\$ (2)	\$ 1	\$ 5	\$ 5	\$ 3	\$ 1	\$ 1

Notes: Slight differences in totals due to rounding.

(1*) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts (Jan 1, 2012, 2013, 2014, and 2015 at 25.0%).

(2*) For rate setting purposes MCRA pre-tax balances include grossed-up projected deferred interest of approximately \$3.2 million credit as at March 31, 2013.

(3*) For rate setting purposes MCRA after tax balances are independently grossed-up to reflect pre-tax amounts.

(4*) BCUC Order No. G-179-12 approved the 1/3 projected MCRA cumulative balance at Dec 31, 2012 to be amortized into the next year's midstream rates, via Rider 6, as filed in the FEI 2012 Fourth Quarter Gas Cost Report.

FORTISBC ENERGY INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
SUMAS INDEX FORECAST FOR THE PERIOD ENDING MARCH 31, 2015
AND US DOLLAR EXCHANGE RATE FORECAST UPDATE

Tab 1
Page 4.1

Line No	Particulars	Five-day Average Forward Prices - February 15, 19, 20, 21, and 22, 2013 2013 Q1 Gas Cost Report	Five-day Average Forward Prices - November 1, 2, 5, 6, and 7, 2012 2012 Q4 Gas Cost Report	Change in Forward Price (4) = (2) - (3)
	(1)	(2)	(3)	(4)
1	Sumas Index Prices - \$US/MMBtu			
2	2012			
3	January	\$ 3.47	\$ 3.47	\$ -
4	February	\$ 2.78	\$ 2.78	\$ -
5	March	\$ 2.47	\$ 2.47	\$ -
6	April	\$ 1.96	\$ 1.96	\$ -
7	May	\$ 1.82	\$ 1.82	\$ -
8	June	\$ 2.35	\$ 2.35	\$ -
9	July	\$ 2.44	\$ 2.44	\$ -
10	August	\$ 2.74	\$ 2.74	\$ -
11	September	\$ 2.44	\$ 2.44	\$ -
12	October	\$ 2.91	\$ 2.91	\$ -
13	November	\$ 3.94	\$ 3.94	\$ -
14	December	\$ 4.03	\$ 4.22	\$ (0.19)
15	<i>Simple Average (Jan, 2012 - Dec, 2012)</i>	\$ 2.78	\$ 2.79	-0.4% \$ (0.01)
16	<i>Simple Average (Apr, 2012 - Mar, 2013)</i>	\$ 2.92	\$ 3.06	-4.6% \$ (0.14)
17	<i>Simple Average (Jul, 2012 - Jun, 2013)</i>	\$ 3.21	\$ 3.45	-7.0% \$ (0.24)
18	<i>Simple Average (Oct, 2012 - Sep, 2013)</i>	\$ 3.41	\$ 3.74	-8.8% \$ (0.33)
19	2013			
20	January	\$ 3.58	\$ 4.15	\$ (0.57)
21	February	\$ 3.58	\$ 4.03	\$ (0.45)
22	March	\$ 3.28	\$ 3.78	\$ (0.50)
23	April	\$ 3.26	\$ 3.61	\$ (0.35)
24	May	\$ 3.13	\$ 3.54	\$ (0.40)
25	June	\$ 3.16	\$ 3.56	\$ (0.39)
26	July	\$ 3.32	\$ 3.71	\$ (0.39)
27	August	\$ 3.36	\$ 3.74	\$ (0.38)
28	September	\$ 3.40	\$ 3.75	\$ (0.35)
29	October	\$ 3.48	\$ 3.82	\$ (0.33)
30	November	\$ 3.96	\$ 4.37	\$ (0.41)
31	December	\$ 4.34	\$ 4.82	\$ (0.49)
32	<i>Simple Average (Jan, 2013 - Dec, 2013)</i>	\$ 3.49	\$ 3.91	-10.7% \$ (0.42)
33	<i>Simple Average (Apr, 2013 - Mar, 2014)</i>	\$ 3.65	\$ 4.05	-9.9% \$ (0.40)
34	<i>Simple Average (Jul, 2013 - Jun, 2014)</i>	\$ 3.78	\$ 4.13	-8.5% \$ (0.35)
35	<i>Simple Average (Oct, 2013 - Sep, 2014)</i>	\$ 3.90	\$ 4.21	-7.4% \$ (0.31)
36	2014			
37	January	\$ 4.27	\$ 4.76	\$ (0.49)
38	February	\$ 4.20	\$ 4.67	\$ (0.47)
39	March	\$ 3.95	\$ 4.31	\$ (0.36)
40	April	\$ 3.75	\$ 3.94	\$ (0.20)
41	May	\$ 3.65	\$ 3.85	\$ (0.19)
42	June	\$ 3.67	\$ 3.85	\$ (0.19)
43	July	\$ 3.82	\$ 4.03	\$ (0.21)
44	August	\$ 3.85	\$ 4.05	\$ (0.20)
45	September	\$ 3.86	\$ 4.06	\$ (0.20)
46	October	\$ 3.93	\$ 4.11	\$ (0.19)
47	November	\$ 4.53	\$ 4.65	\$ (0.12)
48	December	\$ 4.87	\$ 5.08	\$ (0.21)
49	<i>Simple Average (Jan, 2014 - Dec, 2014)</i>	\$ 4.03	\$ 4.28	-5.8% \$ (0.25)
50	<i>Simple Average (Apr, 2014 - Mar, 2015)</i>	\$ 4.15		
51	2015			
52	January	\$ 4.77		
53	February	\$ 4.71		
54	March	\$ 4.42		

Conversion Factors

(A) 1 MMBtu = 1.055056 GJ

(B) Five-day Average February 15, 19, 20, 21, and 22, 2013 vs Five-day Average November 1, 2, 5, 6, and 7, 2012 (\$1US=\$x.xxxCDN)

	Forecast Apr 2013-Mar 2014	Forecast Jan 2013-Dec 2013		
Prophet X natural gas trading platform Avg Exchange Rate	\$ 1.0183	\$ 0.9987	2.0%	\$ 0.020
Bank of Canada Daily Exchange Rate	\$ 0.9730	\$ 0.9955	-2.3%	\$ (0.022)

FORTISBC ENERGY INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
SUMAS INDEX FORECAST FOR THE PERIOD ENDING MARCH 31, 2015
(PRESENTED IN \$CDN/GJ)

Line No	Particulars	Five-day Average Forward Prices - February 15, 19, 20, 21, and 22, 2013 2013 Q1 Gas Cost Report	Five-day Average Forward Prices - November 1, 2, 5, 6, and 7, 2012 2012 Q4 Gas Cost Report	Change in Forward Price (4) = (2) - (3)
	(1)	(2)	(3)	(4) = (2) - (3)
1	Sumas Index Prices - \$CDN/GJ			
2	2012			
3	January	\$ 3.29	\$ 3.29	\$ -
4	February	\$ 2.64	\$ 2.64	\$ -
5	March	\$ 2.31	\$ 2.31	\$ -
6	April	\$ 1.84	\$ 1.84	\$ -
7	May	\$ 1.72	\$ 1.72	\$ -
8	June	\$ 2.22	\$ 2.22	\$ -
9	July	\$ 2.31	\$ 2.31	\$ -
10	August	\$ 2.59	\$ 2.59	\$ -
11	September	\$ 2.31	\$ 2.31	\$ -
12	October	\$ 2.75	\$ 2.75	\$ -
13	November	\$ 3.73	\$ 3.73	\$ -
14	December	\$ 3.81	\$ 3.99	\$ (0.18)
15	Simple Average (Jan, 2012 - Dec, 2012)	\$ 2.63	\$ 2.64	-0.4% \$ (0.01)
16	Simple Average (Apr, 2012 - Mar, 2013)	\$ 2.77	\$ 2.90	-4.5% \$ (0.13)
17	Simple Average (Jul, 2012 - Jun, 2013)	\$ 3.05	\$ 3.26	-6.4% \$ (0.21)
18	Simple Average (Oct, 2012 - Sep, 2013)	\$ 3.26	\$ 3.54	-7.9% \$ (0.28)
19	2013			
20	January	\$ 3.35	\$ 3.93	\$ (0.58)
21	February	\$ 3.39	\$ 3.81	\$ (0.43)
22	March	\$ 3.17	\$ 3.58	\$ (0.41)
23	April	\$ 3.15	\$ 3.42	\$ (0.27)
24	May	\$ 3.03	\$ 3.35	\$ (0.32)
25	June	\$ 3.05	\$ 3.37	\$ (0.31)
26	July	\$ 3.20	\$ 3.51	\$ (0.31)
27	August	\$ 3.24	\$ 3.54	\$ (0.30)
28	September	\$ 3.28	\$ 3.55	\$ (0.27)
29	October	\$ 3.36	\$ 3.61	\$ (0.25)
30	November	\$ 3.82	\$ 4.14	\$ (0.32)
31	December	\$ 4.18	\$ 4.56	\$ (0.38)
32	Simple Average (Jan, 2013 - Dec, 2013)	\$ 3.35	\$ 3.70	-9.5% \$ (0.35)
33	Simple Average (Apr, 2013 - Mar, 2014)	\$ 3.53	\$ 3.84	-8.1% \$ (0.31)
34	Simple Average (Jul, 2013 - Jun, 2014)	\$ 3.65	\$ 3.91	-6.6% \$ (0.26)
35	Simple Average (Oct, 2013 - Sep, 2014)	\$ 3.76	\$ 3.99	-5.8% \$ (0.23)
36	2014			
37	January	\$ 4.12	\$ 4.50	\$ (0.38)
38	February	\$ 4.05	\$ 4.42	\$ (0.36)
39	March	\$ 3.81	\$ 4.08	\$ (0.27)
40	April	\$ 3.61	\$ 3.73	\$ (0.12)
41	May	\$ 3.53	\$ 3.64	\$ (0.12)
42	June	\$ 3.54	\$ 3.65	\$ (0.11)
43	July	\$ 3.69	\$ 3.82	\$ (0.13)
44	August	\$ 3.72	\$ 3.84	\$ (0.12)
45	September	\$ 3.72	\$ 3.84	\$ (0.11)
46	October	\$ 3.79	\$ 3.89	\$ (0.10)
47	November	\$ 4.37	\$ 4.40	\$ (0.03)
48	December	\$ 4.70	\$ 4.81	\$ (0.11)
49	Simple Average (Jan, 2014 - Dec, 2014)	\$ 3.89	\$ 4.05	-4.0% \$ (0.16)
50	Simple Average (Apr, 2014 - Mar, 2015)	\$ 4.01		
51	2015			
52	January	\$ 4.60		
53	February	\$ 4.55		
54	March	\$ 4.27		

Conversation Factors

(A) 1 MMBtu = 1.055056 GJ

(B) Prophet X natural gas trading platform Average Exchange Rate (\$1US=\$x.xxxCDN)

\$ 1.0183

\$ 0.9987

2.0% \$ 0.020

**FORTISBC ENERGY INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
AECO INDEX FORECAST FOR THE PERIOD ENDING MARCH 31, 2015**

