



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 Correspondence
Email: gas.regulatory.affairs@fortisbc.com

July 16, 2014

Via Email
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 Utilities (FEI)¹
Common Delivery Rates Methodology Application

Pursuant to the British Columbia Utilities Commission Decision dated February 26, 2014 and Order G-21-14, please find attached an application by the FEU for approval of the methodology for implementing common delivery rates for the Amalgamated Entity (excluding Fort Nelson).

If further information is required, please contact the undersigned.

Sincerely,

on behalf of the FORTISBC ENERGY UTILITIES

Original signed:

Diane Roy

Attachment

cc (email only): Commercial Energy Consumers Association of British Columbia
British Columbia Public Interest Advocacy Centre representing BCPSO *et al.*

¹ Comprised of FortisBC Energy Inc. (FEI), FortisBC Energy (Vancouver Island) Inc. (FEVI), and FortisBC Energy (Whistler) Inc. (FEW).



FORTISBC ENERGY UTILITIES

Application for Approval of Common Delivery Rates Methodology

July 16, 2014

Table of Contents

1. INTRODUCTION AND APPROVALS SOUGHT	1
1.1 Introduction	1
1.2 Approvals Sought	3
1.3 Regulatory Process	4
2. BACKGROUND.....	5
2.1 Regulatory History	5
2.2 Compliance with Order G-21-14	6
2.3 Summary and Organization of the Application	10
3. TREATMENT OF COSTS AND SAVINGS FROM AMALGAMATION	11
3.1 Flow Through of Amalgamation Savings and Costs	11
3.1.1 Costs of Amalgamation.....	12
3.1.2 Savings from Amalgamation	15
3.1.3 Amalgamation Flow-Through Deferral Account.....	16
4. CALCULATION OF COMMON RATES	17
4.1 Calculation of the Amalgamated Cost of Service	17
4.1.1 Intercompany Eliminations.....	20
4.1.2 Amalgamation Adjustments	21
4.1.3 Summary of Amalgamated Cost of Service.....	24
4.2 Mapping of Rate Schedules.....	24
4.2.1 FEVI Mapping.....	24
4.2.2 FEW Mapping.....	25
4.2.3 Mapping Summary.....	26
4.3 Calculating the Revenue Deficiency	26
4.4 Calculating Common Delivery Rates by Rate Schedule.....	27
4.5 Calculating The RSDA Rider by Rate Schedule	29
4.5.1 Forecast Balance of the RSDA	29
4.5.2 Allocation of RSDA to Three Year Period	30
4.5.3 Calculation of the RSDA Rider.....	31
4.6 Calculating the Phase in Riders by Rate Schedule	32
4.6.1 Background to Phase-in Rider Calculation.....	32
4.6.2 Additional Considerations and Options Considered	33

4.6.3	<i>Phase-in Methodology Selected</i>	<i>35</i>
4.7	Summary of Rate Impacts by Rate Schedule	37
4.7.1	<i>Conclusion on the Calculation of Common Rates</i>	<i>40</i>

List of Appendices

Appendix A FEI Amalco Financial Schedules

Appendix B Financial Schedules

B1 – FEI

B2 – FEVI

B3 - FEW

Appendix C Draft Order

List of Tables

Table 2-1: The FEU's Compliance with Order G-21-14	6
Table 3-1: Forecast Costs of Amalgamation.....	13
Table 4-1: 2014 Amalgamated Cost of Service	19
Table 4-2: 2014 Intercompany Eliminations.....	20
Table 4-3: Amalgamation Adjustments	21
Table 4-4: 2014 Amalgamated Rate Base.....	22
Table 4-5: Calculation of FEI Amalco Earned Return.....	23
Table 4-6: FEVI Rate Schedule Mapping	25
Table 4-7: FEW Rate Schedule Mapping	26
Table 4-8: 2014 Amalgamated Revenue Deficiency	27
Table 4-9: Revenue Deficiency by Rate Schedule	28
Table 4-10: FEI Amalco 2014 Variable and Demand Delivery Rates.....	29
Table 4-11: Allocation of RSDA Balance by Year.....	30
Table 4-12: RSDA Rider Calculation	32
Table 4-13: Phase-in Methods Considered	34
Table 4-14: Phase In Rider percentages by year and Rate Class	35
Table 4-15: 2015 Rate Rider Collected from FEVI and FEW Customers.....	36
Table 4-16: Rate Rider Calculation for FEI Customers	37
Table 4-17: Total Delivery Rate Impacts by Rate Schedule	38
Table 4-18: Estimated Annual Bill Impacts by Rate Schedule.....	39

List of Figures

Figure 4-1: December 31, 2014 Forecast Balance for RSDA Rider (pre-tax, \$ thousands)	30
Figure 4-2: Existing FEI Residential Customers - Delivery Rate and Annual Bill Impacts	40

1. INTRODUCTION AND APPROVALS SOUGHT

1.1 INTRODUCTION

On February 26, 2014, by its Decision and Order G-21-14, the British Columbia Utilities Commission (the Commission) approved the amalgamation of the FortisBC Energy Utilities¹ (FEU or the Companies) and the adoption of common rates. By operation of section 53 of the *Utilities Commission Act*, amalgamation is subject to the consent of the Lieutenant Governor in Council (LGIC) and on May 23, 2014, the LGIC issued Order in Council No. 300 consenting to the amalgamation of the FEU.

Pursuant to Order G-21-14, the FEU will be amalgamating on December 31, 2014, and common rates will be adopted across the service areas (excluding Fort Nelson) of the amalgamated companies (the Amalgamated Entity or FEI Amalco) effective January 1, 2015. In order to accomplish this, the FEU require approval of the 2015 common rates by mid-November 2014 to allow time to test and implement the new rates in the billing system, and to communicate the changes to customers.

The setting of 2015 common delivery rates is complex due to a number of factors:

1. The setting of common delivery rates requires a calculation of the difference between the revenues at existing 2014 rates and FEI Amalco's forecast cost of service for 2015. To make this calculation, common rates for 2014 need to be determined, which require, amongst other things, an amalgamated cost of service for 2014. The FEU follow the previously-approved methodology for determining this in Section 4.1 of the Application.
2. Final rates for FEI in 2014 have not yet been determined, which will impact the 2014 cost of service for FEI. A final determination of FEI's 2014 rates may also impact FEVI and FEW 2014 cost of service due to corporate and shared services and shared accounting methods.
3. In accordance with Order G-21-14 approving amalgamation and common rates:
 - a. common delivery rates are to be phased in over a three-year period, which requires the calculation of a phase-in rider;
 - b. the impact of implementing common rates is to be mitigated through the distribution of the balance in the Rate Stabilization Deferral Account (RSDA) to FEI customers over a three-year period through an RSDA Rider;
 - c. the costs of amalgamation should be offset against the savings.

¹ Comprised of FortisBC Energy Inc. (FEI), FortisBC Energy (Vancouver Island) Inc. (FEVI), and FortisBC Energy (Whistler) Inc. (FEW).

- 1 4. FEI has proposed Performance Based Ratemaking (PBR) for 2014-2018 in its
2 Application for Approval of a Multi-Year Performance Based Ratemaking Plan for 2014-
3 2018 (the PBR Application). A Commission's decision on the PBR Application (the PBR
4 Decision) is currently under consideration. Assuming PBR is approved, the setting of
5 2015 rates will have to reflect the second year of the PBR Plan. Depending on the
6 timing of the PBR Decision, FEI Amalco may have to apply for 2015 interim rates.
- 7 5. FEI Amalco requires the 2015 demand forecast to finalize the rider calculations for 2015.
8 Unless a PBR Decision is received by mid-August 2014, the FEU will be providing these
9 forecasts as part of its Q4 2014 Gas Cost Reports.

10
11 As explained in FEI's PBR Application FEI has proposed an annual review process for each
12 year of the PBR period to set rates for the following year (the Annual Review). For 2015 rates,
13 FEI Amalco plans on filing its Annual Review materials either later in 2014, or early in 2015,
14 depending on the timing and outcome of the Commission's PBR Decision. Subject to the PBR
15 Decision, it is in this Annual Review process that the final 2015 common rates will be
16 determined.

17
18 More specifically, the Annual Review process will approve the 2015 common delivery rates
19 through a review of the 2015 delivery margin deficit or surplus. The deficit or surplus will be the
20 difference between the revenues at existing 2014 rates and FEI Amalco's forecast cost of
21 service for 2015. In the Annual Review FEI Amalco will also adjust the 2014 O&M and Capital
22 amounts that form the base for the PBR formula to include the Vancouver Island and Whistler
23 base costs.

24
25 Due to the short timeline between when the PBR Decision is anticipated and when common
26 rates need to be in place, and the complexity of implementing the phase-in of common rates
27 and associated riders at the same time as a PBR, the FEU are filing this Application to seek
28 approval of aspects of the adoption of common rates. In particular, this Application addresses:

- 29 • the calculation of common delivery rates for 2014 that will be used in the Annual Review
30 to compute the 2015 deficiency or surplus at existing 2014 rates, and the resulting 2015
31 common delivery rates;
- 32 • the calculation of the delivery rate riders required to implement common delivery rates
33 over the three-year phase-in directed by the Commission; and
- 34 • the treatment of costs and savings related to amalgamation including the use of a
35 regulatory account to offset the costs and savings.

36
37 The following decisions and approvals will be required from the Commission in the upcoming
38 months to complete the implementation of common rates and common service offerings to all
39 the Amalgamated Entity's customers (with the exception of the Fort Nelson service area):
40

1. A decision in FEI's 2014 PBR Application, which will affect the 2014 financial schedules included in Appendix A (FEI Amalco), Appendix B1 (FEI), and potentially Appendices B2 and B3 (FEVI and FEW) to the extent the PBR Decision impacts the accounting policies or shared and corporate service allocations to those entities. The timing of the PBR Decision will determine whether the FEI Amalco 2015 delivery rates will be interim or permanent. Approval of the 2015 rates (whether interim or permanent) will be required by mid-November 2014 for the required system changes to be tested and implemented before January 1, 2015.
2. Approval of the January 1, 2015 common commodity and midstream rates (including adjustments as outlined in Table 4-1 Columns 8 and 9 of this Application), as determined by the FEU's Q4 2014 Gas Cost Reports, with approval required by mid-November 2014.

The FEU will make FEI's transportation services available to customers in the Vancouver Island and Whistler service areas as of January 1, 2015, and as a last step in the adoption of common rates, once common delivery, commodity and midstream rates are in place, the FEU will make the Renewable Natural Gas program and the Customer Choice program available to the Vancouver Island and Whistler regions starting April 2015 and November 2015 respectively.

1.2 APPROVALS SOUGHT

The FEU are requesting approval of the following:

1. Approval of the Amalgamation Flow-Through Account to be included in rate base starting in 2015, to match the actual amalgamation costs with the actual amalgamation savings over time. The disposition of any remaining balance in the account will be addressed in a future Annual Review or Revenue Requirements application. This request is explained in Section 3 of the Application.
2. Approval of the calculation of 2014 common delivery rates that will be utilized in the Annual Review process to compute the 2015 deficiency or surplus at existing 2014 rates to determine the 2015 common rates. As part of the compliance filings following the PBR Decision, the FEU will file updated 2014 financial schedules for FEI, FEVI, FEW and the Amalgamated Entity. In the Annual Review process to set delivery rates for 2015, FEI Amalco will use the updated financial schedules for the Amalgamated Entity to calculate the 2015 deficiency or surplus at existing 2014 rates (and the resulting 2015 common delivery rates). This request is explained in Sections 4.1 through 4.4 of the Application.
3. Approval of the RSDA Rate Riders for 2015 resulting from the balances in the FEVI RSDA and Gas Cost Variance Account (GCVA) as set out in Table 4-12, subject to updating the calculations for both the RSDA and GCVA balances, and the 2015 demand. This update will occur shortly after the FEU file their Q4 2014 Gas Cost Reports. This request is explained in Section 4.5 of the Application.

4. Approval of the Phase-in Rate Riders for 2015 as set out in Tables 4-15 and 4-16, subject to updating the calculations for the 2015 demand, shortly after the FEU file their Q4 2014 Gas Cost Reports. This request is explained in Section 4.6 of the Application.

5. Approval of the non-rate base Phase-in Rider Balancing Account to capture the differences between the Phase-in Rate Rider amounts collected from Vancouver Island and Whistler customers and the amounts distributed to former FEI (or Mainland) customers each year from 2015 through 2017. This request is explained in Section 4.6 of the Application.

A draft order is included in Appendix C.

1.3 REGULATORY PROCESS

The FEU have met with Commission staff, and the intervener groups Commercial Energy Consumers Association of British Columbia (CEC) and The British Columbia Public Interest Advocacy Centre representing the British Columbia Old Age Pensioners' Organization, Active Support Against Poverty, BC Coalition of People with Disabilities, Council of Senior Citizens' Organizations of BC, and the Tenant Resource and Advisory Centre (collectively BCOAPO *et al.*). These were the two intervener groups that were involved in the Application for Reconsideration of the FortisBC Energy Utilities' Common Rates, Amalgamation, and Rate Design Application (the Reconsideration Application). At these meetings, the FEU walked through this Application. Based on the feedback received, the FEU believe this Application requires only a minimal review process, involving one round of information requests and a written comment period. The proposed timetable is set out below:

ACTION	DATE (2014)
Commission and Intervener Information Requests to FEU	July 30
FEU Response to Information Requests	August 15
Comments from Interveners	Aug 25
Final Comments from the FEU	September 3

As this Application is being filed in response to an order from the Commission and the methodology used to calculate common rates has already been reviewed in an earlier application, the FEU believe the above process should be sufficient to ensure that the rate calculations are appropriate and that the associated rate riders have been implemented as directed.

2. BACKGROUND

2.1 REGULATORY HISTORY

On April 11, 2012, the FEU filed an Application (the 2012 Application) with the Commission seeking, among other things:

- A Commission determination pursuant to section 53 of the *Utilities Commission Act* (the Act) that the amalgamation of the FEU and Terasen Gas Holdings Inc. into a single entity is beneficial in the public interest and the referral of the Commission determination to the Lieutenant Governor in Council for approval to amalgamate effective January 1, 2014; and
- The necessary approvals pursuant to sections 59 to 61 of the Act to adopt common rates for natural gas delivery and gas supply and uniform service offerings across all areas served by the FEU following amalgamation.

On February 25, 2013, the Commission issued its Decision and Order G-26-13, denying the 2012 Application.

On April 17, 2013, the CEC applied to the Commission for a Reconsideration of Order G-26-13, and on April 26, 2013, the FEU also applied for a Reconsideration of Order G-26-13, seeking a determination that the proposed amalgamation of the FEU is beneficial in the public interest, and approving the proposed postage stamp rates for the Amalgamated Entity, excluding the service area of Fort Nelson, effective on or before January 1, 2015.

On May 8, 2013, the Commission established Phase One of the Reconsideration process, and on June 26, 2013, by Order G-100-13, the Commission determined that the Reconsideration process should proceed to Phase Two, which considered new evidence, information requests, intervener evidence, and information requests on intervener evidence.

