

Diane Roy Director, Regulatory Affairs FortisBC Energy 16705 Fraser Highway Surrey, B.C. V4N 0E8 Tel: (604) 576-7349 Cell: (604) 908-2790

Fax: (604) 576-7074 Email: diane.roy@fortisbc.com

www.fortisbc.com

Regulatory Affairs Correspondance Email: gas.regulatory.affairs@fortisbc.com

February 19, 2014

<u>Via Email</u> Original via Mail

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. (FEI or the Company)

2014 First Quarter Report on the Biomethane Variance Account (BVA) and Revised Biomethane Energy Recovery Charge (BERC) Application (the 2014 First Quarter BVA Report)

On December 11, 2013, the Commission issued Order G-210-13 and Reasons for Decision (the Decision) in the FEI Biomethane Service Offering: Post Implementation Report and Application for Approval of the Continuation and Modification of the Biomethane Program on a Permanent Basis (the 2012 Biomethane Application) which approved the continuance of the Biomethane Program on a permanent basis with certain modifications as described in the Decision. In the Decision, the Commission directed FEI to file an updated calculation of the BERC rate to be effective on April 1, 2014 (page 68 of the Decision) and to file quarterly BVA reports.

On February 5, 2014, FEI filed a letter seeking clarification (Clarification Letter) on five aspects of the Decision, including the recovery of interconnection costs for projects approved under the pilot program, continuation of the AIR MILES acquisition program and associated cost recovery, and the effective date of education and marketing cost recovery. These three points of clarification affect the calculation of the BERC rate and FEI's treatment of these items was confirmed on February 18, 2014, by Commission Letter L-10-14.

BERC Rate Calculation

The calculation of the proposed BERC rate effective April 1, 2014 includes all forecast Biomethane Program costs as directed by the Commission.

February 19, 2014 British Columbia Utilities Commission FEI 2014 First Quarter BVA Report Page 2



In the Decision, the Commission also directed FEI to propose an approach for deferral of program overhead costs and levelization of interconnection costs if desired (page 67 of the Decision). At this time FEI is not proposing an approach to smooth the effect of overhead costs or to levelize interconnection costs.

Pursuant to Order G-210-13 and Letter L-10-14, the attached materials provide the 2014 First Quarter BVA Report, including the updated calculation of the proposed BERC rate effective April 1, 2014. FEI has determined the proposed BERC rate based on the projected BVA balance at March 31, 2014 and forecast biomethane quantities and costs for the prospective period ending December 31, 2014. Consistent with the Decision, and under normal circumstances, the Company expects to continue resetting the BERC rate using a January 1 effective date; the Company will continue to provide the Commission with quarterly reports on the BVA, including its BERC rate recommendations. Further, the Company notes that its biomethane supply contract prices are more stable than and not subject to those factors affecting the market price of natural gas in North America, which can include weather, supply and demand, and economic conditions.

BERC Rate

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

Based on the biomethane gas supply cost assumptions, the forecast biomethane recoveries at the present BERC rate, the BVA balance before accounting for the value of the unsold biomethane quantities is projected to be approximately \$1,242 thousand deficit after tax at December 31, 2014 (Tab 1, Page 2, Column 14, Line 21).

Further, the BVA balance at December 31, 2014 and December 31, 2015, based on the existing BERC rate and after adjustment for the value of the unsold biomethane quantities is forecast to be approximately \$384 thousand deficit after tax (Tab 1, Page 2, Column 14, Line 24) and \$900 thousand deficit after tax (Tab 1, Page 2, Column 14, Line 37), respectively.

The schedule at Tab 1, Page 3 provides a breakdown of the monthly actual and forecast biomethane recoveries by rate class. The schedules at Tab 1, Pages 4.1 to 4.4 provide a breakdown of the monthly actual and forecast biomethane supply costs by project.

At Tab 1, Page 5 the Company provides calculation of the proposed BERC rate, effective April 1, 2014. The proposed BERC rate, calculated using a prospective period ending December 31, 2014, shows an increase of \$2.369/GJ from the current \$11.696/GJ to \$14.065/GJ (Tab 1, Page 5, Column 3, Line 18). Although the unit rate of the BERC is proposed to increase by \$2.369/GJ or approximately 20%, the Company notes that the BERC rate currently applies to only 10% of the gas consumption billed to customers electing to receive service under the Rate Schedule 1B Residential Biomethane Service offering and that there is full mobility for customers to choose to opt in to or out of the program. The proposed change to the BERC rate, exclusive of any other tariff rate component changes effective April 1, 2014, equates to an increase to a typical Lower Mainland residential Biomethane Service Offering customer's annual bill of approximately \$23 or 2.3% based on an average total annual consumption of 95 GJ. FEI provides at Tabs 2 and 3 the tariff continuity and bill impact schedules for Rate Schedules 1B, 2B, and 3B showing the effects of the proposed increase to the BERC rate effective April 1, 2014.

February 19, 2014 British Columbia Utilities Commission FEI 2014 First Quarter BVA Report Page 3



Tab 1 Page 6 provides the monthly BVA deferral balances with the proposed changes to the BERC rate, effective April 1, 2014. The BVA balance at December 31, 2014 and December 31, 2015, based on the proposed BERC rate and after adjustment for the value of the unsold biomethane quantities is forecast to be approximately zero (Tab 1, Page 6, Column 14, Line 11) and \$38 thousand deficit after tax (Tab 1, Page 6, Column 14, Line 24), respectively.

The Company requests the information contained in Tab 1 at Pages 4.1 to 4.4 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

The Company requests Commission approval to increase the BERC rate from \$11.696/GJ to \$14.065/GJ effective April 1, 2014, for all affected rate schedules within the Lower Mainland, Inland, and Columbia service areas.

FEI will continue to monitor the BVA balances and will submit its 2014 Second Quarter Report on the BVA by May 15, 2014.

We trust the Commission will find the attached to be in order. However, should any further information be required, please contact Doug Richardson at 604-592-7643.

Sincerely,

FORTISBC ENERGY INC.

Original signed by: Shawn Hill

For: Diane Roy

Attachments

FORTISBC ENERGY INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS SUMMARY OF BIOMETHANE VARIANCE ACCOUNT (BVA) QUANTITIES ACTUAL AND FORECAST ACTIVITY ENDING DECEMBER 31, 2016

(Quantities shown in TJ)