Tab 1
Page 5

Line No	Particulars (1)	Five-day Average Forward Prices - February 15, 19, 20, 21, and 22, 2013 2013 Q1 Gas Cost Report (2)	Five-day Average Forward Prices - November 1, 2, 5, 6, and 7, 2012 2012 Q4 Gas Cost Report (3)	Change in Forward Price (4) = (2) - (3)
1	AECO Index Prices - \$CDN/GJ			
2	2012 January	\$ 2.86	\$ 2.86	\$ -
3	February	\$ 2.32	\$ 2.32	\$ -
4	March	\$ 1.97	\$ 1.97	\$ -
5	April	\$ 1.71	\$ 1.71	\$ -
6	May	\$ 1.56	\$ 1.56	\$ -
7	June	\$ 1.95	\$ 1.95	\$ -
8	July	\$ 1.90	\$ 1.90	\$ -
9	August	\$ 2.28	\$ 2.28	\$ -
10	September	\$ 2.06	\$ 2.06	\$ -
11	October	\$ 2.34	\$ 2.34	\$ -
12	November	\$ 3.10	\$ 3.10	\$ -
13	December	\$ 3.25	\$ 3.19	\$ 0.05
14	<i>Simple Average (Jan, 2012 - Dec, 2012)</i>	\$ 2.28	\$ 2.27	0.4% \$ 0.01
15	<i>Simple Average (Apr, 2012 - Mar, 2013)</i>	\$ 2.40	\$ 2.48	-3.2% \$ (0.08)
16	<i>Simple Average (Jul, 2012 - Jun, 2013)</i>	\$ 2.68	\$ 2.83	-5.3% \$ (0.15)
17	<i>Simple Average (Oct, 2012 - Sep, 2013)</i>	\$ 2.89	\$ 3.12	-7.4% \$ (0.23)
18	2013 January	\$ 2.96	\$ 3.22	\$ (0.26)
19	February	\$ 2.88	\$ 3.21	\$ (0.33)
20	March	\$ 2.86	\$ 3.20	\$ (0.34)
21	April	\$ 2.83	\$ 3.15	\$ (0.32)
22	May	\$ 2.83	\$ 3.17	\$ (0.34)
23	June	\$ 2.84	\$ 3.18	\$ (0.34)
24	July	\$ 2.87	\$ 3.20	\$ (0.33)
25	August	\$ 2.93	\$ 3.23	\$ (0.31)
26	September	\$ 2.95	\$ 3.25	\$ (0.30)
27	October	\$ 3.01	\$ 3.31	\$ (0.29)
28	November	\$ 3.20	\$ 3.44	\$ (0.23)
29	December	\$ 3.36	\$ 3.63	\$ (0.27)
30	<i>Simple Average (Jan, 2013 - Dec, 2013)</i>	\$ 2.96	\$ 3.27	-9.5% \$ (0.31)
31	<i>Simple Average (Apr, 2013 - Mar, 2014)</i>	\$ 3.09	\$ 3.38	-8.6% \$ (0.29)
32	<i>Simple Average (Jul, 2013 - Jun, 2014)</i>	\$ 3.21	\$ 3.45	-7.0% \$ (0.24)
33	<i>Simple Average (Oct, 2013 - Sep, 2014)</i>	\$ 3.33	\$ 3.52	-5.4% \$ (0.19)
34	2014 January	\$ 3.40	\$ 3.69	\$ (0.28)
35	February	\$ 3.43	\$ 3.68	\$ (0.25)
36	March	\$ 3.40	\$ 3.62	\$ (0.22)
37	April	\$ 3.31	\$ 3.46	\$ (0.15)
38	May	\$ 3.32	\$ 3.46	\$ (0.14)
39	June	\$ 3.34	\$ 3.47	\$ (0.13)
40	July	\$ 3.37	\$ 3.50	\$ (0.12)
41	August	\$ 3.39	\$ 3.52	\$ (0.12)
42	September	\$ 3.40	\$ 3.52	\$ (0.12)
43	October	\$ 3.46	\$ 3.58	\$ (0.12)
44	November	\$ 3.56	\$ 3.69	\$ (0.13)
45	December	\$ 3.73	\$ 3.86	\$ (0.13)
46	<i>Simple Average (Jan, 2014 - Dec, 2014)</i>	\$ 3.43	\$ 3.59	-4.5% \$ (0.16)
47	<i>Simple Average (Apr, 2014 - Mar, 2015)</i>	\$ 3.52		
48	2015 January	\$ 3.81		
49	February	\$ 3.84		
50	March	\$ 3.76		

FORTISBC ENERGY INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
STATION NO. 2 INDEX FORECAST FOR THE PERIOD ENDING MARCH 31, 2015

Tab 1
Page 6

Line No	Particulars (1)	Five-day Average Forward Prices - February 15, 19, 20, 21, and 22, 2013	Five-day Average Forward Prices - November 1, 2, 5, 6, and 7, 2012	Change in Forward Price (4) = (2) - (3)
		2013 Q1 Gas Cost Report (2)	2012 Q4 Gas Cost Report (3)	
1	Station No. 2 Index Prices - \$CDN/GJ			
2	2012			
3	January	\$ 2.86	\$ 2.86	\$ -
4	February	\$ 2.24	\$ 2.24	\$ -
5	March	\$ 1.90	\$ 1.90	\$ -
6	April	\$ 1.67	\$ 1.67	\$ -
7	May	\$ 1.44	\$ 1.44	\$ -
8	June	\$ 2.02	\$ 2.02	\$ -
9	July	\$ 2.03	\$ 2.03	\$ -
10	August	\$ 2.36	\$ 2.36	\$ -
11	September	\$ 1.92	\$ 1.92	\$ -
12	October	\$ 2.33	\$ 2.33	\$ -
13	November	\$ 3.14	\$ 3.14	\$ -
14	December	\$ 3.14	\$ 3.26	\$ (0.12)
15	<i>Simple Average (Jan, 2012 - Dec, 2012)</i>	\$ 2.25	\$ 2.26	-0.4% \$ (0.01)
16	<i>Simple Average (Apr, 2012 - Mar, 2013)</i>	\$ 2.35	\$ 2.49	-5.6% \$ (0.14)
17	<i>Simple Average (Jul, 2012 - Jun, 2013)</i>	\$ 2.60	\$ 2.84	-8.5% \$ (0.24)
18	<i>Simple Average (Oct, 2012 - Sep, 2013)</i>	\$ 2.77	\$ 3.12	-11.2% \$ (0.35)
19	2013			
20	January	\$ 2.76	\$ 3.27	\$ (0.51)
21	February	\$ 2.77	\$ 3.26	\$ (0.49)
22	March	\$ 2.64	\$ 3.21	\$ (0.57)
23	April	\$ 2.69	\$ 3.10	\$ (0.41)
24	May	\$ 2.68	\$ 3.11	\$ (0.43)
25	June	\$ 2.78	\$ 3.12	\$ (0.34)
26	July	\$ 2.72	\$ 3.17	\$ (0.45)
27	August	\$ 2.77	\$ 3.21	\$ (0.44)
28	September	\$ 2.79	\$ 3.23	\$ (0.44)
29	October	\$ 2.89	\$ 3.27	\$ (0.39)
30	November	\$ 3.19	\$ 3.52	\$ (0.33)
31	December	\$ 3.36	\$ 3.74	\$ (0.38)
32	<i>Simple Average (Jan, 2013 - Dec, 2013)</i>	\$ 2.84	\$ 3.27	-13.1% \$ (0.43)
33	<i>Simple Average (Apr, 2013 - Mar, 2014)</i>	\$ 3.00	\$ 3.39	-11.5% \$ (0.39)
34	<i>Simple Average (Jul, 2013 - Jun, 2014)</i>	\$ 3.13	\$ 3.47	-9.8% \$ (0.34)
35	<i>Simple Average (Oct, 2013 - Sep, 2014)</i>	\$ 3.26	\$ 3.54	-7.9% \$ (0.28)
36	2014			
37	January	\$ 3.38	\$ 3.77	\$ (0.38)
38	February	\$ 3.41	\$ 3.75	\$ (0.34)
39	March	\$ 3.37	\$ 3.66	\$ (0.29)
40	April	\$ 3.20	\$ 3.43	\$ (0.22)
41	May	\$ 3.21	\$ 3.42	\$ (0.21)
42	June	\$ 3.32	\$ 3.43	\$ (0.11)
43	July	\$ 3.26	\$ 3.48	\$ (0.22)
44	August	\$ 3.27	\$ 3.51	\$ (0.24)
45	September	\$ 3.28	\$ 3.53	\$ (0.25)
46	October	\$ 3.37	\$ 3.56	\$ (0.19)
47	November	\$ 3.59	\$ 3.78	\$ (0.19)
48	December	\$ 3.78	\$ 3.98	\$ (0.21)
49	<i>Simple Average (Jan, 2014 - Dec, 2014)</i>	\$ 3.37	\$ 3.61	-6.6% \$ (0.24)
50	<i>Simple Average (Apr, 2014 - Mar, 2015)</i>	\$ 3.48		
51	2015			
52	January	\$ 3.84		
53	February	\$ 3.86		
54	March	\$ 3.77		

Recorded
Projected
Forecast

Recorded
Projected
Forecast

FORTISBC ENERGY INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
INCLUDING FORTISBC ENERGY (WHISTLER) INC.
GAS BUDGET COST SUMMARRY FOR THE FORECAST PERIOD APR 1, 2013 TO MAR 31, 2014
FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 15, 19, 20, 21, AND 22, 2013