On February 26, 2014, the Commission issued its Decision and Order G-21-14, approving the amalgamation of the FEU, pursuant to section 53 of the Act, as being beneficial in the public interest, and approved the adoption of common rates for the amalgamated entity, effective upon consent of the LGIC to the amalgamation. The specifics of the approvals granted are listed in Section 2.2 below.

On May 23, 2014, the LGIC issued Order in Council No. 300 consenting to the amalgamation of the FEU.

2.2 COMPLIANCE WITH ORDER G-21-14

Table 2-1 below sets out the determinations and directives listed in Order G-21-14 and the FEU's response to each item.

Table 2-1: The FEU's Compliance with Order G-21-14

Reference	Commission Order	FEU Response
1	The Commission determines that the amalgamation of FortisBC Energy Inc. (FEI), FortisBC Energy (Vancouver Island) Inc. (FEVI), FortisBC Energy (Whistler) Inc. (FEW) and Terasen Gas Holdings Inc., as proposed, is beneficial in the public interest and the FEU proposal to adopt common rates for natural gas delivery amongst the service areas of FEI, FEVI and FEW, but excluding the service area of Fort Nelson, is approved on a three year phase-in basis, effective upon confirmation that: (1) The Lieutenant Governor in Council has, by order, consented to amalgamation, and (2) The amalgamation has been effected.	Commission approval of the three year phase-in of common rates was subject to both approval of amalgamation by the LGIC, and legal amalgamation of the utilities. As noted above, approval of the LGIC was received on May 23, 2014. FEU will legally amalgamate FEI, FEVI, FEW, and Terasen Gas Holdings Inc. before the end of the day on December 31, 2014. Therefore, the Amalgamated Entity will adopt common rates as of January 1, 2015.
2	The Commission will forthwith refer this determination and the accompanying Decision to the Lieutenant Governor in Council pursuant to section 53 of the Utilities Commission Act (the Act) for consideration.	The Commission referred its determination to the LGIC for consideration and approval was received from the LGIC as noted above.
3	Subject to the approval of amalgamation by the Lieutenant Governor in Council pursuant to section 53 of the Act, and effective upon amalgamation the Commission also approves the following: [items 3a through 3m]	
a	The discontinuance of: i. The existing Standard Terms and Conditions and Rates for Gas Service of FEVI; ii. The existing Standard Terms and Conditions and Rates for Gas Service of FEW; and iii. All energy, delivery, and commodity rates of FEVI and FEW (not including special contracts and tariff supplements approved individually by the Commission which are addressed in section 2.d. below);	FEVI and FEW will file the cancelled tariffs with the Commission for record keeping purposes once the Amalgamated Entity Tariff is effective.

Reference	Commission Order	FEU Response
b	<p>The amendments to the General Terms & Conditions (GT&Cs) of FEI to be applicable to the Amalgamated Entity, substantially in the form set out in Attachment 73.1 of Exhibit B-15, and all rate offerings set out in the approved GT&Cs for the Amalgamated Entity to be available to all eligible customers of the Amalgamated Entity as of the date of amalgamation, with the exception of:</p> <ul style="list-style-type: none"> i. The Customer Choice Program. This Program will be available to all customers at a later date, to be advised; 	<p>FEI will file a new Tariff for the Amalgamated Entity effective January 1, 2015. FEI will file the existing cancelled FEI Tariff with the Commission (as it will for the FEVI and FEW cancelled Tariffs also) for record keeping purposes. FEI intends to file the new FEI Amalco Tariff and rate schedules effective January 1, 2015, for Commission endorsement on or about December 8, 2014. All rate offerings will be available to all eligible customers of the Amalgamated Entity as of the date of amalgamation except the Renewable Natural Gas and Customer Choice programs. FEI expects to make these programs available to current FEVI and FEW customers as of April 1 and November 1, 2015 respectively.</p>
c	<p>The use of a combined gas portfolio for the Amalgamated Entity as described in Section 7.4.3 of the Original Application and the gas supply cost allocation methodology for rate setting purposes as described in Section 9.3.4 of the Original Application, with commodity and midstream rates effective no sooner than the date the amalgamation is effective, to be determined by the Commission as part of a future gas cost filing;</p>	<p>The FEU have filed their 2014/2015 Annual Contracting Plan under a combined gas supply scenario. The FEI fourth quarter gas cost filing which will determine the January 1, 2015 commodity and midstream rates for the Amalgamated Entity will also be filed under a combined gas supply portfolio.</p>
d	<p>The continuation of existing special contracts and tariff supplements approved individually by the Commission with amendments to reflect the name of the Amalgamated Entity and amendments to the following special contracts substantially in the form set out in Appendices E-18 and E-19 of the Original Application:</p> <ul style="list-style-type: none"> i. The Transportation Service Agreement and Peaking Gas Management Services Agreement, as amended, between FEVI and the Vancouver Island Gas Joint Venture; and ii. The Transportation Service Agreement between FEVI and British Columbia Hydro and Power Authority (BC Hydro); the Peaking Agreement, as amended, between FEVI and BC Hydro; and Capacity Assignment Agreement, as amended, between FEVI, FEI and BC Hydro; 	<p>The FEU will file the FEVI agreements with the Vancouver Island Joint Venture, BC Hydro, and Cold Star Freight Systems Inc. as Tariff Supplements with updated cover pages to reflect the name of the Amalgamated Entity with the Commission on or about December 1, 2014.</p>

Reference	Commission Order	FEU Response
e	The discontinuance of the FEW main extension test and continuation of the FEI and FEVI main extension test (with the same established thresholds) for the Amalgamated Entity as described in Section 7.4.2.3 of the Original Application.	The FEW main extension test will be discontinued by December 31, 2014.
f	The use of a Rate Stabilization Deferral Account (RSDA) Rider, to permit the distribution of the balance in the RSDA to non-bypass customers in the current FEI service area over a three year period effective as of the date of the amalgamation;	The FEU's calculation of the RSDA Rider and plan for updating is included in Section 4.5 of this filing.
g	The phase-in of all customers to common rates over a three year period;	The FEU's calculation of the Phase-in Rider and plan for updating is included in Section 4.6 of this filing.
h	The discontinuance of the FEVI Gas Cost Variance Account (GCVA) following the transfer of the outstanding balance in the GCVA to the RSDA;	The FEU confirm that the GCVA will be combined with the RSDA. The RSDA Rider calculations for 2015 in Section 4.5 of this filing are based on this assumption.
i	The merger of the FEI and FEW Revenue Stabilization Adjustment Mechanism (RSAM) Accounts;	The FEU confirm that the December 31, 2014 balances in the FEI and FEW RSAM accounts will be combined in calculating 2015 revenue requirements and delivery rates.
j	For clarity, the discontinuance of the following contracts among the FEU as amended from time to time: <ul style="list-style-type: none"> i. The Wheeling Agreement between FEI and FEVI; ii. The Transportation Agreement between FEVI and FEW; iii. The Squamish Transportation Agreement between FEVI and FEI, as amended by the Squamish Gas Arrangements Termination Agreement; iv. The Storage and Delivery Agreement (SDA) between FEVI and FEI, and v. the Amending Agreement to the SDA, for Mount Hayes LNG service; vi. The Contribution Agreement between FEW and FEVI in respect of Whistler Facilities; and vii. The Shared Services Agreements between FEI and FEW and between FEI and FEVI; and 	The FEU confirm that each of the listed contracts will no longer be in force and effect upon Amalgamation.

Reference	Commission Order	FEU Response
k	The discontinuance of the Corporate Services Agreement between FortisBC Holdings Inc. and each of FEVI and FEW, leaving the agreement with FEI to remain in place for the Amalgamated Entity as amended to include FEVI and FEW costs;	The FEU confirm that the Corporate Services Agreement between FortisBC Holdings Inc. and each of FEVI and FEW will no longer be in force and effect upon Amalgamation. For information purposes, the Amalgamated Entity will file an amended Corporate Services agreement reflecting the approved combined corporate costs for FEI, FEVI and FEW, before January 1, 2015.
l	The adoption of FEI's approved Transfer Pricing Policy and Code of Conduct, as the Transfer Pricing Policy and Code of Conduct of the Amalgamated Entity; and	The FEU confirm that the Amalgamated Entity will adopt FEI's approved Transfer Pricing Policy and Code of Conduct.
m	The adjustment of the conditions specified in Commission Order G-49-07 relating to the acquisition of Terasen Inc. (now FortisBC Holdings Inc.) by Fortis Inc. [the "ring-fencing" conditions] as necessary to reflect the amalgamation of the FEU.	The FEU accept that the conditions specific in Commission Order G-49-07 would apply to the Amalgamated Entity.
4	The Commission will accept, subject to timely filing following approval of the amalgamation by the Lieutenant Governor and prior to the amalgamation date, the GT&Cs for the Amalgamated Entity and other special contract rates that are to be amended in accordance with the terms of this Order.	The GT&Cs and other special contract rates for the amalgamated entity will be filed on or about December 8, 2014.
5	The FEU is to file a rate design application for the Amalgamated Entity no later than two years after the effective date of the amalgamation of the FEU and Terasen Gas Holdings Inc.	The Amalgamated Entity will file a rate design application by December 31, 2016.
6	Subject to approval of amalgamation by the Lieutenant Governor in Council pursuant to section 53 of the Act, and effective upon amalgamation, the FEU shall comply with directions of the Commission Panel in the Decision issued concurrently with this Order.	This filing confirms the FEU's compliance with the directions of the Commission Panel.
7	Amended FEI rate schedules and delivery rates for the Amalgamated Entity to be effective as of the date of the amalgamation or January 1, 2015, whichever is later, will be filed with the Commission for approval.	Amalgamated Entity rate schedules and delivery rates will be filed with the Commission for approval prior to November 15, 2014.

1
2

2.3 SUMMARY AND ORGANIZATION OF THE APPLICATION

The FEU have received approval to amalgamate and to adopt common rates in all service areas, with the exception of Fort Nelson. In the table above, the FEU have set out how they are complying with each of the directives of Order G-21-14. Section 3 of this Application describes the treatment of costs and savings from amalgamation. Section 4 describes the calculation of the common delivery rates and rate riders, as follows:

- Section 4.1 Calculating the Amalgamated Cost of Service
- Section 4.2 Mapping of Rate Schedules
- Section 4.3 Calculating the Revenue Deficiency
- Section 4.4 Calculating Common Delivery Rates by Rate Schedule
- Section 4.5 Calculating the RSDA Riders by Rate Schedule
- Section 4.6 Calculating the Phase-in Riders by Rate Schedule
- Section 4.7 Summary of the 2014 Delivery Rate and Annual Bill Impacts by Rate Schedule.

3. TREATMENT OF COSTS AND SAVINGS FROM AMALGAMATION

As described below, the FEU are proposing a methodology for the treatment of cost and savings from amalgamation. The FEU's proposed treatment includes the approval of the Amalgamation Flow-Through Account to allow the FEU to match and offset the actual costs and savings of amalgamation. This temporary account would be discontinued once the costs of amalgamation are fully recovered. The FEU believe this proposal to be consistent with the Commission's Reconsideration Decision and a just and reasonable method of treating the cost and savings for amalgamation.

3.1 FLOW THROUGH OF AMALGAMATION SAVINGS AND COSTS

In the opening statement that was delivered at the outset of the oral hearing in FEI's PBR Application, FEI indicated that the costs and savings related to amalgamation would be subject to exogenous factor treatment. That is, they would be flowed through outside of the PBR formula. This section of the Application sets out FEI Amalco's forecast of the costs of amalgamation, and its forecast of the savings from amalgamation, other than interest expense which will be calculated each year in the Annual Review process using the most recent forecast of interest rates and debt levels and flowed-through on that basis.

On page 154 of the 2012 Application, the FEU requested an Amalgamation Costs Deferral Account, summarized as follows:

"This rate base deferral account will record the costs pertaining to amalgamation as set out in this Application.

The estimated total cost of amalgamation is expected to be approximately \$2 million and includes legal and transactional costs to amalgamate and operational costs of implementation such as training contact centre employees and IT system changes.

As discussed earlier, the Companies do not expect that there will be material cost savings in 2014² (with the exception of savings related to debt financing which has already been reflected in the amalgamated cost of service and will not be captured in the deferral account), as a result of the amalgamation. Since the operations and management of the Utilities are already fully integrated and the savings have been captured for the benefit of customers over the 2004 through 2013 period there will be only some small savings in 2014. These savings would be limited to reporting efficiencies such as financial, legal and regulatory reporting and debt issuance requirements (described in Section 6). While the costs related to the amalgamation and implementation of postage stamp rates are one-time in nature, any efficiency savings, although not large, will be on-going, and are expected to offset the cost of amalgamation over time. It is the intention of the FEU to pass on to

² Note that the 2012 Application assumed an amalgamation date of January 1, 2014.

1 *customers the full benefit of any of the cost savings achieved in 2014 and later years that*
2 *are associated with amalgamation and rate harmonization, as these savings will be forecast*
3 *as part of the 2014 and future revenue requirements.”*
4

5 The Commission Panel denied the requested deferral account at page 31 of the Reasons for
6 Decision attached to Order G-21-14, where the Commission stated (in reference to the costs of
7 amalgamation):
8

9 *“In the Panel’s view the phase-in, which has been ordered for FEW and FEVI, will readily*
10 *cover these additional costs without the need for deferral. Further, other cost reductions,*
11 *such as the \$2 million in interest expense savings forecasted for the amalgamated entity,*
12 *will also serve to contribute to defray these costs.”*
13

14 The FEU agree with the Panel that cost reductions will offset the costs of amalgamation.
15 However, there is no practical way to use the phase-in of FEW and FEVI rates, the interest
16 expense savings, or any other amalgamation-related savings to offset the costs of
17 amalgamation without the use of a deferral account. To implement the effect of the
18 Commission’s determination, the FEU therefore request approval of an Amalgamation Flow-
19 Through deferral account, with the purpose of allowing FEI Amalco to match the actual
20 amalgamation costs with the actual amalgamation savings over time. This request is consistent
21 with the FEU’s interpretation of the intent of the Commission in Order G-21-14. To match the
22 timing of when the cost reductions will be realized (2015 and forward) and when the costs of
23 amalgamation will be incurred (2014 and early 2015), a deferral account is required.
24

25 Below, the FEU set out the forecast costs of amalgamation, followed by a discussion of the
26 savings.

27 **3.1.1 Costs of Amalgamation**

28 Table 3-1 below shows the FEU’s current forecast of the costs of amalgamation, compared to
29 the forecast costs that were set out in the Application.
30

Table 3-1: Forecast Costs of Amalgamation

	(Amounts in \$000s)		
	Current	Application	Variance
<u>Customers:</u>			
Customer Service & Billing	\$ 150	\$ 100	\$ 50
Communications & Media	500	-	500
<u>Employees:</u>			-
HR/Payroll/Pension	25	100	(75)
<u>Operations/Support:</u>			-
Information Systems	1,170	1,000	170
<u>Compliance:</u>			-
Legal	150	500	(350)
Taxation	25	100	(75)
Accounting/Finance	100	-	100
Treasury	50	250	(200)
Internal Audit	30	-	30
Total	\$ 2,200	\$ 2,050	\$ 150

The cost estimates for the specific requirements have changed since the 2012 Application was filed, and have been updated to incorporate the most current information. Overall costs to implement amalgamation are estimated to be \$2.2 million, \$150 thousand higher than the previous estimate. Following is a discussion of the costs of amalgamation by area.