No.	Line														
Second S	No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
State Stat	1		Recorded		Recorded	Recorded	,			Recorded			Recorded	Recorded	
Purchases 7.2 5.3 8.3 3.1 12.3 8.0 7.2 7.7 8.5 9.2 8.4 9.0 94.3 5 5 5 5 5 5 5 5 9.6 (6.3 5 4 4 2.7 2.3 2.4	2		Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	<u>2013</u>
Sales C.7.5 C.7.	3	Biomethane Available for Sale - Beginning	79.6	79.3	79.2	77.9	74.7	81.6			97.1	103.2	106.9	104.0	79.6
Biomethane Available for Sale - Ending T9.3 T9.2 T7.9 T4.7 81.6 86.9 91.8 97.1 103.2 106.9 104.0 99.0 99.0 99.0 99.0 99.0 99.0 99.0 99.0 89.0 89.0 88.0 89.0 109.0 10.0	4	Purchases	7.2	5.3	8.3	3.1	12.3	8.0	7.2	7.7	8.5	9.2	8.4	9.0	94.3
Recorded Recorded Forecast	5	Sales	. ,	. ,	\ /	. ,		. ,			. ,	\ /	. ,		
Poccasi Pocc	6	Biomethane Available for Sale - Ending	79.3	79.2	77.9	74.7	81.6	86.9	91.8	97.1	103.2	106.9	104.0	99.0	99.0
Poccasi Pocc	7														
Part	8														
Biomethane Available for Sale - Beginning 99.0 92.8 88.9 85.6 85.0 79.0 79.7 81.5 84.0 90.3 93.4 97.4 99.0 12.7 17.4 17.2 21.9 21.9 155.3 155.3 15.	9		Recorded	Forecast	Total										
12 Purchases 5.8 8.2 8.0 8.2 8.0 12.9 12.9 12.9 12.7 17.4 17.2 21.9 21.9 155.3 13 Sales (12.0) (11.7) (11.7) (11.7) (18.8) (14.1) (12.1) (11.2) (10.2) (11.2) (11.2) (14.1) (18.0) (20.2) (155.2) 14 Biomethane Available for Sale - Ending 92.8 89.3 85.6 85.0 79.0 79.7 81.5 84.0 90.3 93.4 97.4 99.1 15 16 17 18 18 18 18 18 18 18	10		Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	<u>2014</u>
13 Sales (12.0) (11.7) (11.7) (8.8) (14.1) (12.1) (11.2) (10.2) (11.2) (14.1) (18.0) (20.2) (155.2) (14.1) (18.0) (20.2) (155.2) (14.1) (18.0) (20.2) (155.2) (14.1) (18.0) (20.2) (155.2) (14.1) (18.0) (20.2) (155.2) (14.1) (18.0) (20.2) (155.2) (14.1) (18.0) (20.2) (155.2) (14.1) (18.0) (20.2) (155.2) (14.1) (18.0) (20.2) (155.2) (14.1) (18.0) (20.2) (155.2) (14.1) (18.0) (20.2) (155.2) (14.1) (18.0) (20.2) (155.2) (14.1) (18.0) (20.2) (155.2) (155.2) (18.0) (1	11	Biomethane Available for Sale - Beginning	99.0	92.8	89.3	85.6	85.0	79.0	79.7	81.5	84.0	90.3	93.4	97.4	99.0
14 Biomethane Available for Sale - Ending 92.8 89.3 85.6 85.0 79.0 79.7 81.5 84.0 90.3 93.4 97.4 99.1 99.1 15 16	12	Purchases	5.8	8.2	8.0	8.2	8.0	12.9	12.9	12.7	17.4	17.2	21.9	21.9	155.3
Forecast	13	Sales	(12.0)	(11.7)	(11.7)	(8.8)	(14.1)	(12.1)	(11.2)	(10.2)	(11.2)	(14.1)	(18.0)	(20.2)	(155.2)
Forecast	14	Biomethane Available for Sale - Ending	92.8	89.3	85.6	85.0	79.0	79.7	81.5	84.0	90.3	93.4	97.4	99.1	99.1
Forecast Jun-15 Jun-16	15														
18	16														
19 Biomethane Available for Sale - Beginning 99.1 97.5 97.9 98.0 102.0 108.2 117.1 127.2 138.3 148.4 154.6 156.1 99.1 20 Purchases 22.2 22.9 22.7 22.9 22.	17		Forecast	Total											
20 Purchases 22.2 22.9 22.7 22.7 22.9 22.7 22.9 22.7 22.9 22.7 22.7 22.9 22.7 22.9 22.7 22.7 22.9 22.7	18		Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	<u>2015</u>
21 Sales (23.8) (22.6) (22.6) (18.9) (16.4) (14.0) (12.8) (11.6) (12.8) (16.5) (21.4) (23.9) (217.1) (22.8) Biomethane Available for Sale - Ending (97.5) 97.9 98.0 102.0 108.2 117.1 127.2 138.3 148.4 154.6 156.1 155.3 157.1 159.0 165.2 174.1 186.2 199.8 214.4 227.5 235.9 238.6 155.1 155.	19	Biomethane Available for Sale - Beginning	99.1	97.5	97.9	98.0	102.0	108.2	117.1	127.2	138.3	148.4	154.6	156.1	99.1
22 Biomethane Available for Sale - Ending 97.5 97.9 98.0 102.0 108.2 117.1 127.2 138.3 148.4 154.6 156.1 155.1 155.1 155.1 23 24 25 Forecast Jan-16 Feb-16 Mar-16 Apr-16 May-16 Jun-16 Jul-16 Aug-16 Sep-16 Oct-16 Nov-16 Dec-16 2016 2016 27 Biomethane Available for Sale - Beginning 27.6 27.8 27.8 28.0 27.8 2	20	Purchases	22.2	22.9	22.7	22.9	22.7	22.9	22.9	22.7	22.9	22.7	22.9	22.9	273.0
23	21	Sales	(23.8)	(22.6)	(22.6)	(18.9)	(16.4)	(14.0)	(12.8)	(11.6)	(12.8)	(16.5)	(21.4)	(23.9)	(217.1)
24	22	Biomethane Available for Sale - Ending	97.5	97.9	98.0	102.0	108.2	117.1	127.2	138.3	148.4	154.6	156.1	155.1	155.1
Forecast	23														
26 Jan-16 Feb-16 Mar-16 Apr-16 May-16 Jun-16 Jul-16 Aug-16 Sep-16 Oct-16 Nov-16 Dec-16 2016 27 Biomethane Available for Sale - Beginning 155.1 155.3 157.1 159.0 165.2 174.1 186.2 199.8 214.4 227.5 235.9 238.6 155.1 28 Purchases 27.6 27.8 27.8 28.0 27.8 28.0 27.8 28.0 27.8 28.0 27.8 28.0 27.8 28.0 27.8 28.0 27.8 28.0 27.8 28.0 27.8 28.0 27.8 28.0 27.8 28.0 27.8 28.0 28.0 27.8 28.0 28.0 27.8 28.0 28.0 27.8 28.0	24														
27 Biomethane Available for Sale - Beginning 155.1 155.3 157.1 159.0 165.2 174.1 186.2 199.8 214.4 227.5 235.9 238.6 155.1 28 Purchases 27.6 27.8 27.8 28.0 27.8 28.0 28.0 27.8 28.0 27.8 28.0 27.8 28.0 27.8 28.0 27.8 28.0 27.8 28.0 28.0 27.8 28.0	25		Forecast	Total											
28 Purchases 27.6 27.8 27.8 28.0 27.8 28.0 28.0 27.8 28.0 27.8 28.0 27.8 28.0 27.8 28.0<	26		Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	<u>2016</u>
29 Sales (27.4) (25.9) (25.9) (21.8) (18.9) (15.9) (14.4) (13.2) (14.9) (19.4) (25.3) (28.2) (251.3)	27	Biomethane Available for Sale - Beginning	155.1	155.3	157.1	159.0	165.2	174.1	186.2	199.8	214.4	227.5	235.9	238.6	155.1
	28	Purchases	27.6	27.8	27.8	28.0	27.8	28.0	28.0	27.8	28.0	27.8	28.0	28.0	334.6
30 Biomethane Available for Sale - Ending 155.3 157.1 159.0 165.2 174.1 186.2 199.8 214.4 227.5 235.9 238.6 238.4 238.4	29	Sales	(27.4)	(25.9)	(25.9)	(21.8)	(18.9)	(15.9)	(14.4)	(13.2)	(14.9)	(19.4)	(25.3)	(28.2)	(251.3)
	30	Biomethane Available for Sale - Ending	155.3	157.1	159.0	165.2	174.1	186.2	199.8	214.4	227.5	235.9	238.6	238.4	238.4

FORTISBC ENERGY INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS SUMMARY OF BIOMETHANE VARIANCE ACCOUNT (BVA) BALANCES AT EXISTING BERC RATE ACTUAL AND FORECAST ACTIVITY ENDING DECEMBER 31, 2016

(Amounts shown in \$000)