Line No.	Particulars	Costs (\$000)	Volumes (TJ)	Unit Cost (\$/GJ)	Reference / Comments	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	CCRA					
2	Commodity					
3	Station No. 2	\$ 219,207	72,721	\$ 3.014		
4	Commodity from Ft. Nelson Plant	15,257	4,301	3.547		
5	Transportation - TNLH	<u>1,725</u>	<u>-</u>			
6	Station No. 2 Total	\$ 236,190	77,022	\$ 3.067		
7	AECO Total	50,003	16,161	3.094		
8	Huntingdon Total	<u>56,284</u>	<u>16,001</u>	<u>3.517</u>		
9	Commodity Costs before Hedging	\$ 342,477	109,185	\$ 3.137		includes Fuel Used in Transportation (Receipt Point Fuel Gas)
10	Mark to Market Hedges Cost / (Gain)	<u>14,663</u>	<u>-</u>			
11	Subtotal Commodity Purchased	\$ 357,140	109,185	\$ 3.271		
12	Core Market Administration Costs	1,220	-			
13	Fuel Used in Transportation	<u>-</u>	<u>(2,509)</u>	<u>-</u>		
14	Total CCRA Costs	<u>\$ 358,360</u>	<u>106,676</u>	<u>\$ 3.359</u>		
15						
16	MCRA					
17	Midstream Commodity					
18	Midstream Commodity before Hedging	\$ 86,889	28,871	\$ 3.010		includes UAF ^(1*) Company Use Gas, & Fuel Used in Storage
19	Mark to Market Hedges Cost / (Gain)	-	-			
20	Company Use Gas Recovered from O&M	<u>(1,707)</u>	<u>(297)</u>	<u>5.742</u>		
21	Total Midstream Commodity	<u>\$ 85,182</u>	<u>28,574</u>	<u>\$ 2.981</u>		
22						
23	Storage Gas					
24	BC - Aitken Creek	\$ (64,758)	(18,900)	\$ 3.426		
25	LNG - Tilbury & Mt. Hayes	(2,564)	(750)	3.419		
26	Alberta - Niska & CrossAlta	(10,483)	(3,139)	3.340		
27	Downstream - JPS & Mist	<u>(16,817)</u>	<u>(4,596)</u>	<u>3.659</u>		
28	Injections into Storage	\$ (94,623)	(27,385)	\$ 3.455		
29	BC - Aitken Creek	\$ 65,099	17,596	3.700		
30	LNG - Tilbury & Mt. Hayes	5,785	1,287	4.495		
31	Alberta - Niska & CrossAlta	11,406	3,342	3.413		
32	Downstream - JPS & Mist	<u>15,744</u>	<u>4,187</u>	<u>3.760</u>		
33	Withdrawals from Storage	98,034	26,412	\$ 3.712		
34	BC - Aitken Creek	\$ 16,781				
35	LNG - Mt. Hayes	16,353				
36	Alberta - Niska & CrossAlta	2,240				
37	Downstream - JPS & Mist	<u>13,056</u>				
38	Storage Demand Charges	<u>48,429</u>	<u>-</u>			
39	Total Net Storage (Lines 28, 33, & 38)	<u>\$ 51,840</u>	<u>(973)</u>			
40						
41	Mitigation					
42	Transportation	\$ (8,129)	-			
43	Commodity Resales	(91,384)	(25,862)	3.534		
44	GSMIP Incentive Sharing	<u>1,000</u>	<u>-</u>			
45	Total Mitigation	<u>\$ (98,513)</u>	<u>(25,862)</u>			
46						
47	Transportation (Pipeline) Charges					
48	WEI	\$ 90,182				
49	NOVA / ANG	13,748				
50	NWP	<u>4,034</u>				
51	Total Transportation Charges	<u>\$ 107,965</u>				
52						
53	Core Market Administration Costs	\$ 2,847				
54						
55	Fuel Used in Storage & UAF (Sales & T-Service)	-	(1,739)			
56						
57	Net MCRA Commodity (Lines 21, 39, 45, & 55)		<u>-</u>			
58	Total MCRA Costs (Lines 21, 39, 45, 51, & 53)	<u>\$ 149,321</u>		<u>\$ 1.324</u>		average unit cost = Line 58, Col. 3 divided by Line 59, Col.5
59	Total Core Sales Volumes		<u>112,768</u>			
60	Total Forecast Gas Costs (Lines 14 & 58)	<u>\$ 507,681</u>				reference to Tab 1, Page 8, Line 9, Col. 3

Notes: Slight difference in totals due to rounding.

(1*) The total cost of UAF is included as a component of gas volumes purchased. Sales UAF costs are recovered via gas cost recovery rates, while T-Service UAF costs are recovered via delivery revenues.

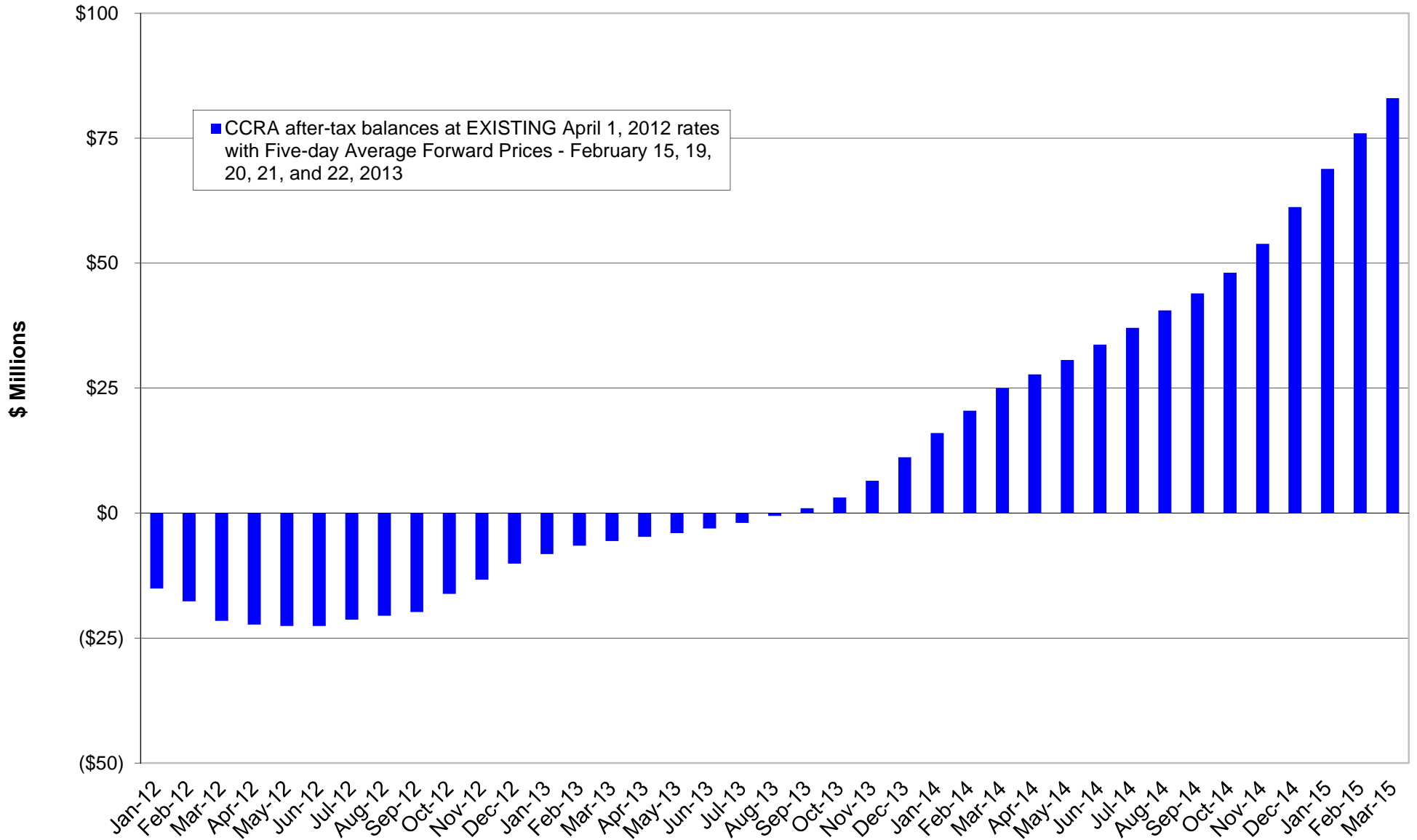
**FORTISBC ENERGY INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
INCLUDING FORTISBC ENERGY (WHISTLER) INC.
RECONCILIATION OF GAS COST INCURRED
FOR THE FORECAST PERIOD APRIL 1, 2013 TO MARCH 31, 2014
FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 15, 19, 20, 21, AND 22, 2013
\$(Millions)**

Tab 1
Page 8

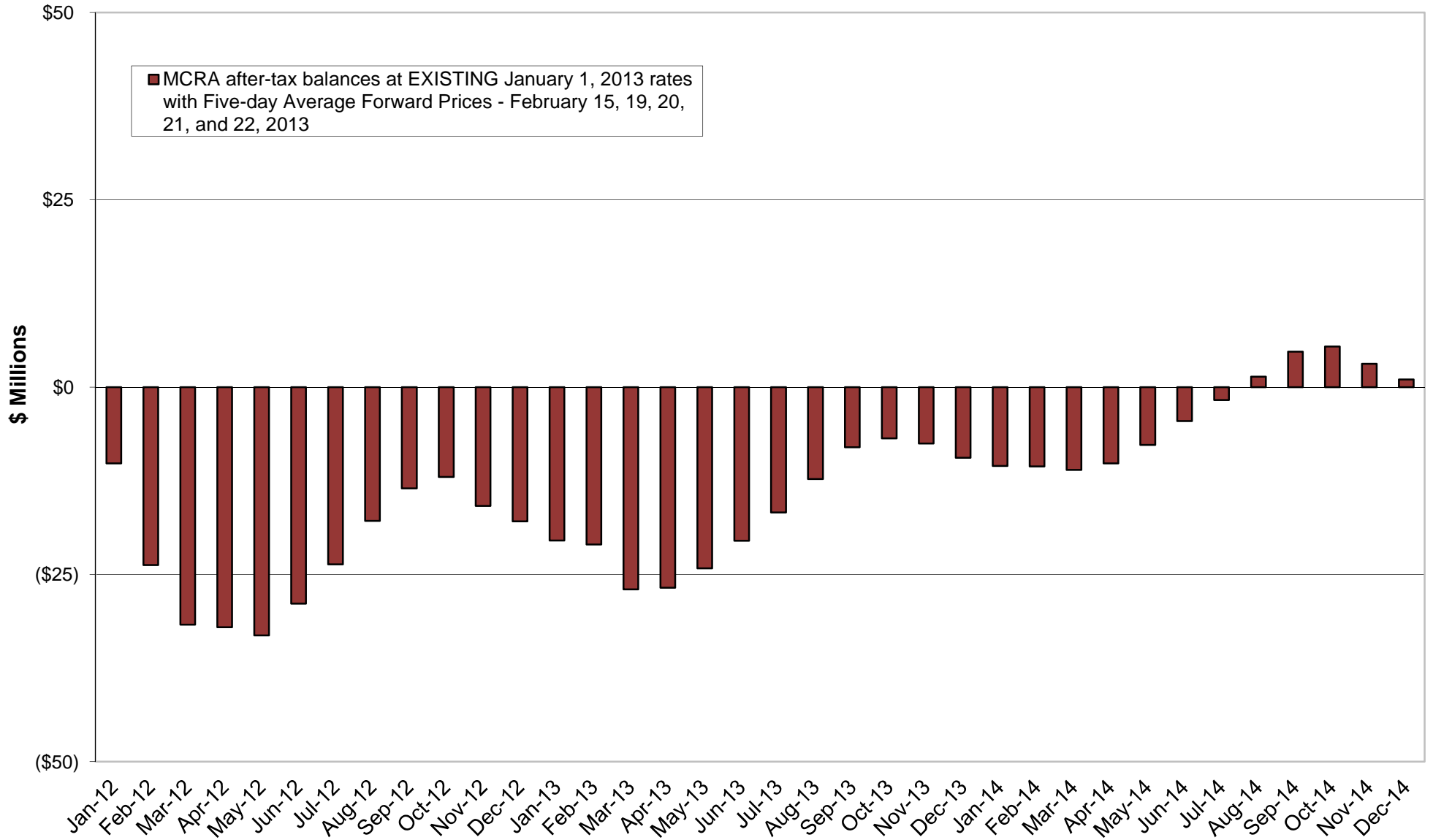
Line No.	Particulars	CCRA/MCRA Deferral Account Forecast	Gas Budget Cost Summary	References
(1)	(2)	(3)		
1	Gas Cost Incurred			
2	CCRA	\$ 358		(Tab 1, Page 1, Col. 14, Line 25)
3	MCRA	241		(Tab1, Page 3, Col.5, Line 26 to Col.4, Line 43)
4				
5				
6	Gas Budget Cost Summary			
7	CCRA		\$ 358	(Tab 1, Page 7, Col.3, Line 14)
8	MCRA		149	(Tab 1, Page 7, Col.3, Line 58)
9	Total Net Costs for Firm Customers		<u>\$ 508</u>	
10				
11				
12	Add back Commodity Resales		91	(Tab 1, Page 7, Col.2, Line 43)
13				
14				
15	Totals Reconciled	<u>\$ 599</u>	<u>\$ 599</u>	

Notes: Slight differences in totals due to rounding.