Customers

\$150 thousand is required for increased customer service personnel and training in support of the transition to common rates. Additional calls and inquiries from customers are anticipated during the course of the transition.

\$500 thousand is required for customer communications. The FEU have designed a communications plan around ensuring customers are informed about common rates and that customers on Vancouver Island, Sunshine Coast and Whistler understand their new bill. A brief description of the bill changes that will need to be communicated to customers follows.

As of January 1, 2015, customer bills will have the same components for all FEI Amalco customers (with the exception of the Fort Nelson service area). This means that the bills of current FEVI and FEW customers will look different than they do today, but the bills of current FEI customers will be unchanged, with one exception. The FEU are taking the opportunity to clarify one component of its bill that it believes customers find confusing – the midstream rate. In the section of the bill reserved for Commodity Charges, the term “Midstream” will be replaced with “Storage and Transportation”. The FEU believe this change will enhance customers’ understanding of their bill components.

Although the customer bills in all regions (with the exception of the Fort Nelson service area) will have the same look and feel, and the same basic charge and/or demand charge, commodity charge and storage and transportation charge as of January 1, 2015, the variable delivery charge will continue to differ between the regions until 2018, when the phase-in and RSDA riders are extinguished.

Also, with the implementation of common rates, FEI will be changing its tariffs and communications to no longer calculate separate use rates and bill impacts for Lower Mainland, Inland and Columbia regions. As discussed in the 2012 Application, one annual bill impact will be presented for all Mainland regions; for residential customers the calculation will be based on the average annual consumption across the combined Lower Mainland, Inland and Columbia regions of 90 GJ. Once Vancouver Island and Whistler customers are fully phased in (in 2018), FEI Amalco expects to also include those regions in the average consumption and communicate only one average use rate and bill impact for each rate schedule.

The customer communication approach and messages will initially be generic to all customers and become more region specific closer to January 1, 2015. Education around the new bill format will occur in the Fall of 2014. Communications will include the use of bill inserts, paid and social media, news releases, fortisbc.com and community relations.

Employees

\$25 thousand is required for third party assistance to review and amend pension plan and benefits documentation.

Operations/Support

\$1.2 million is required for Information Systems work to migrate to an amalgamated entity. Currently, three separate entities (FEI, FEVI and FEW) are configured in the FEU's SAP system that will need to be combined into a single company code. The FEU have selected a migration option which minimizes the business effort while providing reporting capabilities for financial records, tax, regulatory and revenue for historical records prior to the amalgamation of the Companies. To reduce overall project risk, the FEU have contracted with SAP's Landscape Transformation Optimization Tool and Migration Services to help with the migration of FEVI and FEW customer and financial data into one single company.

Compliance

Compliance activities and related funding are necessary to ensure that mandatory compliance requirements are addressed. \$150 thousand is required for due diligence in reviewing existing contracts and agreements for restrictions or consents required for the amalgamation. \$25 thousand is required to engage a third party to provide a tax opinion on the amalgamation. \$100 thousand is required for third party verification work related to the SAP general ledger, restating comparative financial information and to reconfigure existing financial reporting software. \$50 thousand is required for legal support related to a review of credit and treasury

agreements. \$30 thousand is required for third party review of changes being undertaken for the conversion of FEVI and FEW rates and information to FEI Amalco.

3.1.2 Savings from Amalgamation

In the 2012 Application, the FEU stated at page 122 that “Amalgamation and the adoption of common rate structures for FEI Amalco will also create modest efficiencies, through reduced reporting requirements for regulatory, legal and financial filings. These savings will be sustainable for the long term and are expected to offset the cost of amalgamation over time.”

On pages 123 and 124 of the 2012 Application, the FEU discussed each of these areas in more detail.

“Regulatory Efficiencies

Consolidation of the separate entities, rate bases and service areas under one unified regulatory structure with a harmonized tariff will reduce the regulatory requirements and streamline quarterly rate filings and other applications, resulting in regulatory efficiencies for all parties involved in the regulatory process, including the BCUC and Interveners. Any immediate direct financial benefit for the customers is difficult to quantify because the regulatory calendar for the Companies is a function of numerous variables, including the number of applications and complexity of the regulatory process¹⁵⁷. In any event, the initial impact of these efficiency gains would result in a reduction to unpaid overtime of the related employees, which has been a growing concern for the Companies. All else being equal, the regulatory benefits of amalgamation and common rates extend to the BCUC and interveners who participate in the FEU regulatory proceedings.

Legal Efficiencies

As discussed in Section 2, the amalgamating companies will become one legal corporation upon amalgamation, continuing to be incorporated within British Columbia and subject to the provisions and regulations of the BCA. Thus, FEI Amalco will need to have only one set of company records as opposed to individual records for each entity, as well as lower labour and legal costs to administer each legal corporation. The third- party costs of maintaining corporate records are not significant and thus the savings associated with this efficiency gain are expected to be minimal.

Other Financial Efficiencies

Amalgamating the FEU will result in savings related to auditing and rating agency requirements. The Amalgamated Entity would have to perform one audit as opposed to three separate audits, resulting in lower audit costs. In addition, amalgamation will allow the FEU to reduce rating agency fees as there will be a reduced number of reports required. These cost savings are expected to be approximately \$18,000/year for auditing requirements and \$100,000/year for rating agency fees.”

Consistent with the discussion provided in the 2012 Application, the FEU are currently forecasting annual O&M savings of approximately \$330 thousand, primarily in the Finance and Regulatory department from reduced labour, rating agency fees and audit fees. An additional \$100 thousand in annual savings is expected from various other departments. In 2015, only a part year of savings will be realized, since all resources will be required until the 2014 reporting and taxation cycle is complete in mid-2015. With forecast annualized savings of approximately \$430 thousand, the \$2.2 million costs of amalgamation are expected to be recovered over a five year period.

3.1.3 Amalgamation Flow-Through Deferral Account

Based on the expectation that O&M savings related to amalgamation will offset the costs of amalgamation over a five year period, the FEU are requesting approval of an Amalgamation Flow-Through deferral account to be added to rate base starting in 2015, to match the actual amalgamation costs with the actual amalgamation savings over time. The proposed deferral account would be discontinued once all costs of amalgamation are recovered and the disposition of any remaining balance in the account will be addressed in a future Annual Review or revenue requirements application.

4. CALCULATION OF COMMON RATES

As described in this section, the FEU are updating the methodology proposed in the 2012 Application for the calculation of FEI Amalco 2014 common delivery rates (utilizing 2014 cost of service and demand) which will be used to calculate 2015 common delivery rates. As described in sections 4.1 to 4.4 below, the calculation of the 2014 common delivery rates requires (i) calculating the amalgamated cost of service, (ii) mapping of rate schedules, (iii) calculating the revenue deficiency, and then (iv) deriving the common delivery rates by rate schedule.

As described in Sections 4.5 and 4.6 below, the FEU are proposing a methodology for the calculation of the RSDA Riders and Phase-in Riders by rate schedule. The FEU have considered various potential alternatives for these riders and have proposed riders that are reasonable and in the best interest of its customers.

Section 4 concludes by summarizing the delivery rate and estimated annual bill impacts of the implementation of common rates, including the RSDA and Phase-in Riders, by rate schedule for 2015 to 2018. The gradual overall impact of common rates on customers in the existing FEI service area shows that the FEU's proposals are just and reasonable and should be approved.

4.1 *CALCULATION OF THE AMALGAMATED COST OF SERVICE*

The first step in arriving at common delivery rates for FEI Amalco is to determine the combined cost of service. The combined cost of service is the summation of the 2014 cost of service of the individual utilities, adjusted to account for changes in line items that will occur upon amalgamation. For purposes of this Application, the FEU have used the following as the basis for the calculations:

- FEI – Section E 2014 Formula Financial Schedules from Exhibit B-1-5 in FEI's PBR Application (Appendix B1);
- FEVI – Section D 2014 Financial Schedules from Exhibit B-7 in FEVI's Application for 2014 Revenue Requirements and Rates adjusted for Order G-47-14 in the Generic Cost of Capital – Stage 2 (GCOC Stage 2) proceeding and Order G-65-14 in the FEVI 2014 Revenue Requirements and Rates proceeding (Appendix B2); and
- FEW – 2014 Financial Schedules that support the cost of service forecast set out in Table 2.1 of FEW's Application for Deferral Account Treatment for 2014 and Changes to the RSAM Rider, adjusted for Order G-47-14 in the GCOC Stage 2 proceeding (Appendix B3).

As discussed in Section 1 of the Application, these financial schedules will be updated in a compliance filing following the PBR Decision.

The 2014 FEI Amalco total cost of service of \$1,304.3 million (\$741.5 million delivery cost of service) is determined by adding the stand-alone cost of service for FEI (excluding Fort Nelson), FEVI, FEW and then adjusting for the elimination of intercompany costs and revenues (referred to as “intercompany eliminations”) and changes in depreciation and amortization and earned return due to amalgamation (referred to as “amalgamation adjustments”) as described in more detail in Sections 4.1.1 and 4.1.2 below. The eliminations and adjustments made are consistent with those shown in Section 8 of the 2012 Application, but have been updated for 2014 values. In the few instances where there are differences, they have been noted. The calculations are shown in Table 4-1 and the supporting FEI Amalco financial schedules are included in Appendix A.

1

Table 4-1: 2014 Amalgamated Cost of Service

(\$ thousands)	2014											
					InterCompany Eliminations				Amalgamation Adjustments			
	FEI	FEVI	FEW	Total	FEVI/FEW Transport	FEI/FEVI Transport	FEVI/FEI Squamish	Reclassify FEVI Cost of Gas to O&M	FEI-Amalco at Existing COS	Amort diff - FEW Contn to FEVI	Earned Return	FEI-Amalco at Amalco COS
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
				Sum of columns 2 through 4					Sum of columns 5 through 9			Sum of columns 10 through 12
Cost of Gas Sold	\$ 496,151	\$ 65,837	\$ 2,727	\$ 564,715			\$ (417)	\$ (1,535)	\$ 562,763			\$ 562,763
Operation and Maintenance	200,684	30,653	636	231,973				1,535	233,508			233,508
Property and Sundry Taxes	48,797	11,389	238	60,424					60,424			60,424
Depreciation and Amortization	147,446	35,443	1,425	184,314					184,314	(62)		184,252
Transportation Costs	-	3,845	2,507	6,352	(2,507)	(3,365)			480			480
Other Operating Revenue	(24,567)	(18,821)	(17)	(43,405)		3,365			(40,040)			(40,040)
Income Taxes	37,362	8,608	508	46,478					46,478		(1,436)	45,042
Earned Return	203,515	55,002	2,609	261,126					261,126		(3,288)	257,838
Delivery Cost of Service	613,237	126,119	7,906	747,262	(2,507)	-	-	1,535	746,290	(62)	(4,724)	741,504
Total Cost of Service	\$ 1,109,388	\$ 191,956	\$ 10,633	\$ 1,311,977	\$ (2,507)	\$ -	\$ (417)	\$ -	\$ 1,309,053	\$ (62)	\$ (4,724)	\$ 1,304,267

2

3

As shown in Table 4-1 above, the 2014 sum of the stand alone cost of service of FEI (excluding Fort Nelson), FEVI and FEW (Column 5) is reduced by a total of \$7.710 million due to intercompany eliminations and amalgamation adjustments.³ Offsetting this decrease to the cost of service is a decrease to the delivery revenues of \$2.924 million relating to intercompany transportation charges, for a net reduction to revenue requirements of \$4.786 million. The \$4.786 million results from the elimination of the difference in amortization of the FEW pipeline contribution to FEVI (Column 11), and the decrease to earned return resulting from FEVI and FEW moving to the benchmark capital structure and ROE (Column 12) as described in section 4.1.2 below.

Each of the elimination and adjustment columns shown in Table 4-1 is discussed separately below.

4.1.1 Intercompany Eliminations

The 2014 intercompany eliminations shown in Table 4-2 below increase the delivery revenue requirements by \$1.952 million⁴ with an offsetting decrease to the cost of gas.

Table 4-2: 2014 Intercompany Eliminations

Table 3-1 Reference	Description	Amount (\$000s)			
		Delivery COS (1)	Cost of Gas (2)	Delivery Revenue (3)	Net Impact (1)+(2)-(3)
6	Transport Charges FEW pays to FEVI	(2,507)	-	(2,507)	-
7	Transport Charges FEVI pays to FEI	-	-	-	-
8	Transport Charges FEI pays to FEVI	-	(417)	(417)	-
9	Reclassification of FEVI cost of gas to O&M	1,535	(1,535)	-	-
	Total	(972)	(1,952)	(2,924)	-

Each of these items is described further below.

4.1.1.1 Transportation Charges FEW Pays to FEVI (Column 6)

FEW currently pays transport charges to FEVI, which are recorded as delivery revenue in FEVI. These amounts are eliminated on amalgamation of the FEU. The offset to this decrease in delivery cost of service is a decrease in delivery revenues, such that there is no impact on the delivery or total revenue requirement.

³ Table 4-1 "Total Cost of Service" row, Column 5 less Column 13.

⁴ \$2.924 million reduction in delivery revenue offset by a \$972 thousand reduction in delivery cost of service.

4.1.1.2 Transportation Charges FEVI Pays to FEI (Column 7)

FEVI currently pays transport charges to FEI for wheeling along FEI's Coastal Transmission system. Elimination of this item reduces Transportation Costs (FEVI) and Other Revenue (FEI), both of which are part of the delivery cost of service, with no impact to the delivery or total revenue requirement.

4.1.1.3 Transportation Charges FEI Pays to FEVI (Column 8)

FEI currently pays midstream transport charges to FEVI related to transporting gas to Squamish, recorded as part of FEI's cost of gas and delivery revenue in FEVI. Eliminating these items results in a decrease to delivery revenue (FEVI) and a decrease in cost of gas (FEI), such that there is no impact on the total revenue requirement (i.e. delivery and cost of gas combined), but there is an increase in the delivery revenue requirement of FEI Amalco due to lower delivery revenues, and a corresponding decrease in the cost of gas for FEI Amalco.

4.1.1.4 FEVI Cost of Gas (Column 9)

FEVI has historically accounted for its line heater and compressor fuel differently than FEI. Consistent with the 2012 Application, the FEU have adopted FEI's treatment. For 2014, this results in \$1.306 million of costs being reclassified from cost of gas to O&M. In addition, \$229 thousand of gas control management fees that are allocated from FEI (O&M) to FEVI (cost of gas) need to be eliminated. These two items total \$1.535 million which does not impact the total revenue requirement, but does increase the delivery portion of the revenue requirement of FEI Amalco with a corresponding decrease in the cost of gas for FEI Amalco.⁵

4.1.2 Amalgamation Adjustments

The 2014 amalgamation adjustments shown in Table 4-3 below decrease the delivery revenue requirements by \$4.786 million.

Table 4-3: Amalgamation Adjustments

Table 3-1 Reference	Description	Amount (\$000s)
11	Elimination of FEW contribution to FEVI	(62)
12	Decrease in earned return	(3,288)
12	Decrease in income tax	(1,436)
	Total	(4,786)

Each of these items is described further below.