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1 2		Recorded Jan-13	Recorded Feb-13	Adjusted Mar-13	Adjusted Apr-13	Adjusted May-13	Adjusted Jun-13	Adjusted Jul-13	Adjusted Aug-13	Adjusted Sep-13	Adjusted Oct-13	Adjusted Nov-13	Adjusted Dec-13	Total 2013
3 BVA Balance - Beginnii 4 Costs Incurred 5 Revenue from Existi		\$ 949 \$ 92 \$ (87)	\$ 954 \$ 69 \$ (64)	\$ 959 \$ 107	\$ 953 \$ 46	\$ 926 \$ 167	\$ 1,031 \$ 120	\$ 1,119 \$ 102	\$ 1,194 \$ 108	\$ 1,273 \$ 117	\$ 1,362 \$ 117	\$ 1,415 \$ 114	\$ 1,397 \$ 64	\$ 949 \$ 1,224 \$ (875)
6 BVA Balance - Ending 7		\$ 954	\$ 959	\$ 953			\$ 1,119		\$ 1,273	\$ 1,362	\$ 1,415	\$ 1,397	\$ 1,298	\$ 1,298
8 BVA Balance - Ending910 Adjustment for Value of	(After Tax) f Unsold Biomethane at Existin	\$ 715	\$ 719	\$ 715	\$ 695	\$ 773	\$ 839	\$ 922	\$ 945	\$ 1,011	\$ 1,051	\$ 1,037	\$ 963	\$ 963
11 Adjusted BVA Balance		y beno nate	(Alter Tax)											\$ 104
13 14 15		Recorded 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
 16 BVA Balance - Beginnin 17 Costs Incurred 18 Revenue from Existi 19 BVA Balance - Ending 	ing BERC Rate	\$ 1,302 \$ 89 \$ (140) \$ 1,251	\$ 1,251 \$ 136 \$ (137) \$ 1,250	\$ 1,250 \$ 133 \$ (137) \$ 1,246	\$ 1,246 \$ 136 \$ (103) \$ 1,279	\$ 1,279 \$ 133 \$ (165) \$ 1,247	\$ 1,247 \$ 173 \$ (142) \$ 1,278	\$ 1,278 \$ 173 \$ (130) \$ 1,321	\$ 1,321 \$ 170 \$ (119) \$ 1,372	\$ 1,372 \$ 233 \$ (130) \$ 1,474	\$ 1,474 \$ 230 \$ (165) \$ 1,539	\$ 1,539 \$ 293 \$ (211) \$ 1,621	\$ 1,621 \$ 293 \$ (236) \$ 1,678	\$ 1,302 \$ 2,192 \$ (1,816) \$ 1,678
20 21 BVA Balance - Ending 22	(After Tax)	\$ 926	\$ 925	\$ 922	\$ 946	\$ 923	\$ 946	\$ 977	\$ 1,015	\$ 1,091	\$ 1,139	\$ 1,200	\$ 1,242	\$ 1,242
23 Adjustment for Value of24 Adjusted BVA Balance25	f Unsold Biomethane at Existin e - Ending (After Tax)	g BERC Rate	(After Tax)	(2)										\$ (858 \$ 384
26 27 28		Forecast Jan-15	Forecast Feb-15	Forecast Mar-15	Forecast Apr-15	Forecast May-15	Forecast Jun-15	Forecast Jul-15	Forecast Aug-15	Forecast Sep-15	Forecast Oct-15	Forecast Nov-15	Forecast Dec-15	Total 2015
 29 BVA Balance - Beginnin 30 Costs Incurred 31 Revenue from Existi 32 BVA Balance - Ending 	ing BERC Rate	\$ 1,678 \$ 317 \$ (278) \$ 1,717	\$ 1,717 \$ 326 \$ (264) \$ 1,778	\$ 1,778 \$ 323 \$ (264) \$ 1,837	\$ 1,837 \$ 326 \$ (221) \$ 1,942	\$ 1,942 \$ 323 \$ (192) \$ 2,073	\$ 2,073 \$ 326 \$ (163) \$ 2,236	\$ 2,236 \$ 326 \$ (150) \$ 2,412	\$ 2,412 \$ 323 \$ (135) \$ 2,599	\$ 2,599 \$ 326 \$ (150) \$ 2,775	\$ 2,775 \$ 323 \$ (193) \$ 2,905	\$ 2,905 \$ 327 \$ (250) \$ 2,982	\$ 2,982 \$ 327 \$ (279) \$ 3,031	\$ 1,678 \$ 3,892 \$ (2,539 \$ 3,031
33 34 BVA Balance - Ending 35	(After Tax)	\$ 1,270	\$ 1,316	\$ 1,360	\$ 1,437	\$ 1,534	\$ 1,654	\$ 1,785	\$ 1,924	\$ 2,054	\$ 2,150	\$ 2,207	\$ 2,243	\$ 2,243
36 Adjustment for Value of 37 Adjusted BVA Balance 38 39	f Unsold Biomethane at Existin e - Ending (After Tax)	g BERC Rate	(After Tax)	(2)										\$ (1,342) \$ 900
40 41		Forecast Jan-16	Forecast Feb-16	Forecast Mar-16	Forecast Apr-16	Forecast May-16	Forecast Jun-16	Forecast Jul-16	Forecast Aug-16	Forecast Sep-16	Forecast Oct-16	Forecast Nov-16	Forecast Dec-16	Total 2016
42 BVA Balance - Beginnii 43 Costs Incurred 44 Revenue from Existi 45 BVA Balance - Ending 46	ing BERC Rate	\$ 3,031 \$ 425 \$ (321) \$ 3,135	\$ 3,135 \$ 428 \$ (303) \$ 3,260	\$ 3,260 \$ 428 \$ (303) \$ 3,385	\$ 3,385 \$ 431 \$ (255) \$ 3,561	\$ 3,561 \$ 428 \$ (221) \$ 3,769	\$ 3,769 \$ 431 \$ (186) \$ 4,014		\$ 4,277 \$ 428 \$ (155) \$ 4,550	\$ 4,550 \$ 431 \$ (175) \$ 4,807	\$ 4,807 \$ 428 \$ (226) \$ 5,009	\$ 5,009 \$ 433 \$ (296) \$ 5,146	\$ 5,146 \$ 433 \$ (330) \$ 5,249	\$ 3,031 \$ 5,157 \$ (2,939 \$ 5,249
47 BVA Balance - Ending 48		\$ 2,320	\$ 2,413	\$ 2,505	\$ 2,635	\$ 2,789	\$ 2,971	\$ 3,165	\$ 3,367	\$ 3,557	\$ 3,707	\$ 3,808	\$ 3,884	\$ 3,884
49 Adjustment for Value of 50 Adjusted BVA Balance	f Unsold Biomethane at Existin e - Ending (After Tax)	g BERC Rate	(After Tax)	(2)										\$ (2,063) \$ 1,820

Notes: Slight differences in totals due to rounding.

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

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

FORTISBC ENERGY INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS COST RECOVERY BY RATE CLASS FOR BIOMETHANE ACTUAL AND FORECAST ACTIVITY ENDING DECEMBER 31, 2016

								- ,						
Line	Particulars	Recorded	Recorded	Recorded (1)	•	,		Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Total
1	Sales (GJ)	Jan 13	Feb 13	<u>Mar 13</u>	Apr 13	May 13	<u>Jun 13</u>	<u>Jul 13</u>	Aug 13	Sep 13	Oct 13	Nov 13	<u>Dec 13</u>	<u>2013</u>
2	Residential	6,710	4,814	4,321	3,135	1,796	1,214	1,157	1,561	1,185	3,276	6,532	8,531	44,232
3 4	Commercial	769	641	600 4,706	707 2,413	377 3,202	342 1,116	300 875	227 660	245 994	567 1,594	1,345 3,485	1,552 3,897	7,672 22,942
5	On/Off System & Other Total Sales	7,479	5,455	9,627	6,255	5,375	2,672	2,332	2,448	2,424	5,437	11,362	13,980	74,846
6	Total Guics	7,475	0,400	5,027	0,200	0,070	2,072	2,002	2,440	2,727	0,407	11,002	10,000	74,040
7	Effective Rate	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.606	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.696	\$ 11.696	
8	Lifective riate	Ψ 11.030	Ψ 11.030	ψ 11.030	ψ 11.030	ψ 11.030	ψ 11.030	ψ 11.030	ψ 11.030	ψ 11.030	ψ 11.030	ψ 11.030	ψ 11.030	
9	Cost Recovered													
10	Residential	\$ 78,480	\$ 56,305	\$ 50,538	\$ 36,667	\$ 21,006	\$ 14,199	\$ 13,532	\$ 18,257	\$ 13,860	\$ 38,316	\$ 76,398	\$ 99,779	\$ 517,337
11	Commercial	8,994	7,497	7,018	8,269	4,409	4,000	3,509	2,655	2,866	6,632	15,731	18,152	89,732
12	On/Off System & Other			55,041	28,222	37,451	13,053	10,234	7,719	11,626	18,643	40,761	45,579	268,330
13	Total Recovered	\$ 87,474	\$ 63,802	\$ 112,597	\$ 73,158	\$ 62,866	\$ 31,252	\$ 27,275	\$ 28,632	\$ 28,351	\$ 63,591	\$132,890	\$ 163,510	\$ 875,399
14			_	_	_	_	_	_	_	_	_	_	_	
15 16		Recorded 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
	Sales (GJ)			-										
17 18	Residential Commercial	7,574 677	8,751 1,189	8,751 1,189	6,563 892	5,105 694	3,646 496	2,917 396	2,188 297	2,917 396	5,105 694	8,021 1,090	9,480 1,289	71,017 9,300
19	On/Off System & Other	3,733	1,794	1,794	1,346	8,293	7,994	7,844	7,695	7,844	8,293	8,891	9,390	74,908
20	Total Sales	11,984	11,734	11,734	8,801	14,091	12,135	11,157	10,180	11,157	14,091	18,002	20,158	155,225
21														
22	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	
23														
24	Cost Recovered			A 100 010	A 70 704	A 50 700			A 05 507		A 50 700			
25 26	Residential Commercial	\$ 88,586 7,918	\$ 102,348 13.912	\$ 102,348 13.912	\$ 76,761 10,434	\$ 59,703 8,115	\$ 42,645 5,797	\$ 34,116 4.637	\$ 25,587 3,478	\$ 34,116 4,637	\$ 59,703 8.115	\$ 93,819 12,752	\$ 110,877 15,071	\$ 830,610 108,778
27	On/Off System & Other	43,661	20,983	20,983	15,737	96,989	93,492	91,743	89,995	91,743	96,989	103,983	109,820	876,118
28	Total Recovered	\$ 140,165	\$ 137,243	\$ 137,243	\$102,932	\$164,807	\$141,934	\$130,497	\$119,060	\$130,497	\$164,807	\$210,555	\$ 235,768	\$ 1,815,506
29														
30		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Total
31	Sales (GJ)	<u>Jan 15</u>	Feb 15	<u>Mar 15</u>	Apr 15	May 15	<u>Jun 15</u>	<u>Jul 15</u>	Aug 15	Sep 15	Oct 15	Nov 15	<u>Dec 15</u>	<u>2015</u>
32	Residential	11,848	10,937	10,937	8,202	6,380	4,557	3,646	2,734	3,646	6,380	10,025	11,848	91,139
33 34	Commercial	1,605	1,481	1,481	1,111 9,562	864 9,173	617 8,784	494 8,659	370 8,465	494 8,659	864 9,242	1,358	1,605	12,346
35	On/Off System & Other Total Sales	10,339	10,145	10,145	18,875	16,417	13,959	12,798	11,569	12,798	16,486	10,020 21,403	10,408 23,861	113,601 217,085
36	Total Sales	23,732	22,303	22,303	10,073	10,417	13,333	12,790	11,509	12,790	10,400	21,403	23,001	217,005
37	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	
38		•	,	,	•		•	,	•	•	•		•	
39	Cost Recovered													
40	Residential	\$ 138,574	\$ 127,915		\$ 95,936	\$ 74,617	\$ 53,298	\$ 42,638	\$ 31,979	\$ 42,638	\$ 74,617	\$117,255		\$ 1,065,956
41 42	Commercial	18,771 120,927	17,327 118,654	17,327 118,654	12,996 111,835	10,108 107,289	7,220 102,743	5,776 101,276	4,332 99,003	5,776 101,276	10,108 108,096	15,884 117,188	18,771 121,735	144,395 1,328,677
43	On/Off System & Other Total Recovered	\$ 278,273	\$ 263,897	\$ 263,897	\$220,767	\$192,013	\$163,260	\$149,691	\$135,314	\$149,691	\$192,820	\$250,327	\$ 279,080	\$ 2,539,029
44	Total riccovered	Ψ 270,270	Ψ 200,007	φ 200,007	ΨΣΣΟ,7Ο7	ψ102,010	ψ100,200	ψ140,001	ψ100,014	ψ140,001	ψ102,020	Ψ200,021	Ψ 270,000	<u>Ψ 2,000,020</u>
45		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Total
46	Sales (GJ)	Jan 16	Feb 16	Mar 16	Apr 16	May 16	Jun 16	Jul 16	Aug 16	Sep 16	Oct 16	Nov 16	Dec 16	2016
47	Residential	14,054	12,973	12,973	9,730	7,568	5,405	4,324	3,243	4,324	7,568	11,892	14,054	108,109
48	Commercial	1,897	1,751	1,751	1,313	1,022	730	584	438	584	1,022	1,605	1,897	14,593
49	On/Off System & Other	11,453	11,201	11,201	10,776	10,271	9,765	9,513	9,560	10,013	10,771	11,781	12,287	128,590
50	Total Sales	27,404	25,925	25,925	21,819	18,860	15,900	14,421	13,241	14,921	19,360	25,278	28,238	251,291
51	Etteratura Dete	f 44.000	A 44.000	A 44 000	A 44 000	A 44 000	A 44 000	A 44 000	A 44 000	A 44 000	A 44 000	A 44 000	A 44.000	
52 53	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	
54	Cost Recovered													
55	Residential	\$ 164,377	\$ 151,733	\$ 151,733	\$113,799	\$ 88,511	\$ 63,222	\$ 50,578	\$ 37,933	\$ 50,578	\$ 88,511	\$139,088	\$ 164,377	\$ 1,264,438
56	Commercial	22,189	20,482	20,482	15,361	11,948	8,534	6,827	5,120	6,827	11,948	18,775	22,189	170,681
57	On/Off System & Other	133,956	131,001	131,001	126,035	120,125	114,215	111,260	111,813	117,108	125,973	137,793	143,703	1,503,983
58	Total Recovered	\$ 320,522	\$ 303,216	\$ 303,216	\$255,196	\$220,583	\$185,971	\$168,664	\$154,867	\$174,512	\$226,431	\$295,656	\$ 330,268	\$ 2,939,101