FortisBC Energy Inc. - Lower Mainland, Inland and Columbia
 CCRA After-Tax Monthly Balances
 Recorded January 2013 and Projected to March 2015



FortisBC Energy Inc. - Lower Mainland, Inland and Columbia
 MCRA After-Tax Monthly Balances
 Recorded to January 2013 and Projected to December 2014



FORTISBC ENERGY INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
INCLUDING FORTISBC ENERGY (WHISTLER) INC.
CCRA INCURRED MONTHLY ACTIVITIES
FOR RECORDED PERIOD 2012 TO JANUARY 2013 AND PROJECTED PERIOD TO MARCH 31, 2013
FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 15, 19, 20, 21, AND 22, 2013

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
		Recorded Jan 12	Recorded Feb 12	Recorded Mar 12	Recorded Apr 12	Recorded May 12	Recorded Jun 12	Recorded Jul 12	Recorded Aug 12	Recorded Sep 12	Recorded Oct 12	Recorded Nov 12	Recorded Dec 12	Jan-12 to Dec-12 Total
1														
2														
3	CCRA VOLUMES													
4	Commodity Purchase (T.J)													
5	Station No. 2	6,078	5,708	6,104	5,911	6,117	5,985	6,161	6,174	5,989	6,212	6,244	6,496	73,179
6	AECO	1,274	1,197	1,280	1,240	1,284	1,243	1,286	1,290	1,250	1,293	1,295	1,342	15,273
7	Huntingdon	1,262	1,185	1,267	1,228	1,271	1,231	1,273	1,277	1,238	1,280	1,282	1,328	15,121
8	Total Commodity Purchased	8,614	8,089	8,652	8,378	8,672	8,459	8,720	8,740	8,477	8,784	8,821	9,166	103,573
9	Fuel Used in Transportation	(195)	(183)	(196)	(190)	(197)	(216)	(197)	(197)	(191)	(360)	(198)	(206)	(2,526)
10	Commodity Available for Sale	8,419	7,906	8,456	8,189	8,476	8,243	8,523	8,543	8,286	8,424	8,623	8,961	101,047
11														
12	CCRA COSTS													
13	Commodity Costs (\$000)													
14	Station No. 2	\$ 15,305	\$ 11,854	\$ 10,676	\$ 9,115	\$ 10,417	\$ 10,755	\$ 12,311	\$ 12,676	\$ 12,085	\$ 15,629	\$ 19,317	\$ 20,538	\$ 160,677
15	AECO	3,388	2,626	2,381	2,038	2,183	2,364	2,576	2,836	2,612	3,279	4,031	4,199	34,511
16	Huntingdon	4,196	3,076	2,976	2,270	2,246	2,849	2,959	3,223	2,737	3,493	4,855	5,020	39,901
17	Commodity Costs before Hedging	\$ 22,889	\$ 17,556	\$ 16,033	\$ 13,424	\$ 14,845	\$ 15,968	\$ 17,846	\$ 18,735	\$ 17,434	\$ 22,400	\$ 28,203	\$ 29,757	\$ 235,089
18	Mark to Market Hedges Cost / (Gain)	9,083	10,637	12,589	9,385	9,896	8,488	8,947	7,664	8,120	7,446	1,139	1,134	94,528
19	Core Market Administration Costs	84	68	71	79	103	89	125	99	105	74	162	45	1,103
20	Total CCRA Costs	\$ 32,055	\$ 28,262	\$ 28,693	\$ 22,888	\$ 24,844	\$ 24,545	\$ 26,918	\$ 26,497	\$ 25,658	\$ 29,920	\$ 29,504	\$ 30,936	\$ 330,720
21														
22														
23	CCRA Unit Cost (\$/GJ)	\$ 3.8076	\$ 3.5748	\$ 3.3932	\$ 2.7951	\$ 2.9312	\$ 2.9776	\$ 3.1581	\$ 3.1017	\$ 3.0967	\$ 3.5517	\$ 3.4216	\$ 3.4524	\$ 3.2729
24														
25														
26														
27														
28														
29														
30		Recorded Jan 13	Projected Feb 13	Projected Mar 13										Jan-13 to Mar 13 Total
31	CCRA VOLUMES													
32	Commodity Purchase (T.J)													
33	Station No. 2	6,421	6,542	6,542										19,504
34	AECO	1,346	1,240	1,373										3,958
35	Huntingdon	1,333	1,228	1,359										3,919
36	Total Commodity Purchased	9,100	9,009	9,273										27,382
37	Fuel Used in Transportation	(206)	(192)	(213)										(612)
38	Commodity Available for Sale	8,894	8,816	9,060										26,770
39														
40	CCRA COSTS													
41	Commodity Costs (\$000)													
42	Station No. 2	\$ 18,892	\$ 17,132	\$ 21,940										\$ 57,964
43	AECO	3,917	3,585	3,942										11,444
44	Huntingdon	4,557	4,212	1,933										10,702
45	Commodity Costs before Hedging	\$ 27,366	\$ 24,929	\$ 27,814										\$ 80,109
46	Mark to Market Hedges Cost / (Gain)	1,567	1,576	1,776										4,919
47	Core Market Administration Costs	84	102	102										288
48	Total CCRA Costs	\$ 29,018	\$ 26,607	\$ 29,692										\$ 85,316
49														
50														
51	CCRA Unit Cost (\$/GJ)	\$ 3.2627	\$ 3.0179	\$ 3.2772										\$ 3.1870

Notes: Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
INCLUDING FORTISBC ENERGY (WHISTLER) INC.
CCRA INCURRED MONTHLY ACTIVITIES
FOR THE FORECAST PERIOD APR 1, 2013 TO MAR 31, 2015
FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 15, 19, 20, 21, AND 22, 2013

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Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	
1		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	1-12 months	
2		Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Total	
3	CCRA VOLUMES														
4	Commodity Purchase	(TJ)													
5	Station No. 2	6,331	6,542	6,331	6,542	6,542	6,331	6,542	6,331	6,542	6,542	5,909	6,542	77,022	
6	AECO	1,328	1,373	1,328	1,373	1,373	1,328	1,373	1,328	1,373	1,373	1,240	1,373	16,161	
7	Huntingdon	1,315	1,359	1,315	1,359	1,359	1,315	1,359	1,315	1,359	1,359	1,228	1,359	16,001	
8	Subtotal - Commodity Purchased	8,974	9,273	8,974	9,273	9,273	8,974	9,273	8,974	9,273	9,273	8,376	9,273	109,185	
9	Fuel Used in Transportation	(206)	(213)	(206)	(213)	(213)	(206)	(213)	(206)	(213)	(213)	(192)	(213)	(2,509)	
10	Commodity Available for Sale	8,768	9,060	8,768	9,060	9,060	8,768	9,060	8,768	9,060	9,060	8,183	9,060	106,676	
11															
12															
13	CCRA COSTS	(\$000)													
14	Commodity Costs														
15	Station No. 2	\$ 17,429	\$ 18,028	\$ 17,686	\$ 18,247	\$ 18,630	\$ 18,171	\$ 19,273	\$ 20,632	\$ 22,376	\$ 22,623	\$ 20,590	\$ 22,506	\$ 236,190	
16	AECO	3,769	3,892	3,776	3,948	4,021	3,923	4,141	4,269	4,623	4,689	4,268	4,684	50,003	
17	Huntingdon	4,080	4,074	3,975	4,286	4,360	4,264	4,656	5,077	5,675	5,594	5,005	5,239	56,284	
18	Commodity Costs before Hedging	\$ 25,278	\$ 25,994	\$ 25,437	\$ 26,480	\$ 27,011	\$ 26,358	\$ 28,070	\$ 29,978	\$ 32,674	\$ 32,906	\$ 29,863	\$ 32,428	\$ 342,477	
19	Mark to Market Hedges Cost / (Gain)	1,833	1,894	1,825	1,839	1,769	1,679	1,652	482	446	430	381	432	14,663	
20	Core Market Administration Costs	102	102	102	102	102	102	102	102	102	102	102	102	1,220	
21	Total CCRA Costs	\$ 27,213	\$ 27,990	\$ 27,364	\$ 28,421	\$ 28,882	\$ 28,139	\$ 29,823	\$ 30,561	\$ 33,222	\$ 33,438	\$ 30,346	\$ 32,962	\$ 358,360	
22															
23															
24	CCRA Unit Cost	(\$/GJ)	\$ 3.1037	\$ 3.0893	\$ 3.1209	\$ 3.1370	\$ 3.1879	\$ 3.2093	\$ 3.2917	\$ 3.4856	\$ 3.6668	\$ 3.6907	\$ 3.7082	\$ 3.3593	
25															
26															
27															
28															
29		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	13-24 months	
30		Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Total	
31	CCRA VOLUMES														
32	Commodity Purchase	(TJ)													
33	Station No. 2	6,493	6,709	6,493	6,709	6,709	6,493	6,709	6,493	6,709	6,709	6,060	6,709	78,997	
34	AECO	1,362	1,408	1,362	1,408	1,408	1,362	1,408	1,362	1,408	1,408	1,272	1,408	16,576	
35	Huntingdon	1,349	1,394	1,349	1,394	1,394	1,349	1,394	1,349	1,394	1,394	1,259	1,394	16,412	
36	Subtotal - Commodity Purchased	9,204	9,511	9,204	9,511	9,511	9,204	9,511	9,204	9,511	9,511	8,591	9,511	111,984	
37	Fuel Used in Transportation	(212)	(219)	(212)	(219)	(219)	(212)	(219)	(212)	(219)	(219)	(197)	(219)	(2,573)	
38	Commodity Available for Sale	8,993	9,292	8,993	9,292	9,292	8,993	9,292	8,993	9,292	9,292	8,393	9,292	109,411	
39															
40															
41	CCRA COSTS	(\$000)													
42	Commodity Costs														
43	Station No. 2	\$ 21,017	\$ 21,793	\$ 21,449	\$ 22,144	\$ 22,268	\$ 21,589	\$ 22,787	\$ 23,562	\$ 25,516	\$ 25,967	\$ 23,620	\$ 25,589	\$ 277,301	
44	AECO	4,511	4,679	4,554	4,756	4,783	4,634	4,878	4,868	5,265	5,386	4,898	5,313	58,523	
45	Huntingdon	4,850	4,906	4,768	5,117	5,155	4,994	5,410	5,961	6,562	6,442	5,817	6,067	66,046	
46	Commodity Costs before Hedging	\$ 30,377	\$ 31,377	\$ 30,770	\$ 32,017	\$ 32,206	\$ 31,216	\$ 33,074	\$ 34,390	\$ 37,343	\$ 37,795	\$ 34,336	\$ 36,969	\$ 401,871	
47	Mark to Market Hedges Cost / (Gain)	-	-	-	-	-	-	-	-	-	-	-	-	-	
48	Core Market Administration Costs	102	102	102	102	102	102	102	102	102	102	102	102	1,220	
49	Total CCRA Costs	\$ 30,479	\$ 31,479	\$ 30,872	\$ 32,119	\$ 32,307	\$ 31,318	\$ 33,176	\$ 34,492	\$ 37,445	\$ 37,896	\$ 34,437	\$ 37,071	\$ 403,091	
50															
51															
52	CCRA Unit Cost	(\$/GJ)	\$ 3.3893	\$ 3.3876	\$ 3.4330	\$ 3.4564	\$ 3.4767	\$ 3.4826	\$ 3.5702	\$ 3.8356	\$ 4.0296	\$ 4.0782	\$ 4.1030	\$ 3.9893	\$ 3.6842