⁵ The total revenue requirement is not impacted because the Cost of Gas is reduced by \$1.535 million, offsetting the increase in the delivery portion of the revenue requirement.

4.1.2.1 Depreciation and Amortization Expense (Column 11)

The decrease of \$62 thousand to the FEI Amalco depreciation and amortization expense reflects the elimination of the net difference in the annual amortization related to the \$14.55 million contribution in aid of construction (CIAC) provided by FEW to FEVI for the Whistler Pipeline. In FEW, the contribution was placed in a deferral account and amortized over 50 years, with an ending 2014 net rate base value of \$13.152 million. In FEVI, the contribution was recorded as a CIAC and amortized at a rate of 1.5% (66 years), with an ending 2014 net rate base value of \$13.370 million. These amounts are eliminated in the calculation of the amalgamated rate base shown in Table 4-4 below.

4.1.2.2 Earned Return and Income Taxes (Column 12)

To calculate the earned return (and income taxes), an amalgamated rate base is required. The 2014 FEI Amalco rate base of \$3.632 million is determined by adding the stand-alone rate base for FEI (excluding Fort Nelson), FEVI, FEW and then adjusting for the elimination of the FEW contribution to the FEVI for the Whistler Pipeline (described above), and adjusting to the FEI lead/lag days.⁶ The calculation of the amalgamated rate base is shown in Table 4-4 below.

Table 4-4: 2014 Amalgamated Rate Base

(\$ thousands)	2014						
	FEI	FEVI	FEW	Total	Elim FEW Contr to FEVI	FEI Lead/Lag Days	FEI-Amalco
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Gas Plant in Service, Beginning	\$ 3,870,810	\$ 1,318,586	\$ 17,095	\$ 5,206,491	\$ 6	\$ -	\$ 5,206,497
Gas Plant in Service, Ending	4,019,425	1,348,198	17,923	5,385,546	8	-	5,385,554
Accumulated Depreciation Beginning - Plant	(1,102,885)	(340,900)	(4,150)	(1,447,935)	(6)	-	(1,447,941)
Accumulated Depreciation Ending - Plant	(1,203,723)	(370,499)	(4,510)	(1,578,732)	(14)	-	(1,578,746)
CIAC, Beginning	(200,601)	(251,702)	(237)	(452,540)	14,551	-	(437,989)
CIAC, Ending	(202,456)	(242,555)	(254)	(445,265)	14,551	-	(430,714)
Accumulated Amortization Beginning - CIAC	57,280	67,528	26	124,834	(955)	-	123,879
Accumulated Amortization Ending - CIAC	60,017	71,739	30	131,786	(1,181)	-	130,605
Net Plant in Service, Mid-Year	\$ 2,648,934	\$ 800,198	\$ 12,962	\$ 3,462,093	\$ 13,480	\$ -	\$ 3,475,573
Adjustment to 13-Month Average	-	-	-	-	-	-	-
Work in Progress, No AFUDC	26,120	5,508	60	31,688	-	-	31,688
Unamortized Deferred Charges	24,937	(5,476)	25,041	44,502	(13,152)	-	31,350
Cash Working Capital	(335)	403	57	125	-	526	651
Other Working Capital	79,039	14,288	622	93,949	-	-	93,949
Future Income Taxes Regulatory Asset	288,453	89,725	2,638	380,816	-	-	380,816
Future Income Taxes Regulatory Liability	(288,453)	(89,725)	(2,638)	(380,816)	-	-	(380,816)
LLO Benefit	(983)	-	-	(983)	-	-	(983)
Utility Rate Base	\$ 2,777,712	\$ 814,921	\$ 38,742	\$ 3,631,374	\$ 328	\$ 526	\$ 3,632,228

⁶ The adjustments to Gas Plant in Service and Accumulated Depreciation are due to rounding.

Earned Return

Pursuant to Commission Order G-41-14,⁷ FEI Amalco will attract the benchmark capital structure and ROE. The calculation of FEI Amalco's earned return is shown below in Table 4-5 which compares the 2014 amounts from Appendix B for FEI, FEVI and FEW added together, to the 2014 FEI Amalco earned return.

Table 4-5: Calculation of FEI Amalco Earned Return

	<u>Capitalization</u>		<u>Avg.</u> <u>Embedded</u>	<u>Cost</u>	<u>Earned</u>
<u>2014 Approved</u>	<u>Amount</u>	<u>%</u>	<u>Cost</u>	<u>Component</u>	<u>Return</u>
Long-Term Debt	\$ 1,945,067	53.56%	6.64%	3.56%	\$ 129,183
Unfunded Debt	262,618	7.23%	2.12%	0.15%	5,559
Common Equity	1,423,689	39.21%	8.88%	3.48%	126,384
Total	<u>\$ 3,631,374</u>	100.00%		7.19%	<u>\$ 261,126</u>

	<u>Capitalization</u>		<u>Avg.</u> <u>Embedded</u>	<u>Cost</u>	<u>Earned</u>
<u>2014 Amalco Rates</u>	<u>Amount</u>	<u>%</u>	<u>Cost</u>	<u>Component</u>	<u>Return</u>
Long-Term Debt	\$ 1,947,150	53.61%	6.65%	3.56%	\$ 129,410
Unfunded Debt	286,670	7.89%	2.12%	0.17%	6,068
Common Equity	1,398,408	38.50%	8.75%	3.37%	122,361
Total	<u>\$ 3,632,228</u>	100.00%		7.10%	<u>\$ 257,839</u>

Adjustment for ROE, Capital Structure					<u>\$ (3,288)</u>
---------------------------------------	--	--	--	--	-------------------

The FEI Amalco earned return is calculated as the total of the following three components:

1. Common equity return is equal to FEI Amalco rate base x 38.5% x 8.75%
2. Long-term debt return is the summation of the long-term debt of FEVI and FEI (adjusting FEI's long-term debt to reflect the portion financing the non-regulated Lower Mainland acquisition premium).⁸
3. Short-term return is calculated based on the FEI Amalco rate base less the portions financed by common equity and long-term debt. This amount is then multiplied by the weighted average short-term debt rate of the three utilities.

In the 2012 Application, the FEU had discussed a decrease in cost of service associated with Vancouver Island and Whistler short-term debt being financed at the FEI short-term debt rate. For purposes of this filing, no adjustment has been made to the 2014 approved short-term debt rates of the individual utilities. For 2014, any differences between approved and actual interest

⁷ Commission Order G-41-14 and accompanying Decision on page 138 "...once amalgamation has been effected and postage stamp rates implemented, the ROE and capital structure will be the same for the amalgamated entity as for FEI as the Benchmark utility."

⁸ Reference Appendix A Schedule 4.

rates experienced are captured by the Interest Variance deferral accounts (or RSDA for FEVI) and will be returned to or recovered from customers starting in 2015. When calculating the 2015 delivery rates, FEI Amalco will utilize the short-term interest rates that are forecast for the amalgamated entity at that time. In this way, any savings from lower forecast short-term debt rates will be reflected in delivery rates for 2015 and future years.

Income Taxes

The income tax expense for FEI Amalco has been calculated using the flow-through (taxes payable) method, at the 2014 corporate tax rate of 26.0 percent. The decrease in income tax expense of \$1.436 million is primarily driven by the decrease in the common equity component of the earned return, which results in a decrease to income tax expense of \$1.413 million.⁹ The remaining decrease in tax expense relates to the minor change in depreciation and amortization expense.¹⁰

4.1.3 Summary of Amalgamated Cost of Service

In this Application, the FEU have calculated the amalgamated cost of service on a consistent basis with the 2012 Application, by adding together the stand-alone cost of service of each of the utilities, eliminating intercompany items, and making amalgamation adjustments. The amalgamated cost of service has been calculated utilizing the benchmark capital structure and return on equity. The result is a lower cost of service on an amalgamated basis than what was presented in the 2012 Application.

4.2 MAPPING OF RATE SCHEDULES

The second step in the implementation of common rates requires the consolidation of the rate schedules of FEI, FEVI and FEW. As discussed in the 2012 Application, the FEU are adopting FEI's rate schedules for the Amalgamated Entity. This requires moving or assigning (referred to as "mapping") all of the FEVI and FEW customers to the appropriate FEI rate schedules. This section provides a summary of how the current FEVI and FEW customers are mapped into the FEI rate structure for the Amalgamated Entity.

4.2.1 FEVI Mapping

The FEVI mapping implemented is similar to the mapping discussed in the 2012 Application. Consistent with the 2012 Application, all of the RGS customers were mapped to FEI Rate Schedule 1 and all of the SCS1 and SCS2 customers were mapped to Rate Schedule 2. For the remaining rate schedules, the FEU have updated the mapping based on two considerations:

⁹ Common Equity Returns from Table 4-5: $(\$122,361 \text{ thousand} - \$126,384 \text{ thousand}) / (1 - \text{Tax Rate}) * \text{Tax Rate} = \1.413 million .

¹⁰ From Table 4-1, Column 11, Difference of \$62 thousand / $(1 - \text{Tax Rate}) * \text{Tax Rate} = \22 thousand .

1. FEI reviewed the annual consumption of all customers by premise and those with annual consumption greater than 2,000 GJ per year were tested both as FEI Rate Schedule 3 and 5 customers to identify the least cost rate schedule for a particular customer. The analysis resulted in some customers that had previously been mapped into Rate Schedule 3 now qualifying for Rate Schedule 5¹¹ or being moved to the lower consumption Rate Schedule 2; and
2. The existence of customers in FEVI's transportation rate schedule LCS13 and the availability of FEI's transportation offerings (specifically Rate Schedule 25) as of January 1, 2015.¹²

In total, these two considerations resulted in 80 FEVI customers being mapped to Rate Schedules 5 and 25 instead of to Rate Schedules 2 and 3 as filed in the 2012 Application.

Table 4-6 below summarizes the mapping of FEVI customers into FEI rate schedules.

Table 4-6: FEVI Rate Schedule Mapping

Rate Class	FEI RS 1		FEI RS 2		FEI RS 3		FEI RS 5		FEI RS 25	
	Customer	Volume	Customers	Volume	Customers	Volume	Customer	Volume	Customer	Volume
RGS	100.0%	100.0%								
AGS			86.1%	53.9%	12.3%	33.3%	1.7%	12.9%		
HLF					25.0%	2.0%	75.0%	98.1%		
ILF					37.5%	8.9%	62.5%	91.2%		
LCS1			95.4%	85.7%	4.6%	14.3%				
LCS2			39.4%	16.5%	60.0%	81.8%	0.6%	1.7%		
LCS3			64.7%	7.0%	25.7%	33.1%	9.6%	59.9%		
SCS1			100.0%	100.0%						
SCS2			100.0%	100.0%						
LCS13									100.0%	100.0%

4.2.2 FEW Mapping

The FEW mapping implemented is the same as that proposed in the 2012 Application. The FEU reviewed the mapping of FEW customers based on the two considerations noted above, but this review did not result in any changes. In particular, no FEW customers were eligible for FEI's Rate Schedule 5 or 25.

Table 4-7 below summarizes the mapping of the FEW customers into FEI rate schedules.

¹¹ Rate Schedule 5 requires the customer to sign a general firm service agreement subject to demand charges. The FEU plan to sign agreements with the identified customers for 2015.

¹² At the time of the 2012 Application, FEVI did not have any customers in Rate Schedule LCS13. Since LCS13 is a Transportation Rate Schedule, the FEU have assumed that these customers will remain Transportation customers and as such has mapped them to Rate Schedule 25.

Table 4-7: FEW Rate Schedule Mapping

Rate Class	Consumption Requirements	FEI RS 1		FEI RS 2		FEI RS 3	
		Customers	Volume	Customers	Volume	Customers	Volume
SGS Res	Residential	100%	100%				
SGS Com	0-599 GJ per year			100%	100%		
LGS 1	600-1999 GJ per year			100%	100%		
LGS 2	2000-5999 GJ per year					100%	100%
LGS 3	6000+ GJ per year					100%	100%

4.2.3 Mapping Summary

The FEU have updated the mapping that was utilized in the 2012 Application to reflect a more detailed review of customers and their available options, specifically transportation service. Based on this mapping and the resulting calculation of the revenue at existing FEI delivery rates, the changes to FEI's delivery rates resulting from the amalgamation can be calculated.

4.3 CALCULATING THE REVENUE DEFICIENCY

The third step in calculating common delivery rates is calculating the revenue deficiency that arises from amalgamation. The revenue deficiency upon amalgamation is calculated as the difference between the amalgamated delivery cost of service from Section 4.1 and the delivery revenues at existing FEI rates, utilizing the customer mapping discussed in Section 4.2. The delivery revenues at existing FEI rates are calculated by the FEU's Forecasting Information System which utilizes:

1. The FEI, FEVI and FEW customers mapped to the FEI rate schedules;
2. The volumes forecast for FEI, FEVI and FEW customers for 2014 as contained in the financial schedules filed in Appendix B; and
3. The FEI 2014 proposed delivery rates based on the financial schedules filed in Appendix B1.

These three inputs are used to calculate the amalgamated 2014 revenues at FEI delivery rates.

The result of the comparison between the revenues at existing FEI rates and the amalgamated delivery cost of service is shown in Table 4-8 below.

Table 4-8: 2014 Amalgamated Revenue Deficiency¹³

	(\$ thousands)
Delivery Revenues at FEI Rates:	
FEI	\$ 613,367
FEVI	71,538
FEW	2,502
Elimination (6)	(2,507)
Elimination (8)	(417)
Amalgamated Delivery Revenues at FEI Rates	684,484
Amalgamated Delivery Cost of Service	741,504
(Deficiency)	\$ (57,020)

The revenue deficiency of \$57.020 million is utilized to calculate the common rates by rate schedule in Section 4.4.

4.4 CALCULATING COMMON DELIVERY RATES BY RATE SCHEDULE

The final step in calculating the common rates is to apply the revenue deficiency and calculate the delivery rates for each FEI rate schedule.

The allocation of the revenue deficiency by rate schedule is shown in Table 4-9 below¹⁴.

¹³ Elimination (6), Elimination (8) and the Amalgamated Delivery Cost of Service are calculated in Section 4.1. The eliminations reflect intercompany Transportation Revenue.

¹⁴ The allocation of the deficiency is determined by the ratio of the margin at FEI rates to total margin for each rate schedule.

Table 4-9: Revenue Deficiency by Rate Schedule

Rate Schedule:	(\$ thousands)	%
RS 1 - Residential	34,370	60.3%
RS 2 - Small Commercial	9,314	16.3%
RS 3 - Large Commercial	5,103	8.9%
RS 23 - Large Commercial	2,276	4.0%
RS 4 - Seasonal	27	0.0%
RS 5 - General Firm	738	1.3%
RS 25 - Firm Service	2,429	4.3%
RS 7 - Interruptible	12	0.0%
RS 27 - Interruptible Service	756	1.3%
RS 6 - N G V Fuel	22	0.0%
RS 22 - Firm Service	731	1.3%
RS 22 - Interruptible Service	1,242	2.2%
Total	57,020	100.0%

To calculate the rates for each rate schedule, the deficiency is divided by the forecast volumes to calculate the required increase in the variable rate to recover the revenue deficiency.¹⁵ For example, for Rate Schedule 1, the revenue deficiency of \$34.370 million is divided by the forecast volumes from residential customers of 74,028.8 TJ, resulting in an increase of \$0.464 per GJ. The increase is added to the FEI delivery rate of \$3.695 per GJ to determine the FEI Amalco delivery rate using 2014 cost of service of \$4.159 per GJ.