ites: Slight differences in totals due to rounding.

⁽¹⁾ March 2013 Rate Class 11B sales includes City of Vancouver sales for the period September 2012 to February 2013. The delay in recording City of Vancouver consumption for those periods was related to the manual billing process at that time. (Similarly, April 2013 Rate Class 11B sales includes City of Vancouver sales for March and April 2013).

⁽²⁾ April and May 2013 Rate Class 11B sales are restated to correct for an over accrual that was booked in April.

FORTISBC ENERGY INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS BIOMETHANE VARIANCE ACCOUNT (BVA) AND BIOMETHANE ENERGY RECOVERY CHARGE (BERC) REVIEW FOR THE FORECAST PERIOD ENDING DECEMBER 31, 2014

(Amounts shown pre-tax unless otherwise indicated)

Line				
No.	Particulars	\$000	TJ	Notes
	(1)	(2)	(3)	(4)
1	Forecast BVA Deferral Balance at April 1, 2014			
2	Cost (Tab 1, Page 2, Column 5, Row 3)	\$ 1,245.6		
3	Quantity (Tab 1, Page 1, Column 5, Row 11)		85.6	Unsold Quantity
4				
5	Forecast Costs Incurred in the Period			
6	Cost	\$ 1,833.2		
7	Quantity		133.3	Purchase Quantity in the Period
8				
9	Biomethane Available for Sale			
10	Total Cost to be Recovered	\$ 3,078.9		
11	Total Quantity		218.9	
12				
13				
14				
15	Calculation of Proposed Biomethane Energy Recovery Charge Effect	tive April 1, 2014		
16				
17				
18	Proposed BERC = Cost of Biomethane Available for Sale	\$ 3,078.9	\$ 14.065	per Gigajoule
19	Quantity of Biomethane Available for Sale	218.9	ψ 14.005	per angajoure
20				
21				
22	Existing BERC (effective January 1, 2012)		\$ 11.696	per Gigajoule
23				
24				
25	Proposed Rate Increase (Decrease)		\$ 2.369	per Gigajoule

FORTISBC ENERGY INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS SUMMARY OF BIOMETHANE VARIANCE ACCOUNT (BVA) BALANCES AT PROPOSED BERC RATE ACTUAL AND FORECAST ACTIVITY ENDING DECEMBER 31, 2016

(Amounts shown in \$000)

e o. (1)		(2)	(3)	((4)	((5)	(6	6)		(7)		(8)	(9)	(10)		(11)	(12)		(13)	(
	-	corded an-14		ecast o-14		ecast ar-14		ecast or-14		ecast y-14	-	recast un-14		orecast Jul-14		ecast g-14		ecast	_	recast ct-14	Foreca Nov-1		Forecast Dec-14	T 2
BVA Balance - Beginning (Pre-tax) (1)	\$	1.302		1,251	\$	1.250						1,193		1,195				1.238		1,314	\$ 1,3		\$ 1,385	\$
Costs Incurred	\$	89	\$	136		133	\$,	\$,	\$	173	\$	173	\$	170		233	\$,			\$ 293	\$
Revenue from Applicable BERC Rate (2)	\$	(140)	\$	(137)	\$	(137)	\$	(124)	\$	(198)	\$	(171)	\$	(157)	\$	(143)	\$	(157)	\$	(198)	\$ (2	53)	\$ (284)	\$
BVA Balance - Ending (Pre-tax)	\$	1,251		1,250		1,246		1,258			_	1,195	\$				\$	1,314	_	1,346	\$ 1,3		\$ 1,394	\$
5 . ,																								
BVA Balance - Ending (After Tax)	\$	926	\$	925	\$	922	\$	931	\$	883	\$	884	\$	896	\$	916	\$	972	\$	996	\$ 1,0	25	\$ 1,032	\$
	-																							-
Adjustment for Value of Unsold Biomethane a	t Applical	ble BEF	RC Ra	e (Afte	r Tax	() ⁽³⁾																		\$
Adjusted BVA Balance - Ending (After Tax)				•																				\$
	Fo	recast	Fore	ecast	For	ecast	For	ecast	Fore	ecast	For	recast	Fo	recast	Fore	ecast	For	ecast	Fo	recast	Foreca	ıst	Forecast	7
i	Ja	an-15	Fel	o-15	Ма	ar-15	Ap	or-15	May	y-15	Ju	ın-15	J	lul-15	Aug	g-15	Se	p-15	0	ct-15	Nov-1	5	Dec-15	2
BVA Balance - Beginning (Pre-tax) (1)	\$	1,394	\$	1,376	\$	1,385	\$	1,390	\$ 1	1,451	\$	1,543	\$	1,672	\$	1,818	\$	1,978	\$	2,124	\$ 2,2	15	\$ 2,241	\$
Costs Incurred	\$	317		,	\$	323	\$	326	\$		\$	326	\$	326	\$		\$	326	\$	323			\$ 327	\$
Revenue from Proposed BERC Rate	\$	(335)	\$	(317)	\$	(317)	\$	(265)	\$	(231)	\$	(196)	\$	(180)	\$	(163)	\$	(180)	\$	(232)	\$ (3	01)	\$ (336)	\$
BVA Balance - Ending (Pre-tax)	\$	1,376	\$	1,385	\$	1,390	\$	1,451	\$ 1	1,543	\$	1,672	\$	1,818	\$	1,978	\$	2,124	\$	2,215	\$ 2,2	_	\$ 2,233	\$
)																								-
BVA Balance - Ending (After Tax)	\$	1,019	\$	1,025	\$	1,029	\$	1,074	\$ 1	1,142	\$	1,237	\$	1,345	\$	1,464	\$	1,572	\$	1,639	\$ 1,6	58	\$ 1,652	\$
																								-
Adjustment for Value of Unsold Biomethane a	t Propose	ed BER	C Rate	e (After	Tax)	(2)																		\$
Adjusted BVA Balance - Ending (After Tax)				•	,																			\$
j																								-
;																								
,	Fo	recast	Fore	ecast	For	ecast	For	ecast	Fore	ecast	For	recast	Fo	recast	Fore	ecast	For	ecast	Fo	recast	Foreca	ıst	Forecast	Т
1	J;	an-16	Fel	o-16	Ma	ar-16	Ap	or-16	May	y-16	Ju	ın-16	J	lul-16	Aug	g-16	Se	p-16	0	ct-16	Nov-1	6	Dec-16	2
BVA Balance - Beginning (Pre-tax) (1)	\$	2,233	\$:	2,272	\$	2,336	\$	2,400	\$ 2	2,524	\$	2,687	\$	2,895	\$:	3,123	\$	3,365	\$	3,586	\$ 3,7	42	\$ 3,820	\$
Costs Incurred	\$	425	\$,	\$	428	\$	431	\$,	\$	431	\$	431	\$,	\$	431	\$	428			\$ 433	\$
Revenue from Proposed BERC Rate	\$	(385)				(365)	\$	(307)		(265)	\$	(224)		(203)		(186)		(210)		(272)			\$ (397)	\$
BVA Balance - Ending (Pre-tax)	\$	2,272		2,336	_	2,400		2,524	_		_	2,895	\$				_	3,586	_	3,742			\$ 3,855	\$
J (/					-							,	-				•		*		,-		, , , , , , , , ,	<u>, </u>
}		1 000	\$	1,729	\$	1,776	\$	1,868	\$ 1	1,988	\$	2,142	\$	2,311	\$:	2,490	\$	2,654	\$	2,769	\$ 2,8	26	\$ 2,853	\$
B BVA Balance - Ending (After Tax)	\$	1,682	Ψ																					
BVA Balance - Ending (After Tax)	\$	1,682	Ψ	.,. =0	<u> </u>																			
	t Propes					(2)			-	-														\$