Notes: Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
INCLUDING FORTISBC ENERGY (WHISTLER) INC.
COMMODITY COST RECONCILIATION ACCOUNT ("CCRA")
COST OF GAS (COMMODITY COST RECOVERY CHARGE) FLOW-THROUGH BY RATE SCHEDULE
FOR THE FORECAST PERIOD APRIL 1, 2013 TO MARCH 31, 2014
FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 15, 19, 20, 21, AND 22, 2013

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Line No.	Particulars	Unit	RS-1, RS-2, RS-3, RS-5, RS-6 and Whistler	RS-4	RS-7	RS-1 to RS-7 incl Whistler Total
	(1)		(2)	(3)	(4)	(5)
1	CCRA Sales Volumes	TJ	106,477.5	185.1	13.1	106,675.6
2						
3						
4	CCRA Incurred Costs					
5	Station No. 2	\$000	\$ 235,694.0	\$ 452.8	\$ 43.0	\$ 236,189.8
6	AECO	\$000	50,002.5	0.9	0.1	50,003.4
7	Huntingdon	\$000	56,167.0	116.5	-	56,283.5
8	CCRA Commodity Costs before Hedging	\$000	\$ 341,863.5	\$ 570.2	\$ 43.1	\$ 342,476.8
9	Mark to Market Hedges Cost / (Gain)	\$000	14,638.6	24.4	-	14,663.0
10	Core Market Administration Costs	\$000	1,218.1	2.0	-	1,220.1
11	Total Incurred Costs before CCRA deferral amortization	\$000	\$ 357,720.1	\$ 596.7	\$ 43.1	\$ 358,359.9
12						
13	Pre-tax CCRA Deficit/(Surplus) as of Apr 1, 2013	\$000	\$ (7,468.2)	\$ (12.5)	\$ -	\$ (7,480.7)
14	Total CCRA Incurred Costs	\$000	\$ 350,251.9	\$ 584.2	\$ 43.1	\$ 350,879.2
15						
16						
17	CCRA Incurred Unit Costs					
18	CCRA Commodity Costs before Hedging	\$/GJ	\$ 3.2107			
19	Mark to Market Hedges Cost / (Gain)	\$/GJ	0.1375			
20	Core Market Administration Costs	\$/GJ	0.0114			
21	CCRA Incurred Costs (excl. CCRA Deferral Amortization)	\$/GJ	\$ 3.3596			
22	Pre-tax CCRA Deficit/(Surplus) as of Apr 1, 2013	\$/GJ	(0.0701)			
23	CCRA Gas Costs Incurred -- Flow-Through	\$/GJ	\$ 3.2894			
24						
25						
26						
27						
28						
29						
30	Cost of Gas (Commodity Cost Recovery Charge)		RS-1, RS-2, RS-3, RS-5, RS-6 and Whistler	Tariff Equal To RS-5	Fixed Price Option Equal To RS-5	
31						
32	TESTED Flow-Through Cost of Gas effective Apr 1, 2013	\$/GJ	\$ 3.289	\$ 3.289	\$ 3.289	
33						
34	Existing Cost of Gas (effective since Apr 1, 2012)	\$/GJ	2.977	2.977	2.977	
35						
36	Cost of Gas Increase / (Decrease)	\$/GJ	\$ 0.312	\$ 0.312	\$ 0.312	
37						
38	Cost of Gas Percentage Increase / (Decrease)		10.48%	10.48%	10.48%	

**FORTISBC ENERGY INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
INCLUDING FORTISBC ENERGY (WHISTLER) INC.**

**MCRA INCURRED MONTHLY ACTIVITIES FOR THE YEAR 2012
FORECAST PERIODS WITH FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 15, 19, 20, 21, AND 22, 2013**

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
		Recorded Jan 12	Recorded Feb 12	Recorded Mar 12	Recorded Apr 12	Recorded May 12	Recorded Jun 12	Recorded Jul 12	Recorded Aug 12	Recorded Sep 12	Recorded Oct 12	Recorded Nov 12	Recorded Dec 12	2012 Total
1	MCRA COSTS													
2	Midstream Commodity Costs													
3	Midstream Commodity Costs before Hedging ^(1*)	\$ 14,453	\$ 10,178	\$ 5,432	\$ 202	\$ 440	\$ (16)	\$ 66	\$ 103	\$ 179	\$ 951	\$ 7,422	\$ 12,166	\$ 51,578
4	Mark to Market Hedges Cost / (Gain)	88	141	1	-	-	-	-	-	-	-	-	198	428
5	Subtotal Midstream Commodity Purchased	\$ 14,542	\$ 10,319	\$ 5,433	\$ 202	\$ 440	\$ (16)	\$ 66	\$ 103	\$ 179	\$ 951	\$ 7,422	\$ 12,364	\$ 52,006
6	Imbalance ^(2*)	(841)	(1,328)	492	(549)	4	152	41	(311)	(294)	275	953	1,355	(52)
7	Company Use Gas Recovered from O&M	(363)	(228)	(134)	(138)	(60)	(59)	(33)	(16)	(18)	(46)	(150)	(373)	(1,618)
8	Total Midstream Commodity Costs	\$ 13,338	\$ 8,762	\$ 5,791	\$ (486)	\$ 385	\$ 76	\$ 74	\$ (224)	\$ (132)	\$ 1,181	\$ 8,225	\$ 13,346	\$ 50,336
9														
10	Storage (including Linepack)													
11	Storage Demand Charges	\$ 1,975	\$ 1,959	\$ 1,948	\$ 2,967	\$ 3,090	\$ 3,170	\$ 3,009	\$ 2,971	\$ 2,984	\$ 2,014	\$ 1,970	\$ 2,277	\$ 30,335
12	Mt. Hayes Demand Charges	1,329	1,329	1,329	1,329	1,329	1,329	1,329	1,329	1,329	1,329	1,329	1,329	15,947
13	Mt. Hayes Variable Charges	4	2	2	2	2	8	1	1	1	139	88	10	260
14	Injections into Storage	(1,226)	(286)	(1,893)	(4,361)	(14,922)	(13,768)	(16,626)	(14,905)	(12,659)	(6,902)	(2,938)	(872)	(91,358)
15	Withdrawals from Storage	26,219	17,563	14,153	2,749	349	1,103	397	561	154	2,237	13,041	18,620	97,145
16	Total Storage	\$ 28,301	\$ 20,566	\$ 15,539	\$ 2,685	\$ (10,153)	\$ (8,158)	\$ (11,889)	\$ (10,043)	\$ (8,191)	\$ (1,183)	\$ 13,491	\$ 21,363	\$ 52,328
17														
18	Mitigation													
19	Transportation	\$ (703)	\$ (1,038)	\$ (775)	\$ (985)	\$ (536)	\$ (2,863)	\$ (1,662)	\$ (3,741)	\$ (2,417)	\$ (1,531)	\$ (1,185)	\$ (397)	\$ (17,833)
20	Commodity Resales	(4,924)	(6,204)	(5,192)	(1,405)	(2,590)	(2,581)	(3,881)	(2,838)	(3,989)	(3,486)	(5,832)	(2,392)	(45,315)
21	Other GSMIP Mitigation	(125)	320	2,248	799	1,837	(942)	(1,759)	(3,464)	(2,246)	405	281	382	(2,263)
22	Subtotal GSMIP Mitigation	\$ (5,752)	\$ (6,922)	\$ (3,719)	\$ (1,591)	\$ (1,289)	\$ (6,386)	\$ (7,301)	\$ (10,043)	\$ (8,652)	\$ (4,613)	\$ (6,735)	\$ (2,407)	\$ (65,411)
23	GSMIP Incentive Sharing	87	129	85	4	50	96	83	94	57	29	100	74	888
24	Other Non-GSMIP Mitigation	105	181	13	79	(194)	(173)	129	470	390	(317)	(86)	152	750
25	Total Mitigation	\$ (5,560)	\$ (6,612)	\$ (3,621)	\$ (1,508)	\$ (1,433)	\$ (6,463)	\$ (7,089)	\$ (9,480)	\$ (8,206)	\$ (4,901)	\$ (6,721)	\$ (2,180)	\$ (63,773)
26														
27	Transportation (Pipeline) Charges													
28	WEI (BC Pipeline)	\$ 6,080	\$ 6,080	\$ 6,080	\$ 6,080	\$ 5,667	\$ 6,080	\$ 6,080	\$ 6,080	\$ 6,080	\$ 6,080	\$ 6,080	\$ 6,080	\$ 72,545
29	TransCanada (BC Line)	409	409	409	285	287	285	290	287	288	287	285	483	4,003
30	Nova (Alberta Line)	693	693	681	693	496	693	693	693	621	693	693	693	8,036
31	Northwest Pipeline	508	456	500	364	188	281	300	264	254	276	477	484	4,353
32	FortisBC Energy Huntingdon Inc.	24	24	24	24	24	24	24	24	24	24	24	9	274
33	SCP - BC Hydro TSA	300	300	300	300	300	300	300	300	300	300	300	300	3,600
34	Squamish Wheeling	68	51	53	33	23	18	14	13	15	30	46	64	427
35	Midstream Tolls and Fees	1,151	945	178	1,129	-	492	260	536	337	2,551	(1,508)	676	6,747
36	Total Transportation Charges	\$ 9,232	\$ 8,958	\$ 8,225	\$ 8,908	\$ 6,985	\$ 8,174	\$ 7,960	\$ 8,197	\$ 7,918	\$ 10,241	\$ 6,398	\$ 8,790	\$ 99,986
37														
38	Core Market Administration Costs	\$ 202	\$ 167	\$ 170	\$ 225	\$ 243	\$ 211	\$ 293	\$ 267	\$ 247	\$ 190	\$ 309	\$ 186	\$ 2,709
39	TOTAL MCRA COSTS (Line 8, 16, 25, 36, & 38) (\$000)	\$ 45,513	\$ 31,842	\$ 26,104	\$ 9,824	\$ (3,972)	\$ (6,159)	\$ (10,652)	\$ (11,284)	\$ (8,364)	\$ 5,527	\$ 21,701	\$ 41,505	\$ 141,586
40														
41														
42	Variable Costs	\$ 26,148	\$ 18,224	\$ 12,439	\$ (482)	\$ (14,572)	\$ (12,164)	\$ (15,968)	\$ (13,807)	\$ (12,167)	\$ (1,975)	\$ 8,683	\$ 18,434	\$ 12,793
43	Fixed Costs	19,365	13,618	13,665	10,306	10,599	6,005	5,316	2,523	3,803	7,502	13,018	23,072	128,793
44	Total MCRA Costs (\$000)	\$ 45,513	\$ 31,842	\$ 26,104	\$ 9,824	\$ (3,972)	\$ (6,159)	\$ (10,652)	\$ (11,284)	\$ (8,364)	\$ 5,527	\$ 21,701	\$ 41,505	\$ 141,586

Notes: Slight difference in totals due to rounding.