The FEI Amalco delivery rates by rate schedule (using 2014 cost of service) are shown in Table 4-10 below.

¹⁵ For Rate Schedule 5/25, the allocated deficiency is further separated between demand and variable delivery by taking into consideration the contract demand. The portion allocated to demand is divided by the contract demand to arrive at an increase of \$1.914 per GJ. Consistent with other Rate Schedules, the portion allocated to the Rate Schedule 5/25 variable delivery rate is divided by the forecast. For Rate Schedule 22, the allocated deficiency is used to determine the percent that the various firm and interruptible rates change by.

Table 4-10: FEI Amalco 2014 Variable and Demand Delivery Rates

Line No.	Rate Schedule	Variable Delivery Rates (\$/GJ)			Demand Rates (\$/GJ)		
		FEI Rates	Allocation of Deficiency	Amalgamated 2014 Rates	FEI Rates	Allocation of Deficiency	Amalgamated 2014 Rates
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Rate 1/1B	3.695	0.464	4.159			
2	Rate 2/2B	3.030	0.339	3.369			
3	Rate 3/3B/23	2.562	0.260	2.822			
4	Rate 4 (off-peak)	0.984	0.160	1.144			
5	Rate 4 (extension)	1.761	0.160	1.921			
6	Rate 5/25	0.727	0.073	0.800	17.663	1.914	19.577
7	Rate 6	3.993	0.362	4.355			
8	Rate 7/27	1.183	0.118	1.301			
9	Rate 22	0.869	0.080	0.949			

The basic charges are unchanged from the existing FEI charges for all rate schedules.

4.5 CALCULATING THE RSDA RIDER BY RATE SCHEDULE

In Order G-21-14, the Commission approved “The use of a Rate Stabilization Deferral Account (RSDA) Rider, to permit the distribution of the balance in the RSDA to non-bypass customers in the current FEI service area over a three year period effective as of the date of the amalgamation.”

In the same Order, the Commission also approved the discontinuance of the FEVI Gas Cost Variance Account (GCVA) following the transfer of the outstanding balance in the GCVA to the RSDA.

In this section, the FEU show the calculation of the RSDA rider for 2015, which includes consideration of the forecast balance of the RSDA and the GCVA.

4.5.1 Forecast Balance of the RSDA

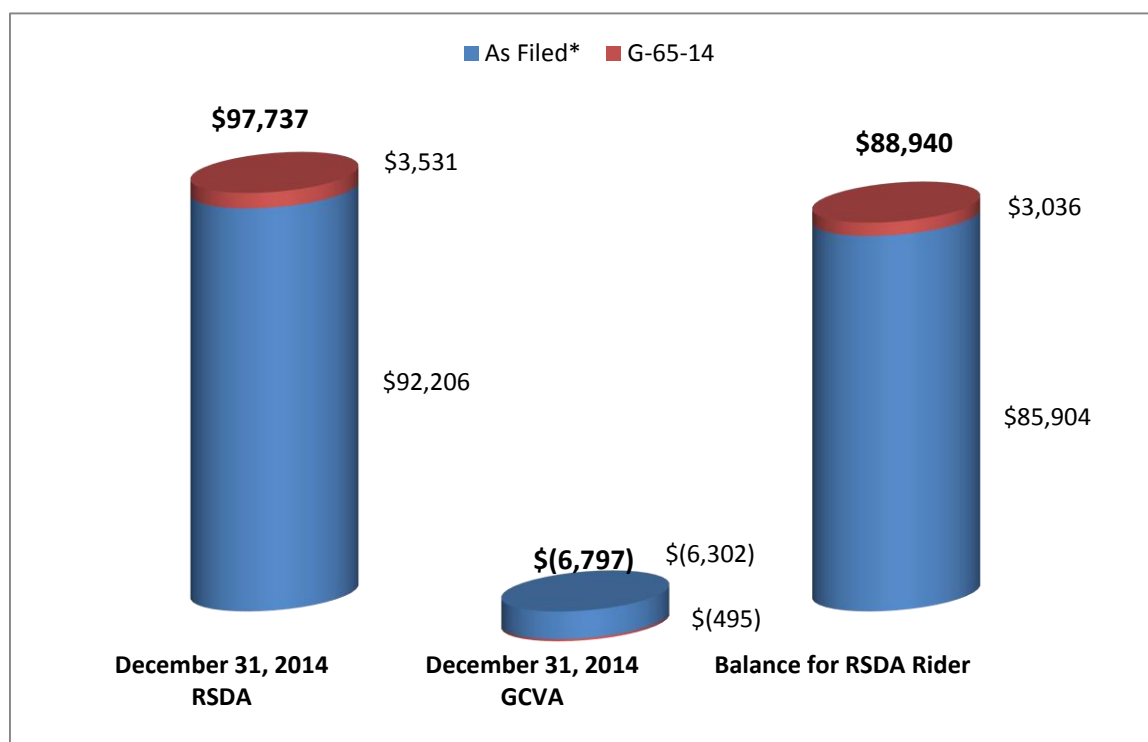
Figure 4-1 below provides a revised forecast of the pre-tax RSDA balance at the end of 2014. The starting point is the RSDA balance set out in FEVI’s January 10, 2014, Evidentiary Update of \$92.206 million¹⁶. This is then adjusted for the difference between the 2014 deficiency from that filing of \$8.370 million¹⁷ and the 2014 deficiency shown in Schedule 4 of Appendix B2 of \$4.839 million pre-tax. Then the projected GCVA deficit balance of \$6.302 million from FEVI’s Q2 Gas Cost Report, filed with the Commission on June 4, 2014, is added in. Finally, the 2014 forecast GCVA balance is adjusted for the disallowance of \$495 thousand from the approved cost of gas in Order G-65-14. Therefore, the total balance to be returned to non-bypass

¹⁶ Exhibit B-7 in the FEVI 2014 Revenue Requirement and Rates Application, Page 3 Table 2.

¹⁷ Ibid.

customers in the current FEI service area over a three year period is forecast at \$88.940 million (\$95.737 million RSDA less \$6.797 million GCVA).

Figure 4-1: December 31, 2014 Forecast Balance for RSDA Rider (pre-tax, \$ thousands)



* As filed reflects the January 10, 2014 Evidentiary Update for the RSDA balance (Exhibit B-7 in the FEVI 2014 Revenue Requirement and Rates Application) and the FEVI Q2 Gas Cost Report for the GCVA balance.

4.5.2 Allocation of RSDA to Three Year Period

The FEU considered four scenarios to allocate the RSDA balance to the three years – 2015, 2016, 2017. The scenarios consider various annual amortization percentages for the RSDA balance. Scenario A considers a straight line amortization approach while Scenarios B, C and D consider alternate amortization approaches. The scenarios and their annual incremental delivery rate impact on the FEI delivery rates are outlined Table 4-11 below.

Table 4-11: Allocation of RSDA Balance by Year¹⁸

Scenario	Incremental Delivery Rate Impact				Total
	2015	2016	2017	2018	
A - 33%, 33%, 33%	-4.16%	0.00%	0.00%	4.16%	0.00%
B - 25%, 50%, 25%	-3.12%	-3.12%	3.12%	3.12%	0.00%
C - 20%, 40%, 40%	-2.49%	-2.49%	0.00%	4.99%	0.00%
D - 40%, 42%, 18%	-4.99%	-0.25%	2.99%	2.24%	0.00%

¹⁸ The annual bill impact would be approximately one half of the delivery margin percentages shown in the table.

1
2 In reaching a recommendation, FEU notes that the sum across all year must total to zero, since
3 the RSDA Rider is temporary and by 2018 the full impact of amalgamation is in effect. Although
4 other scenarios and allocations can be tested, due to the fact that the RSDA Rider is only in
5 existence for three years, it is apparent from the four scenarios modelled that the
6 implementation must balance rate decreases in the near term against the rate increase once the
7 rider is removed in 2018.

8
9 In addition, there are two known factors over the next four years that will drive a delivery rate
10 increase for FEI customers and offset the decrease resulting from the RSDA Rider credit in
11 each year. The first is an anticipated annual delivery rate increase of approximately two percent
12 per year¹⁹. The second is the phase-in of common rates, which will have an ultimate delivery
13 rate impact of just over eight percent, but will be moderated by the credit from the FEI Phase-in
14 Rider in years 2015, 2016 and 2017 as discussed in Section 4.6.

15
16 In consideration of these two factors and the illustrated delivery rate impacts shown in Table 4-
17 11, the FEU recommend allocation Scenario D (40% of the RSDA balance in 2015, 42% in
18 2016, and 18% in 2017) which will balance the overall impacts of the implementation of
19 common rates across all years. The interplay of the implementation of common rates, the
20 RSDA Rider and the Phase-in Rider is illustrated in Section 4.7, where the rate changes for
21 each of the years 2015 through 2018 are shown by rate schedule. Also in Section 4.7, the
22 overall change to annual bills, considering the common rates, the riders and the anticipated
23 delivery rate increases, is graphed.

24 **4.5.3 Calculation of the RSDA Rider**

25 To calculate the RSDA rider by rate schedule, the RSDA balance needs to be allocated to the
26 various rate schedules. This is completed using the same methodology as was used to allocate
27 the revenue deficiency to determine the common rates, except that in this case the allocation is
28 based on the FEI stand-alone margin and not the amalgamated margin. Based on the projected
29 2014 closing balance of the RSDA discussed above, the allocation between years (Scenario D),
30 and utilizing the 2014 demand forecast for FEI, the 2015 RSDA rider is calculated as shown in
31 Table 4-12 below.

¹⁹ Appendix G-1 Formula Financial Schedules in FEI's February 21, 2014 Evidentiary Update in its PBR Application, Reference Schedules 2 Line 17 Column 6 that show a delivery margin increase of 2.16% for 2015, 2.34% for 2016, 1.08% for 2017, and 2.22% for 2018 (Average of 1.95%).

Table 4-12: RSDA Rider Calculation

	RSDA	Allocation	Allocation Amount			Volumes (TJ)	2015 Rider
	Forecast	Percent	2015	2016	2017		
RS 1 - Residential	(53,905)	60.61%	(21,562)	(22,640)	(9,703)	69,511.7	\$ (0.310)
RS 2 - Small Commercial	(14,002)	15.74%	(5,601)	(5,881)	(2,520)	24,246.8	\$ (0.231)
RS 3 - Large Commercial	(7,624)	8.57%	(3,050)	(3,202)	(1,372)	17,253.0	\$ (0.177)
RS 4 - Seasonal	(46)	0.05%	(18)	(19)	(8)	169.1	\$ (0.109)
RS 5 - General Firm	(873)	0.98%	(349)	(367)	(157)	2,315.3	\$ (0.130)
RS 6 - Natural Gas Vehicle	(38)	0.04%	(15)	(16)	(7)	61.4	\$ (0.246)
RS 7 - General Interruptible Sales	(20)	0.02%	(8)	(8)	(4)	86.7	\$ (0.080)
RS 22 - Large Volume Transportation (Non-bypass)	(3,368)	3.79%	(1,347)	(1,414)	(606)	29,010.4	\$ (0.046)
RS 23 - Commercial Transportation	(3,886)	4.37%	(1,554)	(1,632)	(699)	8,721.3	\$ (0.177)
RS 25 - General Firm Transportation (Non-bypass)	(3,888)	4.37%	(1,555)	(1,633)	(700)	12,352.3	\$ (0.130)
RS 27 - General Interruptible Transportation	(1,291)	1.45%	(517)	(542)	(232)	6,476.3	\$ (0.080)
	(88,940)	100.00%	(35,576)	(37,355)	(16,009)	170,204.3	

Once the Q4 Gas Cost Reports have been filed, the FEU will calculate and file an updated rider calculation using the 2015 forecast demand, and the RSDA and GCVA forecast balances provided in those reports. Any variance between the forecast and actual balances in the RSDA and GCVA will reside in the RSDA and will be part of the calculation of the 2015 RSDA Rider.

4.6 CALCULATING THE PHASE IN RIDERS BY RATE SCHEDULE

In Order G-21-14, the Commission approved “The phase-in of all customers to common rates over a three year period.” In this section, the FEU provides the background, and describes the alternatives considered and the methodology selected to phase in the common rates.

4.6.1 Background to Phase-in Rider Calculation

In response to an Information Request in the 2012 Application, the FEU had described a recommended method that could be used to calculate the phase-in of common rates, utilizing a delivery rate rider for each region.²⁰

“...The FEU have calculated this phase-in approach on a total deficiency or surplus basis and then translated this to a delivery rate rider for each region. The FEU believe that it is appropriate to calculate the phase-in amount in this manner, rather than limiting the annual bill impacts to a certain percentage each year, because it reflects the revenue changes that are forecast upon transition to common rates, provides for a method of fairly allocating the transition amongst all customers, and takes away the potential for differences in the phase-in of the annual bill due to commodity fluctuations. As the delivery rate already reflects the common rate, this rider amount would be a credit on the bill for FEI customers (i.e. to reduce the bill) and a charge to FEVI and FEW customers (i.e. to increase the bill). The three year phase-in approach passes on one fourth of the impact in the beginning year so that rates are phased-in over three years, achieving common rates at the start of the fourth year...”

²⁰ BCUC IR 2.57.2.2.

The method was further described in response to an Information Request in the Reconsideration Application:²¹

“The total deficiency or surplus balance referred to above is the difference between the existing and the amalgamated delivery rates for both FEVI and FEW. The amount calculated is then allocated by rate class based on its proportion of the total margin deficiency in the amalgamated entity. The amount for the rate class is then divided by the total volumes in the rate class to determine a rate rider amount. In addition, each year an equal and offsetting amount of this margin deficiency is allocated to FEI customers via a credit rider.”

As the tables provided in the Information Requests showed, the method resulted in a different percentage bill impact for each rate schedule, and resulted in three FEVI rate schedules (AGS, HLF and ILF) each having an increase in rates in the first year, and HLF also having an increase in rates for the two following years, followed by a substantial decrease when full common rates were realized. The method therefore has counterintuitive results for some FEVI customers. As stated in the IR response²², the FEU believed it could resolve this issue:

“Under this scenario, FEVI customers previously categorized as AGS, HLF and ILF may experience a rate increase as a result of the weighted average calculation of the rate rider, which is based on all FEVI customers within that rate schedule. If this particular phase-in plan was implemented, the FEU would determine an alternate approach for these particular customers, such as holding their rates flat until a decrease could occur. Further, these customers may opt into a different FEI Amalco rate schedule upon amalgamation which may negate this situation altogether.”

The FEU have since determined that the two potential solutions considered in the Information Request response are not feasible. First, since the information in the Customer Information System (CIS) that is used for billing will maintain a customer’s connection to location (Vancouver Island) but not to former FEVI rate class, holding rates flat until 2018 for only the AGS, HLF and ILF customers while others see a phase-in would require additional and complex programming. Second, the revised mapping as shown in Table 4-6 has not resolved the issue. The FEU therefore sought an alternate solution to the unintended results from the method proposed in the IR responses above, which is described in Section 4.6.3 below.