Notes: Slight differences in totals due to rounding.

⁽¹⁾ Pre-tax opening balances are restated based on current income tax rate (26.0%), to reflect grossed-up after tax amounts.

⁽²⁾ Existing BERC rate for Jan-Mar 2014, and proposed BERC rate effective April 1, 2014.

⁽³⁾ Adjustment calculated based on volume of Biomethane Available For Sale (Tab 1, Page 1) at the Proposed BERC Rate (\$14.065/GJ); the result is then adjusted to reflect value on net of tax basis (at current tax rate of 26.0%).

FORTISBC ENERGY INC. CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY PROPOSED APRIL 1, 2014 RATES

BCUC ORDER G-xx-14

TAB 2 PAGE 1 SCHEDULE 1B

	RATE SCHEDULE 1B:					COMMODITY				
	RESIDENTIAL BIOMETHANE SERVICE	EXISTING	RATES JANUARY 1	, 2014	RELATE	D CHARGES CH	ANGES	PROPOSI	ED APRIL 1, 2014 R	ATES
Line		Lower			Lower			Lower		
No.	Particulars	Mainland	Inland	Columbia	Mainland	Inland	Columbia	Mainland	Inland	Columbia
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Delivery Margin Related Charges									
2	Basic Charge per Day	\$0.3890	\$0.3890	\$0.3890	\$0.0000	\$0.0000	\$0.0000	\$0.3890	\$0.3890	\$0.3890
3										
4	Delivery Charge per GJ	\$3.741	\$3.741	\$3.741	\$0.000	\$0.000	\$0.000	\$3.741	\$3.741	\$3.741
5	Rider 4 2013 GCOC Rate Rider per GJ	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
6	Rider 5 RSAM per GJ	(\$0.120)	(\$0.120)	(\$0.120)	\$0.000	\$0.000	\$0.000	(\$0.120)	(\$0.120)	(\$0.120)
7	Subtotal Delivery Margin Related Charges per GJ	\$3.621	\$3.621	\$3.621	\$0.000	\$0.000	\$0.000	\$3.621	\$3.621	\$3.621
8										
9										
10	Commodity Related Charges									
11	Midstream Cost Recovery Charge per GJ	\$1.385	\$1.301	\$1.288	\$0.000	\$0.000	\$0.000	\$1.385	\$1.301	\$1.288
12	Rider 6 MCRA per GJ	(\$0.082)	(\$0.082)	(\$0.082)	\$0.000	\$0.000	\$0.000	(\$0.082)	(\$0.082)	(\$0.082)
13	Subtotal Midstream Related Charges per GJ	\$1.303	\$1.219	\$1.206	\$0.000	\$0.000	\$0.000	\$1.303	\$1.219	\$1.206
14										
15										
16	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$3.272	\$3.272	\$3.272	\$0.000	\$0.000	\$0.000	\$3.272	\$3.272	\$3.272
17										
18	Cost of Biomethane per GJ	\$11.696	\$11.696	\$11.696	\$2.369	\$2.369	\$2.369	\$14.065	\$14.065	\$14.065
19	(Biomethane Energy Recovery Charge)									

Notes: Commodity Cost Recovery Related Charge is based on 90% of the Cost of Gas (Commodity Cost Related Charge) per GJ and 10% of the Cost of Biomethane per GJ.

TAB 2 PAGE 2 SCHEDULE 2B

FORTISBC ENERGY INC. CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY PROPOSED APRIL 1, 2014 RATES BCUC ORDER G-xx-14

	RATE SCHEDULE 2B:					COMMODITY				
	SMALL COMMERCIAL BIOMETHANE SERVICE	EXISTING	RATES JANUARY 1	, 2014	RELATE	CHARGES CH	ANGES	PROPOS	ED APRIL 1, 2014	RATES
Line		Lower			Lower			Lower		
No.	Particulars	Mainland	Inland	Columbia	Mainland	Inland	Columbia	Mainland	Inland	Columbia
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Delivery Margin Related Charges									
2	Basic Charge per Day	\$0.8161	\$0.8161	\$0.8161	\$0.0000	\$0.0000	\$0.0000	\$0.8161	\$0.8161	\$0.8161
3										
4	Delivery Charge per GJ	\$3.064	\$3.064	\$3.064	\$0.000	\$0.000	\$0.000	\$3.064	\$3.064	\$3.064
5	Rider 4 2013 GCOC Rate Rider per GJ	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
6	Rider 5 RSAM per GJ	(\$0.120)	(\$0.120)	(\$0.120)	\$0.000	\$0.000	\$0.000	(\$0.120)	(\$0.120)	(\$0.120)
7	Subtotal Delivery Margin Related Charges per GJ	\$2.944	\$2.944	\$2.944	\$0.000	\$0.000	\$0.000	\$2.944	\$2.944	\$2.944
8										
9										
10	Commodity Related Charges									
11	Midstream Cost Recovery Charge per GJ	\$1.392	\$1.307	\$1.294	\$0.000	\$0.000	\$0.000	\$1.392	\$1.307	\$1.294
12	Rider 6 MCRA per GJ	(\$0.083)	(\$0.083)	(\$0.083)	\$0.000	\$0.000	\$0.000	(\$0.083)	(\$0.083)	(\$0.083)
13	Subtotal Midstream Related Charges per GJ	\$1.309	\$1.224	\$1.211	\$0.000	\$0.000	\$0.000	\$1.309	\$1.224	\$1.211
14										
15	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$3.272	\$3.272	\$3.272	\$0.000	\$0.000	\$0.000	\$3.272	\$3.272	\$3.272
16										
17	Cost of Biomethane per GJ	\$11.696	\$11.696	\$11.696	\$2.369	\$2.369	\$2.369	\$14.065	\$14.065	\$14.065
18	(Biomethane Energy Recovery Charge)									

Notes: Commodity Cost Recovery Related Charge is based on 90% of the Cost of Gas (Commodity Cost Related Charge) per GJ and 10% of the Cost of Biomethane per GJ.