(1*) The total cost of UAF is included as a component of gas volumes purchased. Sales UAF costs are recovered via gas cost recovery rates, while T-Service UAF costs are recovered via delivery revenues.

(2*) Imbalance is not forecast. Recorded imbalance is composed of Westcoast imbalance (difference between Spectra metered and authorized deliveries) and Transportation imbalance (difference between the authorized receipts and customers' consumption or "burn").

**FORTISBC ENERGY INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
INCLUDING FORTISBC ENERGY (WHISTLER) INC.**

**MCRA INCURRED MONTHLY ACTIVITIES FOR THE YEAR 2013
FORECAST PERIODS WITH FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 15, 19, 20, 21, AND 22, 2013**

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
		Recorded Jan 13	Projected Feb 13	Projected Mar 13	Forecast Apr 13	Forecast May 13	Forecast Jun 13	Forecast Jul 13	Forecast Aug 13	Forecast Sep 13	Forecast Oct 13	Forecast Nov 13	Forecast Dec 13	2013 Total
1	MCRA COSTS													
2	Midstream Commodity Costs													
3	Midstream Commodity Costs before Hedging ^(1*)	\$ 13,751	\$ 9,921	\$ 8,991	\$ 6,020	\$ 2,939	\$ 6,051	\$ 5,109	\$ 2,604	\$ 3,188	\$ 3,224	\$ 8,180	\$ 13,144	\$ 83,123
4	Mark to Market Hedges Cost / (Gain)	355	84	-	-	-	-	-	-	-	-	-	-	439
5	Subtotal Midstream Commodity Purchased	\$ 14,106	\$ 10,005	\$ 8,991	\$ 6,020	\$ 2,939	\$ 6,051	\$ 5,109	\$ 2,604	\$ 3,188	\$ 3,224	\$ 8,180	\$ 13,144	\$ 83,562
6	Imbalance ^(2*)	(718)	-	-	-	-	-	-	-	-	-	-	-	(718)
7	Company Use Gas Recovered from O&M	(408)	(339)	(222)	(196)	(93)	(84)	(42)	(24)	(29)	(59)	(182)	(450)	(2,129)
8	Total Midstream Commodity Costs	\$ 12,980	\$ 9,665	\$ 8,768	\$ 5,824	\$ 2,846	\$ 5,967	\$ 5,068	\$ 2,581	\$ 3,159	\$ 3,165	\$ 7,998	\$ 12,694	\$ 80,714
9														
10	Storage (including Linepack)													
11	Storage Demand Charges	\$ 2,058	\$ 1,906	\$ 2,051	\$ 3,145	\$ 3,191	\$ 3,145	\$ 3,191	\$ 3,197	\$ 3,151	\$ 2,178	\$ 2,166	\$ 2,212	\$ 31,589
12	Mt. Hayes Demand Charges	1,329	1,328	1,328	1,328	1,328	1,328	1,328	1,328	1,328	1,328	1,328	1,328	15,938
13	Mt. Hayes Variable Charges	3	7	7	55	55	55	55	55	55	55	7	7	412
14	Injections into Storage	(543)	(1,541)	(988)	(6,422)	(10,722)	(15,924)	(19,193)	(16,777)	(12,776)	(3,751)	(941)	(2,717)	(92,296)
15	Withdrawals from Storage	24,001	21,161	10,127	4,173	139	139	-	-	83	1,828	19,215	22,270	103,138
16	Total Storage	\$ 26,848	\$ 22,861	\$ 12,525	\$ 2,278	\$ (6,010)	\$ (11,258)	\$ (14,620)	\$ (12,197)	\$ (8,159)	\$ 1,638	\$ 21,775	\$ 23,100	\$ 58,781
17														
18	Mitigation													
19	Transportation	\$ (839)	\$ (395)	\$ (1,455)	\$ (632)	\$ (668)	\$ (596)	\$ (535)	\$ (608)	\$ (541)	\$ (582)	\$ (571)	\$ (750)	\$ (8,172)
20	Commodity Resales	(1,139)	(9,228)	(6,528)	(4,287)	(5,000)	(8,030)	(6,969)	(8,063)	(7,946)	(5,416)	(15,751)	(8,738)	(87,095)
21	Other GSMIP Mitigation	(34)	-	-	-	-	-	-	-	-	-	-	-	(34)
22	Subtotal GSMIP Mitigation	\$ (2,011)	\$ (9,623)	\$ (7,983)	\$ (4,919)	\$ (5,668)	\$ (8,626)	\$ (7,504)	\$ (8,671)	\$ (8,487)	\$ (5,999)	\$ (16,322)	\$ (9,488)	\$ (95,301)
23	GSMIP Incentive Sharing	56	-	333	-	-	333	-	-	333	-	-	-	1,056
24	Other Non-GSMIP Mitigation	(80)	-	-	-	-	-	-	-	-	-	-	-	(80)
25	Total Mitigation	\$ (2,035)	\$ (9,623)	\$ (7,650)	\$ (4,919)	\$ (5,668)	\$ (8,293)	\$ (7,504)	\$ (8,671)	\$ (8,153)	\$ (5,999)	\$ (16,322)	\$ (9,488)	\$ (94,325)
26														
27	Transportation (Pipeline) Charges													
28	WEI (BC Pipeline)	\$ 6,532	\$ 6,489	\$ 6,489	\$ 6,726	\$ 6,726	\$ 6,726	\$ 6,726	\$ 6,726	\$ 6,726	\$ 6,726	\$ 6,726	\$ 6,726	\$ 80,046
29	TransCanada (BC Line)	483	357	358	263	263	263	263	263	263	263	368	369	3,775
30	Nova (Alberta Line)	764	738	738	764	765	764	765	765	764	765	794	796	9,183
31	Northwest Pipeline	478	417	462	236	244	236	244	245	237	245	449	464	3,955
32	FortisBC Energy Huntingdon Inc.	34	17	17	17	17	17	17	17	17	17	17	17	218
33	SCP - BC Hydro TSA	300	300	300	300	300	300	300	300	300	300	300	300	3,600
34	Squamish Wheeling	69	45	43	33	23	17	13	13	17	29	56	63	420
35	Midstream Tolls and Fees	1,498	550	561	442	443	442	443	443	442	443	477	499	6,685
36	Total Transportation Charges	\$ 10,158	\$ 8,912	\$ 8,966	\$ 8,781	\$ 8,781	\$ 8,764	\$ 8,772	\$ 8,773	\$ 8,766	\$ 8,788	\$ 9,188	\$ 9,234	\$ 107,882
37														
38	Core Market Administration Costs	\$ 208	\$ 237	\$ 237	\$ 237	\$ 237	\$ 237	\$ 237	\$ 237	\$ 237	\$ 237	\$ 237	\$ 237	\$ 2,817
39	TOTAL MCRA COSTS (Line 8, 16, 25, 36, & 38)	\$ 48,158	\$ 32,052	\$ 22,847	\$ 12,201	\$ 187	\$ (4,582)	\$ (8,047)	\$ (9,277)	\$ (4,150)	\$ 7,830	\$ 22,875	\$ 35,776	\$ 155,869
40														
41														
42	Variable Costs	\$ 24,960	\$ 20,177	\$ 9,707	\$ (1,753)	\$ (10,085)	\$ (15,289)	\$ (18,695)	\$ (16,279)	\$ (12,196)	\$ (1,425)	\$ 18,758	\$ 20,059	\$ 17,939
43	Fixed Costs	23,198	11,876	13,140	13,953	10,272	10,707	10,648	7,001	8,046	9,255	4,118	15,718	137,931
44	Total MCRA Costs	\$ 48,158	\$ 32,052	\$ 22,847	\$ 12,201	\$ 187	\$ (4,582)	\$ (8,047)	\$ (9,277)	\$ (4,150)	\$ 7,830	\$ 22,875	\$ 35,776	\$ 155,869

Notes: Slight difference in totals due to rounding.

(1*) The total cost of UAF is included as a component of gas volumes purchased. Sales UAF costs are recovered via gas cost recovery rates, while T-Service UAF costs are recovered via delivery revenues.

(2*) Imbalance is not forecast. Recorded imbalance is composed of Westcoast imbalance (difference between Spectra metered and authorized deliveries) and Transportation imbalance (difference between the authorized receipts and customers' consumption or "burn").