4.6.2 Additional Considerations and Options Considered

In designing the Phase-in Riders for this Application, the FEU have taken into account two additional considerations:

²¹ BCUC IR 2.1.1.

²² BCUC IR 2.57.2.2

1. The Commission approved the use of the RSDA to be distributed to former FEI customers over a three year period²³. The sizable balance in the RSDA has created a situation where, as described in Section 4.5, there is a need to balance potential near term rate decreases with the rate increase in 2018 once the riders are eliminated and the full impact of amalgamation is experienced.
2. The current basic charge in FEI (and 2015 basic charge for FEI Amalco) is higher than either of the FEVI or FEW basic charges. When Vancouver Island and Whistler customers transition to FEI Amalco delivery rates, they will see an increase to this component of their bill. To simplify communications, a phase-in approach that excludes the basic charge and only considers the decrease in the variable delivery rate is desirable. That is, the phase in of a rate increase to the basic charge and a phase in of a rate decrease to the variable charge would add unnecessary complexity to the bills of FEVI and FEW customers.

In recognition of the concerns with the approach taken in the Information Request filed in the 2012 Application, and the additional considerations above, Table 4-13 below shows the options that have now been considered and the advantages/disadvantages of each.

Table 4-13: Phase-in Methods Considered

Option	Advantage	Disadvantage
1) Allocate deficiency by delivery margin for each customer class; divide by volumes for customer class	<ul style="list-style-type: none"> Familiar – usual method used to calculate rate riders applied to the variable rate 	<ul style="list-style-type: none"> Does not consider impact of basic charge changes separately Results in perverse results for some FEVI customer classes
2) Phase in total bill impact for FEVI and FEW customers; offsetting amount allocated to FEI customers	<ul style="list-style-type: none"> Resolves issue around rate increases for some FEVI customers Bill impacts are easier to communicate than revenue deficiencies 	<ul style="list-style-type: none"> More complicated to calculate than Option 1 Does not consider impact of basic charge changes separately Results in varying impacts based on usage Commodity and midstream rates are variable and the 2015 rates are unknown

²³ In the 2012 Application, part of the RSDA balance was proposed to be distributed to Fort Nelson service area customers to mitigate the impacts of the adoption of common rates.

Option	Advantage	Disadvantage
3) Phase in variable delivery rate change only for FEVI and FEW customers; offsetting amount allocated to FEI customers	<ul style="list-style-type: none"> Results in the same percentage change in the variable charge for all customers by rate class regardless of use rate (after year 1) Resolves issue around rate increases for some FEVI customer classes Rate impacts are easier to communicate than revenue deficiencies Easier to communicate same message to all customers in a rate schedule 	<ul style="list-style-type: none"> More complicated to calculate than Option 1

4.6.3 Phase-in Methodology Selected

Based on the above summary, the FEU have selected Option 3 to phase in the variable delivery rate changes. Using this method, there are a number of steps required to calculate the riders. These are described below:

1. For each of FEVI and FEW, calculate the difference between the existing weighted average 2014 variable delivery rate per GJ for all rate schedules that map to an FEI rate schedule, and the FEI Amalco variable delivery rate per GJ for that rate schedule.
2. Allocate the delivery rate difference between years. For example, to achieve an even phase-in over the years, the percentages would be 75% of the delivery rate decrease removed in 2015, 50% in 2016 and 25% in 2017. This results in the calculation of a Phase-in Rate Rider on a per GJ basis for each impacted FEI rate schedule for each of Vancouver Island and Whistler. To balance the rate reducing impact of the RSDA rider, and to offset the impact of the transition to the higher basic charge in 2015, the FEU have used the phase-in approach as identified in the table 4-14 below.

Table 4-14: Phase In Rider percentages by year and Rate Class

Rate Class	2015	2016	2017
Rate 1	60%	40%	20%
Rate 2	60%	40%	20%
Rate 3	45%	25%	10%
Rate 5/25	35%	30%	25%

For Rate Schedule 1 and 2 customers, the difference in the variable delivery rate between the existing FEVI or FEW rate and the FEI rate is added back such that FEVI and FEW customers experience variable delivery rate reductions of 40% in 2015, 60% in

2016, 80% in 2017 and 100% in 2018²⁴ as compared to their existing variable delivery rate.²⁵

3. Once this is completed, multiply the Phase-in Rate Rider by the forecast delivery volumes for the applicable rate schedules to get total projected dollars to be collected from the rate rider.
4. Sum all the total projected dollars to be collected from all Vancouver Island and Whistler customers, and allocate the collected dollars to each FEI rate schedule based on its respective delivery margin percentage (same percentages as shown in Table 4-12).
5. Calculate the Phase-in Rate Rider applicable to existing FEI customers for each FEI rate schedule by dividing the amount calculated in step 4 above by the forecasted volumes for that year.

This calculation is shown in summary form in the following two tables for the year 2015.

Table 4-15: 2015 Rate Rider Collected from FEVI and FEW Customers

	Weighted Average Variable Rate Difference	Phase-In %	2015		
			Rate Rider (\$/GJ)	Volume (TJ)	Total (\$ thousands)
FEVI RS1	\$ 4.177	60%	\$ 2.506	4,305.7	\$ 10,791
FEW RS1	\$ 7.921	60%	\$ 4.753	211.4	\$ 1,005
FEVI RS2	\$ 4.732	60%	\$ 2.839	3,074.6	\$ 8,730
FEW RS2	\$ 8.711	60%	\$ 5.227	170.2	\$ 890
FEVI RS3	\$ 3.509	45%	\$ 1.579	2,208.6	\$ 3,487
FEW RS3	\$ 9.258	45%	\$ 4.166	266.3	\$ 1,109
FEVI RS5/25	\$ 5.047	35%	\$ 1.767	1,973.7	\$ 3,487
					<u>\$ 29,498</u>

²⁴ Rate Schedule 3 would equal 55% for 2015, 75% for 2016, 90% for 2017 and 100% for 2018. Rate Schedule 5/25 would equal 65% for 2015, 70% for 2016 and 75% for 2017 and 100% for 2018.

²⁵ On a year over year basis, for Rate Schedules 1 and 2 this results in incremental reductions of 40% in 2015, 20% in 2016, 20% in 2017 and 20% in 2018.

Table 4-16: Rate Rider Calculation for FEI Customers

	Allocation		2015	
	%	(\$ thousands)	Volume (TJ)	Rider (\$/GJ)
RS1	60.6%	\$ 17,879	69,511.7	\$ 0.257
RS2	15.7%	\$ 4,644	24,246.8	\$ 0.192
RS3/23	12.9%	\$ 3,817	25,974.3	\$ 0.147
RS4	0.1%	\$ 15	169.1	\$ 0.091
RS5/25	5.4%	\$ 1,579	14,667.6	\$ 0.108
RS6	0.0%	\$ 13	61.4	\$ 0.204
RS7/27	1.5%	\$ 435	6,563.0	\$ 0.066
RS22	3.8%	\$ 1,117	29,010.4	\$ 0.038
	100.0%	\$ 29,498	170,204.3	

The impacts of the Phase-in Rider on each existing FEI, FEVI and FEW rate schedules are included in the rate impacts in Section 4.7.

For both the Phase-in Rider and the RSDA Rider, there will be differences between the forecast demand used to calculate the riders, and the actual demand realized. These differences will result in the actual collections/refunds differing from the forecast. For the RSDA Rider, these differences will be held in the existing RSDA, and trued up in the following year's calculation of the riders. For the Phase-in Rider, the FEU are requesting approval of a non-rate base Phase-in Rider Balancing Account to capture the differences between the Phase-in Rate Rider amounts collected from FEVI and FEW customers and the amounts distributed to Mainland customers each year from 2015 through 2017. The differences will be adjusted in the following year's calculation of the riders.

4.7 SUMMARY OF RATE IMPACTS BY RATE SCHEDULE

This section shows the percentage delivery rate changes and annual bill impacts (using Q2 2014 commodity and midstream rates) by rate schedule. Tables 4-17 and 4-18 below incorporate the combined impacts of the common rates, the Phase-in Rider for FEI, FEVI and FEW customers and the RSDA Rider for FEI customers.

1

Table 4-17: Total Delivery Rate Impacts by Rate Schedule²⁶

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>Total</u>
<u>Residential (RS 1):</u>					
FEVI RGS	-11.9%	-7.5%	-7.5%	-7.5%	-34.4%
FEW SGS RES	-19.8%	-12.1%	-12.1%	-12.1%	-56.2%
FEI	-2.0%	1.3%	5.1%	4.4%	8.8%
<u>Small Commercial (RS 2):</u>					
FEVI SCS 1	-24.8%	-7.9%	-7.9%	-7.9%	-48.4%
FEVI SCS 2	-39.2%	-8.1%	-8.1%	-8.1%	-63.5%
FEVI LCS 1	-20.0%	-11.6%	-11.6%	-11.6%	-54.7%
FEVI LCS 2	-11.5%	-13.0%	-13.0%	-13.0%	-50.4%
FEVI LCS 3	-14.6%	-12.7%	-12.7%	-12.7%	-52.5%
FEVI AGS	-5.9%	-13.5%	-13.5%	-13.5%	-46.4%
FEW SGS COM	-22.2%	-14.1%	-14.1%	-14.1%	-64.3%
FEW LGS1	-27.5%	-14.3%	-14.3%	-14.3%	-70.5%
FEI	-2.1%	1.3%	5.1%	4.4%	8.6%
<u>Large Commercial (RS 3):</u>					
FEVI AGS	-25.2%	-10.7%	-8.1%	-5.4%	-49.4%
FEVI LCS 1	-35.4%	-9.2%	-6.9%	-4.6%	-56.2%
FEVI LCS 2	-27.4%	-10.6%	-7.9%	-5.3%	-51.3%
FEVI LCS 3	-27.1%	-11.4%	-8.6%	-5.7%	-52.8%
FEVI HLF	-74.5%	-3.6%	-2.7%	-1.8%	-82.6%
FEVI ILF	-2.5%	-14.1%	-10.5%	-7.0%	-34.1%
FEW LGS2	-36.8%	-15.3%	-11.5%	-7.6%	-71.2%
FEW LGS3	-40.1%	-15.3%	-11.5%	-7.7%	-74.5%
FEI	-2.2%	1.3%	5.1%	4.5%	8.7%
<u>Industrial (RS 5):</u>					
FEVI AGS	-21.6%	-3.9%	-3.9%	-19.6%	-49.1%
FEVI LCS 2	-21.7%	-3.9%	-3.9%	-19.4%	-48.9%
FEVI LCS 3	-25.7%	-4.1%	-4.1%	-20.6%	-54.5%
FEVI HLF	-25.3%	-4.7%	-4.7%	-23.7%	-58.5%
FEVI ILF	-5.1%	-5.9%	-5.9%	-29.3%	-46.2%
FEI	-11.8%	2.1%	8.0%	7.0%	5.2%
<u>Transportation (RS25)</u>					
FEVI LCS 13	-28.0%	-4.1%	-4.1%	-20.4%	-56.5%
FEI	-15.3%	2.7%	10.4%	9.1%	6.8%
<u>Other</u>					
FEI RS4	-1.8%	1.1%	4.3%	3.8%	7.3%
FEI RS6	-3.2%	1.3%	5.1%	4.4%	7.6%
FEI RS7	-1.8%	1.1%	4.4%	3.9%	7.6%
FEI RS27	-2.1%	1.3%	5.1%	4.4%	8.7%
FEI RS22	-0.5%	1.1%	4.3%	3.7%	8.6%
FEI RS23	-2.3%	1.4%	5.3%	4.7%	9.1%

2

²⁶ Includes impacts of transitioning to common fixed (basic and demand) charges in 2015.