FORTISBC ENERGY INC. CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY PROPOSED APRIL 1, 2014 RATES BCUC ORDER G-xx-14

TAB 2 PAGE 3 SCHEDULE 3B

	RATE SCHEDULE 3B:					COMMODITY				
	LARGE COMMERCIAL BIOMETHANE SERVICE	EXISTING	RATES JANUARY 1	, 2014	RELATE	CHARGES CH	ANGES	PROPOS	ED APRIL 1, 2014	RATES
Line		Lower			Lower			Lower		
No.	Particulars	Mainland	Inland	Columbia	Mainland	Inland	Columbia	Mainland	Inland	Columbia
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Delivery Margin Related Charges									
2	Basic Charge per Day	\$4.3538	\$4.3538	\$4.3538	\$0.0000	\$0.0000	\$0.0000	\$4.3538	\$4.3538	\$4.3538
3										
4	Delivery Charge per GJ	\$2.587	\$2.587	\$2.587	\$0.000	\$0.000	\$0.000	\$2.587	\$2.587	\$2.587
5	Rider 4 2013 GCOC Rate Rider per GJ	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
6	Rider 5 RSAM per GJ	(\$0.120)	(\$0.120)	(\$0.120)	\$0.000	\$0.000	\$0.000	(\$0.120)	(\$0.120)	(\$0.120)
7	Subtotal Delivery Margin Related Charges per GJ	\$2.467	\$2.467	\$2.467	\$0.000	\$0.000	\$0.000	\$2.467	\$2.467	\$2.467
8										
9										
10	Commodity Related Charges									
11	Midstream Cost Recovery Charge per GJ	\$1.184	\$1.113	\$1.100	\$0.000	\$0.000	\$0.000	\$1.184	\$1.113	\$1.100
12	Rider 6 MCRA per GJ	(\$0.070)	(\$0.070)	(\$0.070)	\$0.000	\$0.000	\$0.000	(\$0.070)	(\$0.070)	(\$0.070)
13	Subtotal Midstream Related Charges per GJ	\$1.114	\$1.043	\$1.030	\$0.000	\$0.000	\$0.000	\$1.114	\$1.043	\$1.030
14										
15	Cost of Gas (Commodity Cost Recovery Charge) per GJ	\$3.272	\$3.272	\$3.272	\$0.000	\$0.000	\$0.000	\$3.272	\$3.272	\$3.272
16										
17	Cost of Biomethane per GJ	\$11.696	\$11.696	\$11.696	\$2.369	\$2.369	\$2.369	\$14.065	\$14.065	\$14.065
18	(Biomethane Energy Recovery Charge)									

Notes: Commodity Cost Recovery Related Charge is based on 90% of the Cost of Gas (Commodity Cost Related Charge) per GJ and 10% of the Cost of Biomethane per GJ.

FORTISBC ENERGY INC. COMMODITY RELATED CHARGES CHANGES BCUC ORDER G-xx-14

RATE SCHEDULE 1B -RESIDENTIAL BIOMETHANE SERVICE

Line			R	ATE SCHEDUL	LE 1B -RESIDENTIAL B	IOMETHANI	E SERVICE				Annual	
No.	Particular	. ———	EXISTING RA	ATES JANUARY	1, 2014	. ———	PROPOSEI	O APRIL 1, 2014	RATES		ncrease/Decrease	
1 2	LOWER MAINLAND SERVICE AREA Delivery Margin Related Charges	Qu	antity	Rate	Annual \$	Qu	antity	Rate	Annual \$	Rate	Annual \$	% of Previous Total Annual Bill
3	Basic Charge per Day	365.25	days x	\$0.3890 =	\$142.08	365.25	days x	\$0.3890 =	\$142.08	\$0.0000	\$0.00	0.00%
4 5 6 7	Delivery Charge per GJ Rider 4 2013 GCOC Rate Rider per GJ Rider 5 RSAM per GJ Subtotal Delivery Margin Related Charges	95.0 95.0 95.0	G1 x G1 x	\$3.741 = \$0.000 = (\$0.120) =		95.0 95.0 95.0	GJ x GJ x	\$3.741 = \$0.000 = (\$0.120) =	0.0000	\$0.000 \$0.000 \$0.000	0.0000 0.0000 0.0000 \$0.00	0.00% 0.00% 0.00% 0.00%
8 9 10 11	Commodity Related Charges Midstream Cost Recovery Charge per GJ Rider 6 MCRA per GJ Midstream Related Charges Subtotal	95.0 95.0	GJ x	\$1.385 = (\$0.082) =	\$131.5750 (7.7900) \$123.79	95.0 95.0	GJ x GJ x	\$1.385 = (\$0.082) =	φ.σσ.σσ	\$0.000 \$0.000	\$0.0000 0.0000 \$0.00	0.00% 0.00% 0.00%
12	Cost of Gas (Commodity Cost Recovery Charge) per GJ	95.0	GJ x 90% x	\$3.272 =	279.76	95.0	GJ x 90% x	\$3.272 =	279.76	\$0.000	0.00	0.00%
13 14	Cost of Biomethane Subtotal Commodity Related Charges	95.0	GJ x 10% x	\$11.696 =	111.11 \$514.66	95.0	GJ x 10% x	\$14.065 =	133.62 \$537.17	\$2.369	22.51 \$22.51	2.25% 2.25%
15 16 17	Total (with effective \$/GJ rate)	95.0		\$10.534	\$1,000.74	95.0		\$10.771	\$1,023.25	\$0.237	\$22.51	2.25%
18 19 20	INLAND SERVICE AREA <u>Delivery Margin Related Charges</u> Basic Charge per Day	365.25	days x	\$0.3890 =	\$142.08	365.25	days x	\$0.3890 =	\$142.08	\$0.0000	\$0.00	0.00%
21 22 23 24	Delivery Charge per GJ Rider 4 2013 GCOC Rate Rider per GJ Rider 5 RSAM per GJ Subtotal Delivery Margin Related Charges	75.0 75.0 75.0	GJ x GJ x	\$3.741 = \$0.000 = (\$0.120) =		75.0 75.0 75.0	GJ x GJ x	\$3.741 = \$0.000 = (\$0.120) =	0.0000	\$0.000 \$0.000 \$0.000	0.0000 0.0000 0.0000 \$0.00	0.00% 0.00% 0.00% 0.00%
25 26 27 28	Commodity Related Charges Midstream Cost Recovery Charge per GJ Rider 6 MCRA per GJ Midstream Related Charges Subtotal	75.0 75.0	GJ x GJ x	\$1.301 = (\$0.082) =	\$97.5750 (6.1500) \$91.43	75.0 75.0	GJ x GJ x	\$1.301 = (\$0.082) =	\$97.5750 (6.1500) \$91.43	\$0.000 \$0.000	\$0.0000 0.0000 \$0.00	0.00% 0.00% 0.00%
29	Cost of Gas (Commodity Cost Recovery Charge) per GJ	75.0	GJ x 90% x	\$3.272 =	220.86	75.0	GJ x 90% x	\$3.272 =	220.86	\$0.000	0.00	0.00%
30 31	Cost of Biomethane Subtotal Commodity Related Charges	75.0	GJ x 10% x	\$11.696 =	87.72 \$400.01	75.0	GJ x 10% x	\$14.065 =	105.49 \$417.78	\$2.369	17.77 \$17.77	2.18% 2.18%
32 33 34	Total (with effective \$/GJ rate)	75.0		\$10.849	\$813.67	75.0	•	\$11.086	\$831.44	\$0.237	\$17.77	2.18%
35 36 37	COLUMBIA SERVICE AREA <u>Delivery Margin Related Charges</u> Basic Charge per Day	365.25	days x	\$0.3890 =	\$142.08	365.25	days x	\$0.3890 =	\$142.08	\$0.0000	\$0.00	0.00%
38 39 40 41	Delivery Charge per GJ Rider 4 2013 GCOC Rate Rider per GJ Rider 5 RSAM per GJ Subtotal Delivery Margin Related Charges	80.0 80.0 80.0	GJ x GJ x	\$3.741 = \$0.000 = (\$0.120) =		80.0 80.0 80.0	GJ x GJ x	\$3.741 = \$0.000 = (\$0.120) =	0.0000	\$0.000 \$0.000 \$0.000	0.0000 0.0000 0.0000 \$0.00	0.00% 0.00% 0.00% 0.00%
42 43 44 45	Commodity Related Charges Midstream Cost Recovery Charge per GJ Rider 6 MCRA per GJ Midstream Related Charges Subtotal	80.0 80.0	GJ x	\$1.288 = (\$0.082) =	\$103.0400 (6.5600) \$96.48	80.0 80.0	GJ x GJ x	\$1.288 = (\$0.082) =	*	\$0.000 \$0.000	\$0.0000 0.0000 \$0.00	0.00% 0.00%
46	Cost of Gas (Commodity Cost Recovery Charge) per GJ	80.0	GJ x 90% x	\$3.272 :	235.58	80.0	GJ x 90% x	\$3.272 =	235.58	\$0.000	0.00	0.00%
47 48	Cost of Biomethane Subtotal Commodity Related Charges	80.0	GJ x 10% x	\$11.696	93.57 \$425.63	80.0	GJ x 10% x	\$14.065 =	112.52 \$444.58	\$2.369	18.95 \$18.95	2.21% 2.21%
49 50	Total (with effective \$/GJ rate)	80.0		\$10.717	\$857.39	80.0	i	\$10.954	\$876.34	\$0.237	\$18.95	2.21%

Notes: Tariff rate schedule per GJ charges are set at 3 decimals. Individual tariff components are calculated and shown to 4 decimals; subtotal amounts, equivalent to the line items on customer bills, are rounded and shown to 2 decimals, consistent with actual invoice calculations. Slight differences in totals due to rounding