**FORTISBC ENERGY INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
INCLUDING FORTISBC ENERGY (WHISTLER) INC.**

**MCRA INCURRED MONTHLY ACTIVITIES FOR THE YEAR 2014
FORECAST PERIODS WITH FIVE-DAY AVERAGE FORWARD PRICES - FEBRUARY 15, 19, 20, 21, AND 22, 2013**

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
		Forecast Jan 14	Forecast Feb 14	Forecast Mar 14	Forecast Apr 14	Forecast May 14	Forecast Jun 14	Forecast Jul 14	Forecast Aug 14	Forecast Sep 14	Forecast Oct 14	Forecast Nov 14	Forecast Dec 14	2014 Total
1	MCRA COSTS													
		(\$000)												
2	<u>Midstream Commodity Costs</u>													
3	Midstream Commodity Costs before Hedging ⁽¹⁾	\$ 13,151	\$ 11,882	\$ 11,396	\$ 5,406	\$ 3,712	\$ 6,823	\$ 4,746	\$ 3,377	\$ 2,297	\$ 2,160	\$ 8,249	\$ 15,576	\$ 88,774
4	Mark to Market Hedges Cost / (Gain)	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Subtotal Midstream Commodity Purchased	\$ 13,151	\$ 11,882	\$ 11,396	\$ 5,406	\$ 3,712	\$ 6,823	\$ 4,746	\$ 3,377	\$ 2,297	\$ 2,160	\$ 8,249	\$ 15,576	\$ 88,774
6	Imbalance ⁽²⁾	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Company Use Gas Recovered from O&M	(243)	(181)	(124)	(108)	(51)	(46)	(23)	(13)	(16)	(31)	(108)	(271)	(1,216)
8	Total Midstream Commodity Costs	\$ 12,908	\$ 11,700	\$ 11,273	\$ 5,297	\$ 3,661	\$ 6,777	\$ 4,723	\$ 3,364	\$ 2,281	\$ 2,129	\$ 8,140	\$ 15,305	\$ 87,558
9														
10	<u>Storage (including Linepack)</u>													
11	Storage Demand Charges	\$ 2,212	\$ 2,076	\$ 2,214	\$ 2,971	\$ 3,115	\$ 3,069	\$ 3,115	\$ 3,115	\$ 3,069	\$ 2,092	\$ 2,046	\$ 2,092	\$ 31,188
12	Mt. Hayes Demand Charges	1,328	1,328	1,328	1,328	1,328	1,328	1,328	1,328	1,328	1,328	1,328	1,328	15,937
13	Mt. Hayes Variable Charges	7	7	7	55	55	55	55	55	55	55	7	7	416
14	Injections into Storage	(2,518)	(1,740)	(1,140)	(4,733)	(11,659)	(16,778)	(19,395)	(18,558)	(12,254)	(2,134)	(1,030)	(2,969)	(94,908)
15	Withdrawals from Storage	21,129	19,388	9,669	3,531	42	42	-	-	-	1,082	19,474	20,985	95,342
16	Total Storage	\$ 22,157	\$ 21,059	\$ 12,078	\$ 3,152	\$ (7,119)	\$ (12,285)	\$ (14,897)	\$ (14,060)	\$ (7,802)	\$ 2,423	\$ 21,825	\$ 21,443	\$ 47,974
17														
18	<u>Mitigation</u>													
19	Transportation	\$ (484)	\$ (600)	\$ (1,562)	\$ (531)	\$ (568)	\$ (591)	\$ (589)	\$ (610)	\$ (543)	\$ (584)	\$ (576)	\$ (755)	\$ (7,992)
20	Commodity Resales	(5,167)	(10,111)	(5,906)	(4,965)	(5,876)	(9,385)	(8,106)	(9,287)	(9,065)	(6,130)	(18,100)	(9,856)	(101,954)
21	Other GSMIP Mitigation	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Subtotal GSMIP Mitigation	\$ (5,650)	\$ (10,711)	\$ (7,468)	\$ (5,496)	\$ (6,444)	\$ (9,976)	\$ (8,695)	\$ (9,897)	\$ (9,607)	\$ (6,714)	\$ (18,675)	\$ (10,611)	\$ (109,945)
23	GSMIP Incentive Sharing	-	-	333	-	-	333	-	-	333	-	-	-	1,000
24	Other Non-GSMIP Mitigation	-	-	-	-	-	-	-	-	-	-	-	-	-
25	Total Mitigation	\$ (5,650)	\$ (10,711)	\$ (7,134)	\$ (5,496)	\$ (6,444)	\$ (9,642)	\$ (8,695)	\$ (9,897)	\$ (9,274)	\$ (6,714)	\$ (18,675)	\$ (10,611)	\$ (108,945)
26														
27	<u>Transportation (Pipeline) Charges</u>													
28	WEI (BC Pipeline)	\$ 6,864	\$ 6,864	\$ 6,864	\$ 7,008	\$ 7,008	\$ 7,008	\$ 7,008	\$ 7,008	\$ 7,008	\$ 7,008	\$ 7,008	\$ 7,008	\$ 83,660
29	TransCanada (BC Line)	382	380	382	262	262	262	262	262	262	262	371	372	3,723
30	Nova (Alberta Line)	811	805	811	779	780	779	780	780	779	780	815	817	9,516
31	Northwest Pipeline	469	426	471	461	416	461	229	238	230	238	238	230	4,104
32	FortisBC Energy Huntingdon Inc.	17	17	17	17	17	17	17	17	17	17	17	17	201
33	SCP - BC Hydro TSA	300	300	300	300	300	300	300	300	300	300	300	300	3,600
34	Squamish Wheeling	53	45	43	33	23	17	13	13	17	29	56	63	404
35	Midstream Tolls and Fees	504	495	499	450	451	450	451	451	450	451	540	545	5,739
36	Total Transportation Charges	\$ 9,400	\$ 9,332	\$ 9,386	\$ 9,309	\$ 9,257	\$ 9,293	\$ 9,060	\$ 9,069	\$ 9,062	\$ 9,084	\$ 9,345	\$ 9,350	\$ 110,947
37														
38	<u>Core Market Administration Costs</u>	\$ 237	\$ 237	\$ 237	\$ 237	\$ 237	\$ 237	\$ 237	\$ 237	\$ 237	\$ 237	\$ 237	\$ 237	\$ 2,847
39	TOTAL MCRA COSTS (Line 8, 16, 25, 36, & 38)	\$ 39,052	\$ 31,618	\$ 25,840	\$ 12,499	\$ (407)	\$ (5,620)	\$ (9,572)	\$ (11,288)	\$ (5,496)	\$ 7,160	\$ 20,872	\$ 35,725	\$ 140,381
40														
41														
42	Variable Costs	\$ 19,121	\$ 18,150	\$ 9,034	\$ (697)	\$ (11,111)	\$ (16,232)	\$ (18,889)	\$ (18,052)	\$ (11,749)	\$ (545)	\$ 18,991	\$ 18,568	\$ 6,589
43	Fixed Costs	19,931	13,467	16,805	13,196	10,704	10,611	9,317	6,764	6,253	7,705	1,881	17,157	133,792
44	Total MCRA Costs	\$ 39,052	\$ 31,618	\$ 25,840	\$ 12,499	\$ (407)	\$ (5,620)	\$ (9,572)	\$ (11,288)	\$ (5,496)	\$ 7,160	\$ 20,872	\$ 35,725	\$ 140,381

Notes: Slight difference in totals due to rounding.

(1*) The total cost of UAF is included as a component of gas volumes purchased. Sales UAF costs are recovered via gas cost recovery rates, while T-Service UAF costs are recovered via delivery revenues.

(2*) Imbalance is not forecast. Recorded imbalance is composed of Westcoast imbalance (difference between Spectra metered and authorized deliveries) and Transportation imbalance (difference between the authorized receipts and customers' consumption or "burn").

FORTISBC ENERGY INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
SUMMARY OF BIOMETHANE VARIANCE ACCOUNT ("BVA") VOLUMES
ACTUAL AND FORECAST ACTIVITY ENDING DECEMBER 31, 2014
(Volumes shown in TJ)

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1		Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Total
2		Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	2012
3	Biomethane Available for Sale - Beginning	42.3	43.8	45.7	48.4	51.9	56.8	61.2	60.7	65.2	68.2	75.7	78.1	42.3
4	Purchase Volumes	1.2	2.1	3.1	4.2	5.1	4.7	6.3	5.6	4.0	10.0	6.6	7.8	60.7
5	Sales Volumes	0.2	(0.1)	(0.3)	(0.7)	(0.2)	(0.3)	(6.9)	(1.0)	(1.1)	(2.4)	(4.2)	(6.4)	(23.5)
6	Biomethane Available for Sale - Ending	43.8	45.7	48.4	51.9	56.8	61.2	60.7	65.2	68.2	75.7	78.1	79.6	79.6
7														
8														
9		Recorded	Projected	Projected	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Total
10		Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	2013
11	Biomethane Available for Sale - Beginning	79.6	79.3	76.9	76.6	77.8	80.6	84.0	87.6	91.3	93.9	94.1	96.3	79.6
12	Purchase Volumes	7.2	4.9	7.1	6.9	7.1	6.9	7.1	7.1	6.9	7.1	11.9	12.1	92.3
13	Sales Volumes	(7.5)	(7.3)	(7.4)	(5.7)	(4.2)	(3.6)	(3.5)	(3.4)	(4.3)	(7.0)	(9.6)	(12.3)	(75.8)
14	Biomethane Available for Sale - Ending	79.3	76.9	76.6	77.8	80.6	84.0	87.6	91.3	93.9	94.1	96.3	96.1	96.1
15														
16														
17		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Total
18		Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	2014
19	Biomethane Available for Sale - Beginning	96.1	95.9	96.5	97.5	100.9	106.5	112.9	119.7	126.6	132.2	134.3	132.4	96.1
20	Purchase Volumes	12.1	11.6	12.1	11.9	12.1	11.9	12.1	12.1	11.9	12.1	11.9	12.1	143.9
21	Sales Volumes	(12.3)	(11.0)	(11.0)	(8.6)	(6.5)	(5.5)	(5.3)	(5.2)	(6.3)	(10.0)	(13.8)	(17.6)	(113.1)
22	Biomethane Available for Sale - Ending	95.9	96.5	97.5	100.9	106.5	112.9	119.7	126.6	132.2	134.3	132.4	126.9	126.9

FORTISBC ENERGY INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
SUMMARY OF BIOMETHANE VARIANCE ACCOUNT ("BVA") BALANCES AT EXISTING BERG RATE
ACTUAL AND FORECAST ACTIVITY ENDING DECEMBER 31, 2014
(Amounts shown in \$000)