1

Table 4-18: Estimated Annual Bill Impacts by Rate Schedule²⁷

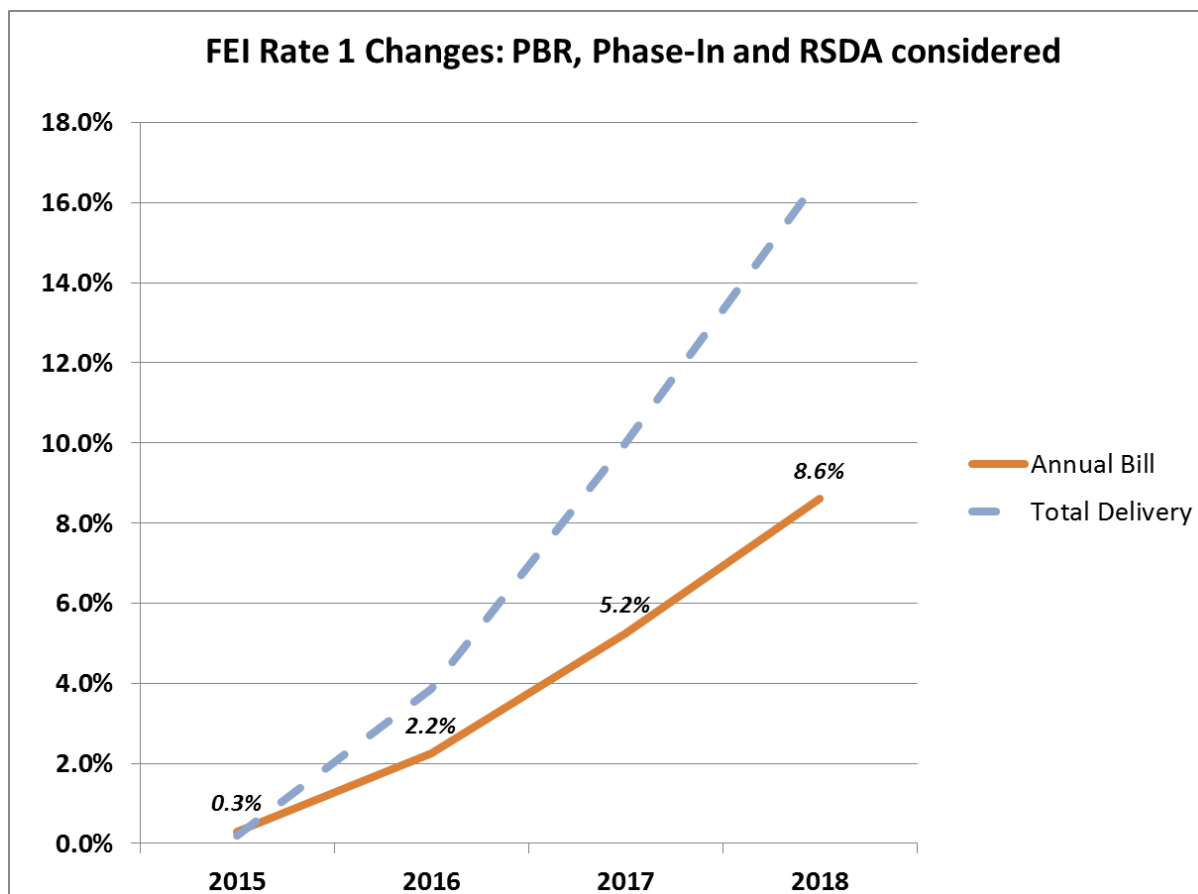
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>Total</u>
<u>Residential (RS 1):</u>					
FEVI RGS	-7.7%	-4.9%	-4.9%	-4.9%	-22.4%
FEW SGS RES	-13.8%	-8.4%	-8.4%	-8.4%	-39.0%
FEI	-0.9%	0.6%	2.4%	2.1%	4.1%
<u>Small Commercial (RS 2):</u>					
FEVI SCS 1	-16.5%	-5.3%	-5.3%	-5.3%	-32.3%
FEVI SCS 2	-25.9%	-5.4%	-5.4%	-5.4%	-42.0%
FEVI LCS 1	-11.5%	-6.7%	-6.7%	-6.7%	-31.6%
FEVI LCS 2	-6.3%	-7.1%	-7.1%	-7.1%	-27.7%
FEVI LCS 3	-8.1%	-7.0%	-7.0%	-7.0%	-29.2%
FEVI AGS	-3.2%	-7.3%	-7.3%	-7.3%	-25.0%
FEW SGS COM	-15.1%	-9.6%	-9.6%	-9.6%	-43.9%
FEW LGS1	-18.6%	-9.7%	-9.7%	-9.7%	-47.8%
FEI	-0.8%	0.5%	2.0%	1.8%	3.4%
<u>Large Commercial (RS 3):</u>					
FEVI AGS	-13.1%	-5.6%	-4.2%	-2.8%	-25.7%
FEVI LCS 1	-19.8%	-5.2%	-3.9%	-2.6%	-31.4%
FEVI LCS 2	-14.4%	-5.6%	-4.2%	-2.8%	-26.9%
FEVI LCS 3	-13.7%	-5.8%	-4.3%	-2.9%	-26.7%
FEVI HLF	-57.0%	-2.8%	-2.1%	-1.4%	-63.2%
FEVI ILF	-1.1%	-6.4%	-4.8%	-3.2%	-15.5%
FEW LGS2	-24.9%	-10.4%	-7.8%	-5.2%	-48.3%
FEW LGS3	-27.2%	-10.4%	-7.8%	-5.2%	-50.5%
FEI	-0.7%	0.4%	1.7%	1.5%	2.9%
<u>Industrial (RS 5):</u>					
FEVI AGS	-11.2%	-2.0%	-2.0%	-10.2%	-25.4%
FEVI LCS 2	-11.3%	-2.0%	-2.0%	-10.1%	-25.4%
FEVI LCS 3	-13.0%	-2.1%	-2.1%	-10.4%	-27.6%
FEVI HLF	-11.9%	-2.2%	-2.2%	-11.2%	-27.5%
FEVI ILF	-2.1%	-2.5%	-2.5%	-12.3%	-19.3%
FEI	-0.5%	0.3%	1.3%	1.1%	2.3%
<u>Transportation (RS25)</u>					
FEVI LCS 13	-28.0%	-4.1%	-4.1%	-20.4%	-56.5%
FEI	-2.4%	1.4%	5.3%	4.6%	8.8%
<u>Other</u>					
FEI RS4	-0.5%	0.3%	1.2%	1.0%	2.0%
FEI RS6	-1.3%	0.5%	2.1%	1.8%	3.1%
FEI RS7	-0.4%	0.2%	0.9%	0.8%	1.6%
FEI RS27	-2.1%	1.3%	5.1%	4.4%	8.7%
FEI RS22	-0.5%	1.1%	4.3%	3.7%	8.6%
FEI RS23	-2.3%	1.4%	5.3%	4.7%	9.1%

2

²⁷ Calculated using July 1, 2014 commodity and midstream rates. Transportation customer annual bill impacts Reflect the delivery rate impact; the annual bill impacts for Transportation customers are dependent on their specific commodity arrangements.

The two graphed lines in Figure 4-2 below show the estimated cumulative rate changes for existing FEI Residential customers over the phase in period for both the Total Delivery Rate and the Annual Bill. The lines include the forecast PBR delivery rate changes, as well as the Phase-in Rider and RSDA Rider impacts on the FEI Amalco common rate. At year 2018 after the RSDA Rider, Phase-in Rider and PBR forecast delivery rate changes have been applied, the annual bill for existing FEI customers is estimated to be 8.6% higher than 2014 interim rates.

Figure 4-2: Existing FEI Residential Customers - Delivery Rate and Annual Bill Impacts²⁸



4.7.1 Conclusion on the Calculation of Common Rates

In summary, the FEU believe that the calculation of the 2014 common delivery rates, the calculation of the RSDA and Phase-in Rate Riders, and the proposed Phase-in Rider Balancing Account are just and reasonable and should be approved by the Commission.

As discussed in Section 1 of the Application, the 2014 common delivery rates are subject to the PBR Decision, and the 2015 common delivery rates will be determined in a future process (the

²⁸ Annual bill calculations assume commodity and midstream rates equal the current July 1, 2014 rates.

1 Annual Review to set 2015 delivery rates, if PBR is approved as proposed). After the FEU
2 receive the PBR Decision, they will use updated FEI Amalco 2014 financial schedules to
3 calculate the 2014 common delivery rates using the same methodology presented above, which
4 will in turn be used to calculate the 2015 common delivery rates. Also, after the Q4 Gas Cost
5 Reports are filed, the FEU will be updating the RSDA and Phase-in Riders using 2015 forecast
6 delivery volumes and updated forecasts of the RSDA and GCVA balances.
7

Appendix A

FEI AMALCO 2014 FINANCIAL SCHEDULES

SUMMARY OF RATE CHANGE REQUIRED
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Schedule 1

Line No.	Particulars (1)	2014				Cross Reference (6)
		Non-Bypass		Bypass and	Total	
		Sales (2)	Transportation (3)	Special Rates (4)		
1	RATE CHANGE REQUIRED					
2						
3	Gas Sales and Transportation Revenue,					
4	At Prior Year's Rates	\$ 1,133,053	\$ 85,969	\$ 28,226	\$ 1,247,248	- Appendix A, Sch 6
5						
6	Add - Other Revenue Related to SCP					
7	Revenue	-	-	14,773	14,773	- Appendix A, Sch 7
8						
9	Total Revenue	1,133,053	85,969	42,999	1,262,021	
10						
11	Less - Cost of Gas	(562,475)	(250)	(38)	(562,763)	
12						
13	Gross Margin	\$ 570,578	\$ 85,719	\$ 42,961	\$ 699,258	
14						
15	Revenue Deficiency (Surplus)	\$ 49,585	\$ 7,435	\$ -	\$ 57,020	
16						
17	Revenue Deficiency (Surplus) as a % of Gross Margin	8.69%	8.67%	0.00%	8.15%	
18						
19	Revenue Deficiency (Surplus) as a % of Total Revenue	4.38%	8.65%	0.00%	4.52%	
20						

UTILITY INCOME AND EARNED RETURN CONTINUITY
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Schedule 2

Line

No.	Particulars	FEI Appendix B-1	FEVI Appendix B-2	FEW Appendix B-3	Total	Adjustments	FEU-Amalco	Column (7) Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Sales Revenue	\$ 1,011,096	\$ 163,648	\$ 10,371	\$ 1,185,115	\$ (52,062) ⁷	\$ 1,133,053	- Appendix A, Sch 6
2	Transportation Revenue	94,582	23,469	-	118,051	(3,856) ⁷	114,195	- Appendix A, Sch 6
3	RSAM Revenue	-	-	-	-	-	-	- Appendix A, Sch 6
4	Total Revenue (Existing Rates)	1,105,678	187,117	10,371	1,303,166	(55,918)	1,247,248	- Appendix A, Sch 6
5								
6	Cost of Gas Sold (Including Gas Lost)	\$ 496,151	\$ 65,837	\$ 2,727	\$ 564,715	\$ (1,952) ^{1,9}	\$ 562,763	
7	GCVA Amortization	-	882	-	882	(882) ¹⁰	-	
8	Net Cost of Gas	496,151	66,719	2,727	565,597	(2,834)	562,763	
9								
10	Margin	\$ 609,527	\$ 120,398	\$ 7,644	\$ 737,569	\$ (53,084)	\$ 684,485	- Appendix A, Sch 6
11								
12	Operations and Maintenance	\$ 200,684	\$ 30,653	\$ 636	\$ 231,973	\$ 1,535 ⁹	\$ 233,508	- Appendix A, Sch 8
13	Transportation Costs	-	3,845	2,507	6,352	(5,872) ²	480	- Appendix A, Sch 6
14	Property and Sundry Taxes	48,797	11,389	238	60,424	-	60,424	- Appendix A, Sch 9
15	Depreciation and Amortization	147,446	34,561	1,425	183,432	820 ^{3,10}	184,252	- Appendix A, Sch 10
16	Other Operating Expenses & Provisions	-	-	-	-	-	-	
17	Other Operating Revenue	(24,567)	(18,821)	(17)	(43,405)	3,365 ⁴	(40,040)	- Appendix A, Sch 7
18	Income Taxes	37,362	8,608	508	46,478	(1,436) ⁵	45,042	- Appendix A, Sch 11
19	Earned Return	203,515	55,002	2,609	261,126	(3,287) ⁶	257,839	- Appendix A, Sch 4
20	Delivery Cost of Service	613,237	125,237	7,906	746,380	(4,875)	741,505	
21								
22	Total Cost of Service	\$ 1,109,388	\$ 191,956	\$ 10,633	\$ 1,311,977	\$ (7,709)	\$ 1,304,268	
23								
24	Revenue Deficiency / (Surplus)	\$ 3,710	\$ 4,839	\$ 262	\$ 8,811	\$ 48,209	\$ 57,020	

Notes

- 1 FEVI Squamish wheeling from FEI (\$0.4) MM
2 FEVI Wheeling (\$3.4) MM, FEW Wheeling (\$2.5) MM
3 FEVI amortization of Whistler Contribution \$0.23 MM offset by FEW amortization of Contribution deferral (\$0.29) MM
4 FEVI Wheeling \$3.4 MM
5 Change in Rate Base impact on Income Taxes
6 Equity, Long Term Debt and Short Term Debt ratio changes
7 FEVI and FEW volume at FEI Rates
9 FEVI Compression and Line Heater fuel moved to O&M (\$1.5) MM
10 GCVA Amortization of \$0.9 MM

UTILITY RATE BASE CONTINUITY
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Schedule 3

Line		FEI Appendix B-1	FEVI Appendix B-2	FEW Appendix B-3	Total	Adjustments	FEU-Amalco	Column (7) Cross Reference
No.	Particulars	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Gas Plant in Service, Beginning	\$ 3,870,810	\$ 1,318,586	\$ 17,095	\$ 5,206,491	\$ 6 ¹	\$ 5,206,497	- Appendix A, Sch 17
2	Adjustment - CPCNs / Opening Bal Adj	-	-	-	-	-	-	
3	Gas Plant in Service, Ending	4,019,425	1,348,198	17,923	5,385,546	8 ¹	5,385,554	- Appendix A, Sch 17
4								
5	Accumulated Depreciation Beginning - Plant	\$ (1,102,885)	\$ (340,900)	\$ (4,150)	\$ (1,447,935)	(6) ¹	\$ (1,447,941)	- Appendix A, Sch 20
6	Adjustment - CPCNs / Opening Bal Adj	-	-	-	-	-	-	
7	Accumulated Depreciation Ending - Plant	(1,203,723)	(370,499)	(4,510)	(1,578,732)	(14) ¹	(1,578,746)	- Appendix A, Sch 20
8								
9	CIAC, Beginning	\$ (200,601)	\$ (251,702)	\$ (237)	\$ (452,540)	14,551 ^{1,2}	\$ (437,989)	- Appendix A, Sch 21
10	Adjustment - Opening Bal Adj	-	-	-	-	-	-	
11	CIAC, Ending	(202,456)	(242,555)	(254)	(445,265)	14,551 ^{1,2}	(430,714)	- Appendix A, Sch 21
12								
13	Accumulated Amortization Beginning - CIAC	\$ 57,280	\$ 67,528	\$ 26	\$ 124,834	\$ (955) ^{1,2}	\$ 123,879	- Appendix A, Sch 21
14	Adjustment - Opening Bal Adj	-	-	-	-	-	-	
15	Accumulated Amortization Ending - CIAC	60,017	71,739	30	131,786	(1,181) ^{1,2}	130,605	- Appendix A, Sch 21
16								
17	Net Plant in Service, Mid-Year	\$ 2,648,934	\$ 800,198	\$ 12,962	\$ 3,462,093	\$ 13,480	\$ 3,475,573	
18								
19	Adjustment to 13-Month Average	-	-	-	-	-	-	
20	Work in Progress, No AFUDC	26,120	5,508	60	31,688	-	31,688	- Appendix A, Sch 14
21	Unamortized Deferred Charges	24,937	(5,476)	25,041	44,502	(13,152) ^{1,3}	31,350	- Appendix A, Sch 23
22	Cash Working Capital	(335)	403	57	125	526 ⁴	651	- Appendix A, Sch 25
23	Other Working Capital	79,039	14,288	622	93,949	-	93,949	- Appendix A, Sch 25
24	Future Income Taxes Regulatory Asset	288,453	89,725	2,638	380,816	-	380,816	
25	Future Income Taxes Regulatory Liability	(288,453)	(89,725)	(2,638)	(380,816)	-	(380,816)	
26	LIFO Benefit	(983)	-	-	(983)	-	(983)	- Appendix A, Sch 14
27	Utility Rate Base	\$ 2,777,712	\$ 814,921	\$ 38,742	\$ 3,631,374	\$ 854	\$ 3,632,228	- Appendix A, Sch 14

Notes

1 Rounding Net \$0.008 MM

2 FEVI CIAC - Pipeline Contribution from FEW \$14.6 MM

3 FEW's contribution deferral to FEVI for pipeline (\$13.1) MM

4 Applying FEI Lead/Lag days to FEVI and FEW expense/revenue @ FEI Rates

EARNED RETURN CONTINUITY
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Schedule 4

Line

No.	Particulars	FEI Appendix B-1	FEVI Appendix B-2	FEW Appendix B-3	Total	Change	FEU-Amalco	Column (7) Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Rate Base	\$ 2,777,712	\$ 814,921	\$ 38,742	\$ 3,631,374	\$ 854	\$ 3,632,228	- Appendix A, Sch 14
2								
3	Equity Thickness	38.50%	41.50%	41.50%	39.21%		38.50%	- Appendix A, Sch 28
4	Common Equity	1,069,419	338,192	16,078	1,423,689	(25,281)	1,398,408	- Appendix A, Sch 28
5	ROE	8.75%	9.25%	9.50%	8.88%		8.75%	- Appendix A, Sch 28
6	Equity Earned Return	93,574	31,283	1,527	126,384	(4,023) ¹	122,361	- Appendix A, Sch 28
7								
8	Long Term Debt % of Capital Structure	56.70%	42.95%	51.62%	53.56%		53.61%	- Appendix A, Sch 28
9	Long Term Debt	1,575,067	350,000	20,000	1,945,067	2,083	1,947,150	- Appendix A, Sch 28
10	Average Rate	6.83%	5.87%	5.11%	6.64%		6.65%	- Appendix A, Sch 28
11	LTD Earned Return	107,610	20,551	1,022	129,183	227	129,410	- Appendix A, Sch 28
12								
13	Short Term Debt % of Capital Structure	4.80%	15.55%	6.88%	7.23%		7.89%	- Appendix A, Sch 28
14	Short Term Debt	133,226	126,729	2,664	262,618	24,052	286,670	- Appendix A, Sch 28
15	Average Rate	1.75%	2.50%	2.25%	2.12%		2.12%	- Appendix A, Sch 28
16	STD Earned Return	2,331	3,168	60	5,559	509	6,068	- Appendix A, Sch 28
17								
18	Total Earned Return	\$ 203,515	\$ 55,002	\$ 2,609	\$ 261,126	\$ (3,287)	\$ 257,839	- Appendix A, Sch 28