Annual

FORTISBC ENERGY INC. COMMODITY RELATED CHARGES CHANGES BCUC ORDER G-xx-14

RATE SCHEDULE 2B-SMALL COMMERCIAL BIOMETHANE SERVICE

Line

No.	Particular	EXISTING RATES JANUARY 1, 2014					PROPOSE	O APRIL 1, 2014	RATES	Ir	ncrease/Decrease	<u> </u>
1	LOWER MAINLAND SERVICE AREA	Qu	antity	Rate	Annual \$	Qu	uantity	Rate	Annual \$	Rate	Annual \$	% of Previous Total Annual Bill
2 3 4	<u>Delivery Marqin Related Charges</u> Basic Charge per Day	365.25	days x	\$0.8161	\$298.08	365.25	days x	\$0.8161 :	\$298.08	\$0.0000	\$0.00	0.00%
5 6 7 8 9	Delivery Charge per GJ Rider 4 2013 GCOC Rate Rider per GJ Rider 5 RSAM per GJ Subtotal Delivery Margin Related Charges	300.0 300.0 300.0	G1 x G1 x	\$3.064 \$0.000 (\$0.120)	919.2000 0.0000 (36.0000) \$1,181.28	300.0 300.0 300.0	GJ x GJ x	\$3.064 : \$0.000 : (\$0.120) :		\$0.000 \$0.000 \$0.000	0.0000 0.0000 0.0000 \$0.00	0.00% 0.00% 0.00% 0.00%
10 11 12 13	Commodity Related Charges Midstream Cost Recovery Charge per GJ Rider 6 MCRA per GJ Midstream Related Charges Subtotal	300.0 300.0	G1 x		= \$417.6000 = (24.9000) \$392.70	300.0 300.0	GJ x	\$1.392 = (\$0.083) =		\$0.000 \$0.000	\$0.0000 0.0000 \$0.00	0.00% 0.00% 0.00%
14	Cost of Gas (Commodity Cost Recovery Charge) per GJ	300.0	GJ x 90% x	\$3.272	= \$883.4400	300.0	GJ x 90% x	\$3.272 =	\$883.4400	\$0.000	0.00	0.00%
15 16	Cost of Biomethane Subtotal Commodity Related Charges	300.0	GJ x 10% x	\$11.696	= 350.8800 \$1,627.02	300.0	GJ x 10% x	\$14.065 =	421.9500 \$1,698.09	\$2.369	71.07 \$71.07	2.53% 2.53%
17	Total (with effective \$/GJ rate)	300.0	:	\$9.361	\$2,808.30	300.0	:	\$9.598	\$2,879.37	\$0.237	\$71.07	2.53%
18 19 20 21	INLAND SERVICE AREA <u>Delivery Margin Related Charges</u> Basic Charge per Day	365.25	days x	\$0.8161	: \$298.08	365.25	days x	\$0.8161 :	\$298.08	\$0.0000	\$0.00	0.00%
22 23 24 25 26 27	Delivery Charge per GJ Rider 4 2013 GCOC Rate Rider per GJ Rider 5 RSAM per GJ Subtotal Delivery Margin Related Charges	250.0 250.0 250.0	GJ x GJ x	\$3.064 \$0.000 (\$0.120)	766.0000 0.0000 (30.0000) \$1,034.08	250.0 250.0 250.0	GJ x GJ x	\$3.064 : \$0.000 : (\$0.120) :	. 00.000	\$0.000 \$0.000 \$0.000	0.0000 0.0000 0.0000 \$0.00	0.00% 0.00% 0.00% 0.00%
28 29 30 31	Commodity Related Charges Midstream Cost Recovery Charge per GJ Rider 6 MCRA per GJ Midstream Related Charges Subtotal	250.0 250.0	GJ x	\$1.307 (\$0.083)		250.0 250.0	GJ x	\$1.307 = (\$0.083) =	\$326.7500 (20.7500) \$306.00	\$0.000 \$0.000	\$0.0000 0.0000 \$0.00	0.00% 0.00% 0.00%
32	Cost of Gas (Commodity Cost Recovery Charge) per GJ	250.0	GJ x 90% x	\$3.272	= \$736.2000	250.0	GJ x 90% x	\$3.272 =	\$736.2000	\$0.000	0.00	0.00%
33 34	Cost of Biomethane Subtotal Commodity Related Charges	250.0	GJ x 10% x	\$11.696	= <u>292.4000</u> \$1,334.60	250.0	GJ x 10% x	\$14.065 =	351.6300 \$1,393.83	\$2.369	59.23 \$59.23	2.50% 2.50%
35 36	Total (with effective \$/GJ rate)	250.0	:	\$9.475	\$2,368.68	250.0	:	\$9.712	\$2,427.91	\$0.237	\$59.23	2.50%
37 38 39 40 41	COLUMBIA SERVICE AREA <u>Delivery Margin Related Charges</u> Basic Charge per Day	365.25	days x	\$0.8161	: \$298.08	365.25	days x	\$0.8161 :	\$298.08	\$0.0000	\$0.00	0.00%
42 43 44 45 46	Delivery Charge per GJ Rider 4 2013 GCOC Rate Rider per GJ Rider 5 RSAM per GJ Subtotal Delivery Margin Related Charges	320.0 320.0 320.0	G1 x G1 x	\$3.064 \$0.000 (\$0.120)	980.4800 0.0000 (38.4000) \$1,240.16	320.0 320.0 320.0	GJ x GJ x	\$3.064 : \$0.000 : (\$0.120) :	980.4800 0.0000 (38.4000) \$1,240.16	\$0.000 \$0.000 \$0.000	0.0000 0.0000 0.0000 \$0.00	0.00% 0.00% 0.00% 0.00%
47 48 49 50	Commodity Related Charges Midstream Cost Recovery Charge per GJ Rider 6 MCRA per GJ Midstream Related Charges Subtotal	320.0 320.0	GJ x	\$1.294 (\$0.083)	= \$414.0800 = (26.5600) \$387.52	320.0 320.0	GJ x GJ x	\$1.294 = (\$0.083) =	\$414.0800 (26.5600) \$387.52	\$0.000 \$0.000	\$0.0000 0.0000 \$0.00	0.00% 0.00% 0.00%
51	Cost of Gas (Commodity Cost Recovery Charge) per GJ	320.0	GJ x 90% x	\$3.272	= \$942.3400	320.0	GJ x 90% x	\$3.272 =	\$942.3400	\$0.000	0.00	0.00%
52 53 54	Cost of Biomethane Subtotal Commodity Related Charges	320.0	GJ x 10% x	\$11.696	= 374.2700 \$1,704.13	320.0	GJ x 10% x	\$14.065 =	450.0800 \$1,779.94	\$2.369	75.81 \$75.81	2.57% 2.57%
55	Total (with effective \$/GJ rate)	320.0	i	\$9.201	\$2,944.29	320.0	i	\$9.438	\$3,020.10	\$0.237	\$75.81	2.57%

Notes: Tariff rate schedule per GJ charges are set at 3 decimals. Individual tariff components are calculated and shown to 4 decimals; subtotal amounts, equivalent to the line items on customer bills, are rounded and shown to 2 decimals, consistent with actual invoice calculations. Slight differences in totals due to rounding