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1		Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Total
2		Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	2012
3	BVA Balance - Beginning (Pre-tax) ⁽¹⁾	\$ 454	\$ 469	\$ 491	\$ 520	\$ 564	\$ 628	\$ 675	\$ 685	\$ 747	\$ 787	\$ 885	\$ 920	\$ 454
4	Costs Incurred	\$ 12	\$ 24	\$ 34	\$ 52	\$ 66	\$ 62	\$ 82	\$ 73	\$ 53	\$ 126	\$ 85	\$ 100	\$ 768
5	Revenue from 2012 Approved BERG Rate	\$ 2	\$ (2)	\$ (4)	\$ (8)	\$ (3)	\$ (15)	\$ (72)	\$ (10)	\$ (13)	\$ (28)	\$ (49)	\$ (72)	\$ (273)
6	BVA Balance - Ending (Pre-tax)	\$ 469	\$ 491	\$ 520	\$ 564	\$ 628	\$ 675	\$ 685	\$ 747	\$ 787	\$ 885	\$ 920	\$ 949	\$ 949
7														
8	BVA Balance - Ending (After Tax)	\$ 351	\$ 368	\$ 390	\$ 423	\$ 471	\$ 506	\$ 514	\$ 560	\$ 590	\$ 664	\$ 690	\$ 712	\$ 712
9														
10	Adjustment for Value of Unsold Biomethane at Existing BERG Rate (After Tax) ⁽²⁾													\$ (698)
11	Adjusted BVA Balance - Ending (After Tax)													\$ 14
12														
13														
14		Recorded	Projected	Projected	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Total
15		Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	2013
16	BVA Balance - Beginning (Pre-tax) ⁽¹⁾	\$ 949	\$ 954	\$ 932	\$ 933	\$ 953	\$ 992	\$ 1,036	\$ 1,084	\$ 1,133	\$ 1,169	\$ 1,176	\$ 1,258	\$ 949
17	Costs Incurred	\$ 92	\$ 64	\$ 88	\$ 86	\$ 88	\$ 86	\$ 88	\$ 88	\$ 86	\$ 88	\$ 195	\$ 197	\$ 1,248
18	Revenue from Existing BERG Rate	\$ (87)	\$ (86)	\$ (86)	\$ (67)	\$ (49)	\$ (42)	\$ (40)	\$ (40)	\$ (50)	\$ (81)	\$ (113)	\$ (144)	\$ (886)
19	BVA Balance - Ending (Pre-tax)	\$ 954	\$ 932	\$ 933	\$ 953	\$ 992	\$ 1,036	\$ 1,084	\$ 1,133	\$ 1,169	\$ 1,176	\$ 1,258	\$ 1,311	\$ 1,311
20														
21	BVA Balance - Ending (After Tax)	\$ 715	\$ 699	\$ 700	\$ 715	\$ 744	\$ 777	\$ 813	\$ 850	\$ 877	\$ 882	\$ 943	\$ 983	\$ 983
22														
23	Adjustment for Value of Unsold Biomethane at Existing BERG Rate (After Tax) ⁽²⁾			\$ (672)										\$ (843)
24	Adjusted BVA Balance - Ending (After Tax)			\$ 29										\$ 140
25														
26														
27		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Total
28		Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	2014
29	BVA Balance - Beginning (Pre-tax) ⁽¹⁾	\$ 1,311	\$ 1,332	\$ 1,361	\$ 1,396	\$ 1,458	\$ 1,547	\$ 1,645	\$ 1,747	\$ 1,852	\$ 1,940	\$ 1,988	\$ 1,990	\$ 1,311
30	Costs Incurred	\$ 165	\$ 158	\$ 165	\$ 162	\$ 165	\$ 162	\$ 165	\$ 165	\$ 162	\$ 165	\$ 164	\$ 166	\$ 1,963
31	Revenue from Existing BERG Rate	\$ (144)	\$ (129)	\$ (129)	\$ (100)	\$ (75)	\$ (65)	\$ (62)	\$ (60)	\$ (74)	\$ (117)	\$ (162)	\$ (206)	\$ (1,323)
32	BVA Balance - Ending (Pre-tax)	\$ 1,332	\$ 1,361	\$ 1,396	\$ 1,458	\$ 1,547	\$ 1,645	\$ 1,747	\$ 1,852	\$ 1,940	\$ 1,988	\$ 1,990	\$ 1,951	\$ 1,951
33														
34	BVA Balance - Ending (After Tax)	\$ 999	\$ 1,021	\$ 1,047	\$ 1,094	\$ 1,161	\$ 1,234	\$ 1,311	\$ 1,389	\$ 1,455	\$ 1,491	\$ 1,493	\$ 1,463	\$ 1,463
35														
36	Adjustment for Value of Unsold Biomethane at Existing BERG Rate (After Tax) ⁽²⁾													\$ (1,113)
37	Adjusted BVA Balance - Ending (After Tax)													\$ 350

Notes: Slight differences in totals due to rounding.

(1) Pre-tax opening balances are restated based on current income tax rate (25.0%), to reflect grossed-up after tax amounts.

(2) Adjustment calculated based on volume of Biomethane Available For Sale (Tab 3, Page 1) at the Existing BERG Rate (\$11.696/GJ); the result is then adjusted to reflect value on net of tax basis (at current tax rate of 25.0%).

FORTISBC ENERGY INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
COST RECOVERY BY RATE CLASS FOR BIOMETHANE
ACTUAL AND FORECAST ACTIVITY ENDING DECEMBER 31, 2014

Line	Particulars	Jan 12	Feb 12	Mar 12	Apr 12	May 12	Jun 12	Jul 12	Aug 12	Sep 12	Oct 12	Nov 12	Dec 12	2012
		Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Total
1	Volume (GJ)													
2	Rate Class 1B	(200)	134	333	413	78	172	6,426	864	915	2,074	3,631	5,629	20,469
3	Rate Class 2B	-	-	-	6	7	7	76	10	21	60	164	275	626
4	Rate Class 3B	-	-	-	-	22	15	224	165	149	261	432	456	1,724
5	Rate Class 11B / Other	-	-	-	264	132	132	132	-	-	-	-	-	660
6	Total Volume	<u>(200)</u>	<u>134</u>	<u>333</u>	<u>683</u>	<u>239</u>	<u>326</u>	<u>6,858</u>	<u>1,039</u>	<u>1,085</u>	<u>2,395</u>	<u>4,227</u>	<u>6,360</u>	<u>23,479</u>
7														
8	Cost Recovered													
9	Rate Class 1B	\$ (2,339)	\$ 1,567	\$ 3,895	\$ 4,830	\$ 912	\$ 11,569	\$ 68,521	\$ 8,017	\$ 10,696	\$ 24,258	\$ 42,462	\$ 65,837	\$ 240,224
10	Rate Class 2B	-	-	-	70	82	266	699	119	246	702	1,922	3,213	7,318
11	Rate Class 3B	-	-	-	-	257	1,270	1,530	1,935	1,745	3,053	5,048	2,597	17,434
12	Rate Class 11B / Other	-	-	-	3,088	1,544	1,544	1,544	-	-	-	-	-	7,719
13	Total Recovered	<u>(2,339)</u>	<u>1,567</u>	<u>3,895</u>	<u>7,988</u>	<u>2,795</u>	<u>14,649</u>	<u>72,294</u>	<u>10,070</u>	<u>12,686</u>	<u>28,012</u>	<u>49,432</u>	<u>71,647</u>	<u>272,696</u>
14														
15		Jan 13	Feb 13	Mar 13	Apr 13	May 13	Jun 13	Jul 13	Aug 13	Sep 13	Oct 13	Nov 13	Dec 13	2013
16	Volume (GJ)	Recorded	Projected	Projected	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Total
17	Rate Class 1B	6,710	5,874	5,789	4,118	2,675	1,948	1,706	1,510	2,168	4,380	6,633	8,855	52,365
18	Rate Class 2B	267	257	252	179	116	85	75	66	94	190	289	390	2,260
19	Rate Class 3B	502	464	449	347	218	158	133	125	172	369	546	758	4,242
20	Rate Class 11B / Other	-	737	897	1,058	1,218	1,378	1,538	1,699	1,859	2,019	2,179	2,340	16,923
21	Total Volume	<u>7,479</u>	<u>7,332</u>	<u>7,388</u>	<u>5,701</u>	<u>4,227</u>	<u>3,569</u>	<u>3,453</u>	<u>3,400</u>	<u>4,292</u>	<u>6,959</u>	<u>9,648</u>	<u>12,343</u>	<u>75,789</u>
22														
23	Effective Rate	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.696	
24														
25	Cost Recovered													
26	Rate Class 1B	\$ 78,480	\$ 68,705	\$ 67,712	\$ 48,160	\$ 31,287	\$ 22,778	\$ 19,954	\$ 17,655	\$ 25,352	\$ 51,230	\$ 77,580	\$ 103,570	\$ 612,463
27	Rate Class 2B	3,123	3,003	2,951	2,088	1,356	995	880	775	1,095	2,225	3,380	4,559	26,429
28	Rate Class 3B	5,871	5,423	5,256	4,055	2,550	1,847	1,560	1,464	2,008	4,319	6,391	8,865	49,609
29	Rate Class 11B / Other	-	8,622	10,496	12,371	14,245	16,119	17,994	19,868	21,743	23,617	25,491	27,366	197,932
30	Total Recovered	<u>87,474</u>	<u>85,752</u>	<u>86,414</u>	<u>66,674</u>	<u>49,438</u>	<u>41,740</u>	<u>40,388</u>	<u>39,763</u>	<u>50,196</u>	<u>81,391</u>	<u>112,843</u>	<u>144,359</u>	<u>886,433</u>
31														
32		Jan 14	Feb 14	Mar 14	Apr 14	May 14	Jun 14	Jul 14	Aug 14	Sep 14	Oct 14	Nov 14	Dec 14	2014
33	Volume (GJ)	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Total
34	Rate Class 1B	9,448	8,136	8,042	5,714	3,694	2,754	2,419	2,146	3,000	6,164	9,399	12,602	73,519
35	Rate Class 2B	418	360	354	251	163	121	107	94	132	270	410	553	3,234
36	Rate Class 3B	796	713	691	518	326	230	194	178	244	514	761	1,036	6,199
37	Rate Class 11B / Other	1,620	1,782	1,944	2,106	2,267	2,429	2,591	2,753	2,915	3,076	3,238	3,400	30,122
38	Total Volume	<u>12,281</u>	<u>10,991</u>	<u>11,031</u>	<u>8,589</u>	<u>6,450</u>	<u>5,534</u>	<u>5,311</u>	<u>5,171</u>	<u>6,291</u>	<u>10,025</u>	<u>13,808</u>	<u>17,591</u>	<u>113,074</u>
39														
40	Effective Rate	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.696	
41														
42	Cost Recovered													
43	Rate Class 1B	\$ 110,498	\$ 95,161	\$ 94,059	\$ 66,834	\$ 43,207	\$ 32,215	\$ 28,295	\$ 25,097	\$ 35,090	\$ 72,096	\$ 109,931	\$ 147,393	\$ 859,877
44	Rate Class 2B	4,884	4,210	4,143	2,941	1,909	1,412	1,251	1,104	1,547	3,161	4,800	6,468	37,829
45	Rate Class 3B	9,308	8,339	8,083	6,055	3,808	2,684	2,264	2,080	2,851	6,015	8,896	12,119	72,504
46	Rate Class 11B / Other	18,949	20,842	22,734	24,627	26,520	28,412	30,305	32,197	34,090	35,983	37,875	39,768	352,302
47	Total Recovered	<u>143,640</u>	<u>128,551</u>	<u>129,020</u>	<u>100,457</u>	<u>75,444</u>	<u>64,724</u>	<u>62,114</u>	<u>60,477</u>	<u>73,578</u>	<u>117,255</u>	<u>161,503</u>	<u>205,749</u>	<u>1,322,512</u>

Notes: Slight differences in totals due to rounding.



LETTER NO. L-XX-13

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ERICA M. HAMILTON
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Log No. xxxx

DRAFT ORDER

VIA E-MAIL

gas.regulatory.affairs@fortisbc.com

March XX, 2013

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

Dear Ms. Roy:

Re: FortisBC Energy Inc.
Lower Mainland, Inland, and Columbia Service Areas
2013 First Quarter Gas Cost Report
Commodity Cost Reconciliation Account (CCRA), Midstream Cost Reconciliation
Account (MCRA), and Biomethane Variance Account (BVA)

On March 7, 2013 FortisBC Energy Inc. (FEI) filed with the British Columbia Utilities Commission (Commission) its 2013 First Quarter Gas Cost Report (the Report). The Commission acknowledges receipt of the Report and accepts the recommendation that customer rates remain unchanged for the Lower Mainland, Inland, and Columbia service areas as of April 1, 2013.

The Commission will hold confidential the information in Tab 3 of the Report (pages 4.1 to 4.3), as requested by FEI, to protect commercially sensitive information.

Yours truly,

Erica M. Hamilton
Commission Secretary