FORTISBC ENERGY INC. COMMODITY RELATED CHARGES CHANGES BCUC ORDER G-xx-14

RATE SCHEDULE 3B - LARGE COMMERCIAL BIOMETHANE SERVICE

Line			RATE	SCHEDULE 3	B - LARGE COMMERCIA	AL BIOMETH	IANE SERVICE				Annual	
No.	Particular	. ———	EXISTING R	ATES JANUARY	(1, 2014	. ———	PROPOSEI	O APRIL 1, 2014	RATES	In	crease/Decrease	
1 2	LOWER MAINLAND SERVICE AREA Delivery Margin Related Charges	Qu	antity	Rate	Annual \$	Qı	uantity	Rate	Annual \$	Rate	Annual \$	% of Previous Total Annual Bill
3	Basic Charge per Day	365.25	days x	\$4.3538	\$1,590.23	365.25	days x	\$4.3538	\$1,590.23	\$0.0000	\$0.00	0.00%
5 6 7 8 9	Delivery Charge per GJ Rider 4 2013 GCOC Rate Rider per GJ Rider 5 RSAM per GJ Subtotal Delivery Margin Related Charges	2,800.0 2,800.0 2,800.0	G1 x G1 x G1 x	\$2.587 \$0.000 (\$0.120)	: 7,243.6000 : 0.0000 : (336.0000) \$8,497.83	2,800.0 2,800.0 2,800.0	G1 x G1 x	\$2.587 \$0.000 (\$0.120)	7,243.6000 0.0000 (336.0000) \$8,497.83	\$0.000 \$0.000 \$0.000	0.0000 0.0000 0.0000 \$0.00	0.00%
10 11 12 13	Commodity Related Charges Midstream Cost Recovery Charge per GJ Rider 6 MCRA per GJ Midstream Related Charges Subtotal	2,800.0 2,800.0	GJ x	\$1.184 = (\$0.070) =		2,800.0 2,800.0	GJ x	\$1.184 = (\$0.070) =		\$0.000 \$0.000	\$0.0000 0.0000 \$0.00	
14	Cost of Gas (Commodity Cost Recovery Charge) per GJ	2,800.0	GJ x 90% x	\$3.272	\$8,245.4400	2,800.0	GJ x 90% x	\$3.272 =	\$8,245.4400	\$0.000	0.00	0.00%
15 16	Cost of Biomethane Subtotal Commodity Related Charges	2,800.0	GJ x 10% x	\$11.696 =	3,274.8800 \$14,639.52	2,800.0	GJ x 10% x	\$14.065 =	3,938.2000 \$15,302.84	\$2.369 -	663.32 \$663.32	2.87% 2.87%
17 18 19	Total (with effective \$/GJ rate)	2,800.0	:	\$8.263	\$23,137.35	2,800.0	=	\$8.500	\$23,800.67	\$0.237	\$663.32	2.87%
20 21 22 23	INLAND SERVICE AREA <u>Delivery Margin Related Charges</u> Basic Charge per Day	365.25	days x	\$4.3538	: \$1,590.23	365.25	days x	\$4.3538	\$1,590.23	\$0.0000	\$0.00	0.00%
23 24 25 26 27 28	Delivery Charge per GJ Rider 4 2013 GCOC Rate Rider per GJ Rider 5 RSAM per GJ Subtotal Delivery Margin Related Charges	2,600.0 2,600.0 2,600.0	G1 x G1 x	\$2.587 \$0.000 (\$0.120)	6,726.2000 0.0000 (312.0000) \$8,004.43	2,600.0 2,600.0 2,600.0	G1 x G1 x G1 x	\$2.587 \$0.000 (\$0.120)	6,726.2000 0.0000 (312.0000) \$8,004.43	\$0.000 \$0.000 \$0.000	0.0000 0.0000 0.0000 \$0.00	0.00%
29 30 31 32	Commodity Related Charges Midstream Cost Recovery Charge per GJ Rider 6 MCRA per GJ Midstream Related Charges Subtotal	2,600.0 2,600.0	GJ x	\$1.113 = (\$0.070) =		2,600.0 2,600.0	GJ x	\$1.113 = (\$0.070) =		\$0.000 \$0.000	\$0.0000 0.0000 \$0.00	
33	Cost of Gas (Commodity Cost Recovery Charge) per GJ	2,600.0	GJ x 90% x	\$3.272 =	\$7,656.4800	2,600.0	GJ x 90% x	\$3.272 =	\$7,656.4800	\$0.000	0.00	0.00%
34 35	Cost of Biomethane Subtotal Commodity Related Charges	2,600.0	GJ x 10% x	\$11.696 =	3,040.9600 \$13,409.24	2,600.0	GJ x 10% x	\$14.065 =	3,656.9000 \$14,025.18	\$2.369	615.94 \$615.94	2.88% 2.88%
36 37 38	Total (with effective \$/GJ rate)	2,600.0	•	\$8.236	\$21,413.67	2,600.0	•	\$8.473	\$22,029.61	\$0.237	\$615.94	= 2.88%
39 40 41 42	COLUMBIA SERVICE AREA <u>Delivery Margin Related Charges</u> Basic Charge per Day	365.25	days x	\$4.3538	: \$1,590.23	365.25	days x	\$4.3538	\$1,590.23	\$0.0000	\$0.00	0.00%
43 44 45 46 47	Delivery Charge per GJ Rider 4 2013 GCOC Rate Rider per GJ Rider 5 RSAM per GJ Subtotal Delivery Margin Related Charges	3,300.0 3,300.0 3,300.0	G1 x G1 x	\$2.587 \$0.000 (\$0.120)	8,537.1000 0.0000 (396.0000) \$9,731.33	3,300.0 3,300.0 3,300.0	G1 x G1 x G1 x	\$2.587 \$0.000 (\$0.120)	8,537.1000 0.0000 (396.0000) \$9,731.33	\$0.000 \$0.000 \$0.000	0.0000 0.0000 0.0000 \$0.00	0.00%
48 49 50 51	Commodity Related Charges Midstream Cost Recovery Charge per GJ Rider 6 MCRA per GJ Midstream Related Charges Subtotal	3,300.0 3,300.0	GJ x	\$1.100 = (\$0.070) =	+-,	3,300.0 3,300.0	GJ x	\$1.100 = (\$0.070) =	+-,	\$0.000 \$0.000	\$0.0000 0.0000 \$0.00	
52	Cost of Gas (Commodity Cost Recovery Charge) per GJ	3,300.0	GJ x 90% x	\$3.272 =	\$9,717.8400	3,300.0	GJ x 90% x	\$3.272 =	\$9,717.8400	\$0.000	0.00	0.00%
53 54	Cost of Biomethane Subtotal Commodity Related Charges	3,300.0	GJ x 10% x	\$11.696 =	3,859.6800 \$16,976.52	3,300.0	GJ x 10% x	\$14.065 =	\$17,758.29	\$2.369	781.77 \$781.77	2.93% 3.27%
55 56	Total (with effective \$/GJ rate)	3,300.0	•	\$8.093	\$26,707.85	3,300.0	<u>.</u>	\$8.330	\$27,489.62	\$0.237	\$781.77	2.93%

Notes: Tariff rate schedule per GJ charges are set at 3 decimals. Individual tariff components are calculated and shown to 4 decimals; subtotal amounts, equivalent to the line items on customer bills, are rounded and shown to 2 decimals, consistent with actual invoice calculations. Slight differences in totals due to rounding



BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER Number

> TELEPHONE: (604) 660-4700 BC TOLL FREE: 1-800-663-1385 FACSIMILE: (604) 660-1102

SIXTH FLOOR, 900 HOWE STREET, BOX 250 VANCOUVER, BC V6Z 2N3 CANADA web site: http://www.bcuc.com

DRAFT ORDER

IN THE MATTER OF the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

An Application by FortisBC Energy Inc.
regarding its 2014 First Quarter Report on the Biomethane Variance Account
and Biomethane Energy Recovery Charge Rate effective April 1, 2014
for the Lower Mainland, Inland and Columbia Service Areas

BEFORE:

[March xx, 2014]

WHEREAS:

- A. By Order G-210-13 and Reasons for Decision (Decision) dated December 11, 2013, the British Columbia Utilities Commission (Commission) approved the continuance of the Biomethane Program on a permanent basis with certain modifications as directed in the Decision;
- B. On February 5, 2014, Fortis Energy Inc. (FEI) filed a letter seeking clarification (Clarification Letter) on five aspects of the Decision, including the recovery of interconnection facility costs, continuation of the AIR MILES acquisition program, the applicability of expression of interest and contract template to existing negotiations, the recovery of the Biomethane Variance Account (BVA) balances under certain circumstances, and the effective date of education and marketing cost recovery;
- C. On February 12, 2014, FEI filed a letter requesting an extension to the deadline to February 19, 2014, for filing the Biomethane Energy Recovery Charge (BERC) Rate Compliance Filing;
- D. On February 18, 2014, the Commission issued Letter L-10-14 which provided clarification of each of the items identified in FEI's Clarification Letter;
- E. On February 19, 2014, FEI filed its 2014 First Quarter Report on the BVA (the Report);

BRITISH COLUMBIA UTILITIES COMMISSION

ORDER Number

2

- F. The Report forecast a BVA balance, based on the existing rates and after adjustment for the value of unsold biomethane volumes at December 31, 2014, of approximately \$384 thousand deficit after tax, and a balance of at December 31, 2015, of approximately \$900 thousand deficit after tax;
- G. FEI requests that the biomethane project cost information in Tab 1, Pages 4.1 to 4.4, of the Report, be held confidential on the basis that it contains market sensitive information;
- H. FEI requests approval to increase the BERC rate by \$2.369/GJ, from \$11.696/GJ to \$14.065/GJ, for all affected rate schedules within the Lower Mainland, Inland, and Columbia Service Areas effective April 1, 2014;
- I. The BERC Rate would increase Lower Mainland Rate Schedule 1B rates by \$0.237/GJ (based on 10% biomethane), which is equivalent to an increase of approximately \$23 or 2.3 percent per year for a typical residential customer's annual bill based on an average annual consumption of 95 GJ;
- J. The Commission has determined that the requested rate changes as outlined in the Report should be approved.

NOW THEREFORE pursuant to Section 61(4) of the Utilities Commission Act, the Commission orders as follows:

- 1. The Commission approves the Biomethane Energy Recovery Charge, effective April 1, 2014, be increased to a rate of \$14.065/GJ for all affected rate schedules within the Lower Mainland, Inland, and Columbia service areas, as set out in the 2014 First Quarter Report on the BVA.
- 2. FEI must notify all affected of the rate changes by way of a bill insert or bill message to be submitted to the Commission prior to its release with the next monthly gas billing.
- 3. The Commission will hold the biomethane project cost information in Tab 1, Pages 4.1 to 4.4, of the 2014 First Quarter Report on the BVA confidential as requested by FEI to protect commercially sensitive information.

DATED at the City of Vancouver, In the Province of British Columbia, this day of March, 2014.

BY ORDER