Notes

¹ Apply FEI ROE and Equity Ratio to Amalgamated Entity

REVENUE UNDER EXISTING 2013 RATES AND REVISED 2014 RATES (Non-Bypass)
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Schedule 5

Line No.	Particulars	Terajoules (2)	Revenue -- At Existing 2013 Rates --		Gross Margin -- At Existing 2013 Rates --		Effective Increase / (Decrease) 8.67% of Margin		Average Number of Customers (9)	Revenue	
			Average \$/GJ (3)	Revenue (\$000s) (4)	Average \$/GJ (5)	Margin (\$000s) (6)	\$/GJ (7)	Revenue (\$000s) (8)		Average \$/GJ (10)	Revenue (\$000s) (11)
1	NON-BYPASS										
2	Sales										
3	Schedule 1 - Residential	74,028.8	\$ 9.818	\$ 726,794	\$ 5.325	\$ 394,187	\$ 0.464	\$ 34,370	862,911	\$ 10.282	\$ 761,164
4	Schedule 2 - Small Commercial	27,482.1	8.513	233,963	3.887	106,816	0.339	9,314	81,474	8.852	243,277
5	Schedule 3 - Large Commercial	19,716.2	7.289	143,721	2.968	58,527	0.259	5,103	5,209	7.548	148,824
6	Schedules 1, 2 and 3	<u>121,227.1</u>		<u>1,104,478</u>		<u>559,530</u>		<u>48,787</u>	<u>949,594</u>		<u>1,153,265</u>
7											
8	Schedule 4 - Seasonal	169.1	5.565	941	1.833	310	0.160	27	26	5.725	968
9	Schedule 5 - General Firm	3,305.4	6.985	23,089	2.564	8,474	0.223	738	272	7.208	23,827
10											
11	Industrials										
12	Schedule 7 - Interruptible	86.7	5.271	457	1.546	134	0.138	12	3	5.409	469
13											
14	Schedule 6 - N G V Fuel - Stations	61.4	7.541	463	4.153	255	0.358	22	14	7.899	485
15	Schedule 16 - Liquefied Natural Gas (LNG)	165.0	8.030	1,325	4.091	675	-	-	2	8.030	1,325
16	Schedule 46 - Liquefied Natural Gas (LNG)	277.7	8.282	2,300	4.339	1,205	-	-	3	8.282	2,300
17	Total Sales	<u>125,292.4</u>		<u>1,133,053</u>		<u>570,583</u>		<u>49,586</u>	<u>949,914</u>		<u>1,182,639</u>
18											
19	TRANSPORTATION SERVICE										
20	LCS13	-	-	-	-	-	-	-	-	-	-
21	Schedule 22 - Firm Service	13,188.4	0.642	8,464	0.638	8,420	0.055	731	14	0.697	9,195
22	- Interruptible Service	15,822.0	0.910	14,397	0.905	14,324	0.078	1,242	25	0.988	15,639
23	Schedule 23 - Large Commercial	8,721.3	3.014	26,286	3.009	26,243	0.261	2,276	1,560	3.275	28,562
24	Schedule 25 - Firm Service	13,357.0	2.101	28,069	2.097	28,010	0.182	2,429	511	2.283	30,498
25	Schedule 27 - Interruptible Service	6,476.3	1.352	8,753	1.347	8,722	0.117	756	95	1.469	9,509
26											
27	Total Transportation Service	<u>57,565.0</u>		<u>85,969</u>		<u>85,719</u>		<u>7,434</u>	<u>2,205</u>		<u>93,403</u>
28											
29	Total Non-Bypass Sales & Transportation Service	<u>182,857.4</u>		<u>\$ 1,219,022</u>		<u>\$ 656,302</u>		<u>\$ 57,020</u>	<u>952,119</u>		<u>\$ 1,276,042</u>

REVENUE UNDER EXISTING 2013 RATES AND REVISED 2014 RATES (Bypass)
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Schedule 6

Line No.	Particulars	Terajoules (2)	Revenue -- At Existing 2013 Rates --		Gross Margin -- At Existing 2013 Rates --		Increase / (Decrease) 8.67% of Margin		Average Number of Customers (9)	Revenue	
			Average \$/GJ (3)	Revenue (\$000) (4)	Average \$/GJ (5)	Margin (\$000s) (6)	\$/GJ (7)	Revenue (\$000) (8)		Average \$/GJ (10)	Revenue (\$000) (11)
1	BYPASS AND SPECIAL RATES										
2	Bypass and Special Rates Transportation Service										
3	Schedule 22 - Firm Service	6,553.2	\$ 0.126	\$ 823	\$ 0.121	\$ 791	\$ -	\$ -	5	\$ 0.126	\$ 823
4	- Interruptible Service	-	-	-	-	-	-	-	1	-	-
5	Byron Creek (aka Fording Coal Mountain)	176.6	0.181	32	0.181	32	-	-	1	0.181	32
6	Burrard Thermal - Firm	482.5	20.653	9,965	20.647	9,962	-	-	1	20.653	9,965
7	FEVI - Firm	-	-	-	-	-	-	-	-	-	-
8	BC Hydro and ICP	14,600.0	0.858	12,527	0.858	12,527	-	-	1	0.858	12,527
9	VIGJV	4,380.0	0.953	4,175	0.953	4,175	-	-	1	0.953	4,175
10	FEW	-	-	-	-	-	-	-	-	-	-
11	Squamish	-	-	-	-	-	-	-	-	-	-
12	Schedule 23 - Large Commercial	-	-	-	-	-	-	-	-	-	-
13	Schedule 25 - Firm Service	837.3	0.841	704	0.836	700	-	-	6	0.841	704
14	Schedule 27 - Interruptible Service	-	-	-	-	-	-	-	-	-	-
15	Total Bypass and Spec. Rates T-Svc	<u>27,029.6</u>		<u>28,226</u>		<u>28,187</u>		<u>-</u>	<u>16</u>		<u>28,226</u>
16											
17	TOTAL NON-BYPASS AND BYPASS SALES AND										
18	TRANSPORTATION SERVICE	<u>209,887.0</u>		<u>\$ 1,247,248</u>		<u>\$ 684,489</u>		<u>\$ 57,020</u>	<u>952,135</u>		<u>\$ 1,304,268</u>

OTHER OPERATING REVENUE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Schedule 7

Line No.	Particulars (1)	2014 FORECAST (2)	Cross Reference (3)
1			
2			
3	Late Payment Charge	\$ 2,340	
4			
5	Connection Charge	3,017	
6			
7	NSF Returned Cheque Charges	83	
8			
9	Other Recoveries	286	
10			
11	CNG Compression Revenue	153	
12			
13	Total Other Utility Revenue	5,879	
14			
15			
16	FEVI Wheeling Charge	-	
17			
18	SCP Third Party Revenue	14,773	
19			
20	FEVI SAP Lease Income	-	
21			
22	NGT Overhead and Marketing Recovery	188	
23			
24	CNG Operations Pump Charges	-	
25			
26	Biomethane Other Revenue	(198)	
27			
28	LNG Costs tsf'd to Commodity	2,103	
29			
30	LNG Mitigation Revenue	15,936	
31			
32	CNG & LNG Service Revenues	1,359	
33			
34	Total Miscellaneous Revenue	\$ 34,161	
35			
36	Total	\$ 40,040	- Appendix A, Sch 2

OPERATION & MAINTENANCE EXPENSES - RESOURCE VIEW
 FOR THE YEAR ENDING DECEMBER 31, 2014
 (\$000)

Schedule 8

Line No.	Particulars	2014 FORECAST	Cross Reference
	(1)	(2)	(3)
1	M&E Costs	\$ 2,995	
2	COPE Costs	160	
3	COPE Customer Services Costs	-	
4	IBEW Costs	7,232	
5			
6	Labour Costs - FEVI & FEW	10,387	
7			
8	Vehicle Costs	760	
9	Employee Expenses	555	
10	Materials and Supplies	1,029	
11	Computer Costs	183	
12	Fees and Administration Costs	10,635	
13	Contractor Costs	2,353	
14	Facilities	1,821	
15	Recoveries & Revenue	8,660	
16	Amalgamation Compression & Line Heater Gas Adjustment	1,535	
17	Non-Labour Costs - FEVI & FEW	27,530	
18			
19	Total Gross Formula O&M - FEI	234,016	
20			
21	Total Gross O&M Expenses - FEU	271,934	
22			
23	Add: PST Savings	-	
24	Less: O&M transferred to BVA	(570)	
25	Less: Capitalized Overhead	(37,856)	
26			
27	Total O&M Expenses - FEU	\$ 233,508	- Appendix A, Sch 2

FORTISBC ENERGY UTILITY - AMALCO

16-Jul-14

Appendix A

PROPERTY AND SUNDRY TAXES
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Schedule 9

Line No.	Particulars (1)	2014 FORECAST (2)	Cross Reference (3)
1	Property Taxes		
2			
3	1% in Lieu of General Municipal Tax	\$ 13,819	
4			
5	General, School and Other	<u>46,605</u>	
6			
7		60,424	
8			
9	Add / Less: Deferred Property Taxes	<u>-</u>	
10			
11	Total	<u>\$ 60,424</u>	- Appendix A, Sch 2

DEPRECIATION AND AMORTIZATION EXPENSES
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Schedule 10

Line No.	Particulars (1)	2014 FORECAST (2)	Cross Reference (3)
1	Depreciation and Removal Provision		
2			
3	Depreciation Expense	\$ 158,791	- Appendix A, Sch 20
4			
5	Less: Amortization of Contributions In Aid of Construction	<u>(10,494)</u>	- Appendix A, Sch 21
6		<u>148,297</u>	
7			
8	Amortization Expense		
9			
10	Amortization of Deferred Charges	<u>\$ 35,955</u>	- Appendix A, Sch 23
11			
12	Total	<u>\$ 184,252</u>	- Appendix A, Sch 2

FORTISBC ENERGY UTILITY - AMALCO

16-Jul-14

Appendix A

INCOME TAXES
 FOR THE YEAR ENDING DECEMBER 31, 2014
 (\$000s)

Schedule 11

Line No.	Particulars (1)	2014 FORECAST (2)	Cross Reference (3)
1	CALCULATION OF INCOME TAXES		
2	EARNED RETURN	\$ 257,839	- Appendix A, Sch 28
3	Deduct - Interest on Debt	(135,478)	- Appendix A, Sch 28
4	Net Additions (Deductions)	<u>5,836</u>	- Appendix A, Sch 12
5	Adjusted Taxable Income After Tax	<u>128,197</u>	
6			
7	Current Income Tax Rate	26.00%	
8	1 - Current Income Tax Rate	74.00%	
9			
10	Taxable Income	<u>\$ 173,239</u>	
11			
12			
13	Income Tax - Current	\$ 45,042	
14	Previous Year Adjustment		
15			
16	Total Income Tax	<u>\$ 45,042</u>	- Appendix A, Sch 2

ADJUSTMENTS TO TAXABLE INCOME
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Schedule 12

Line No.	Particulars	2014 FORECAST	Cross Reference
	(1)	(2)	(3)
1	Addbacks / (Deductions):		
2	Non-tax Deductible Expenses	\$ 872	
3	Depreciation	148,297	- Appendix A, Sch 10
3	Amortization of Debt Issue Expenses	908	
3	Vehicles: Interest & Capitalized Depreciation	1,387	
4	Pension Expense	22,684	
5	OPEB Expense	9,666	
7	Amortization of Decommissioning of Propane Assets	235	
8	Amortization of 75% Direct Appliance Conversion Costs	331	
10	Amortization of Deferred Charges	35,955	- Appendix A, Sch 10
11	Less: Amortization of Decommissioning of Propane Assets	(235)	
12	Less: Amortization of 75% Direct Appliance Conversion Costs	(331)	
13	Capital Cost Allowance	(153,782)	- Appendix A, Sch 13
14	Cumulative Eligible Capital Allowance	(1,917)	
15	Debt Issue Costs	(518)	
16	Vehicle Lease Payment	(3,006)	
17	Pension Contributions	(19,435)	
18	OPEB Contributions	(2,945)	
19	Overheads Capitalized Expensed for Tax Purposes	(17,316)	
20	Removal Costs	(13,476)	- Appendix A, Sch 23
21	Major Inspection Costs	(1,736)	
22	Biomethane Other Revenue	198	
23			
24	Total	\$ 5,836	- Appendix A, Sch 11

CAPITAL COST ALLOWANCE
 FOR THE YEAR ENDING DECEMBER 31, 2014
 (\$000s)

Schedule 13

Line No.	Class	CCA Rate	12/31/2013 UCC Balance	Adjustments	2014 Net Additions	2014 CCA	12/31/2014 UCC Balance
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	1	4%	\$ 1,262,126	\$ -	\$ 272	\$ (50,490)	\$ 1,211,908
2	1(b)	6%	52,562	-	7,143	(3,368)	56,337
3	2	6%	133,963	-	-	(8,037)	125,926
4	3	5%	2,419	-	-	(121)	2,298
5	6	10%	139	-	-	(14)	125
6	7	15%	20,015	-	6,777	(3,510)	23,282
7	8	20%	29,707	-	11,653	(7,106)	34,254
8	10	30%	5,998	-	3,767	(2,364)	7,401
9	12	100%	7,261	-	13,218	(13,871)	6,608
10	13	manual	3,488	-	378	(481)	3,385
11	14	manual	225	-	-	(23)	202
12	17	8%	1,577	-	-	(126)	1,451
13	38	30%	749	-	100	(240)	609
14	39	25%	-	-	-	-	-
15	45	45%	123	-	-	(55)	68
16	47	8%	136,672	-	3,432	(11,071)	129,033
17	49	8%	108,785	-	7,682	(9,010)	107,457
18	50	55%	11,220	-	9,474	(8,777)	11,917
19	51	6%	492,648	-	118,814	(33,123)	578,339
20	43.2	50%	1,777	-	4,426	(1,995)	4,208
21							
22		Total	\$ 2,271,454	\$ -	\$ 187,136	\$ (153,782)	\$ 2,304,808
23							
24							

- Appendix A, Sch 12

UTILITY RATE BASE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Schedule 14

Line No.	Particulars	2014	
		FORECAST	Cross Reference
	(1)	(2)	(3)
1	Gas Plant in Service, Beginning	\$ 5,206,497	- Appendix A, Sch 17
2	Opening Balance Adjustment	-	
3	Gas Plant in Service, Ending	5,385,554	- Appendix A, Sch 17
4			
5	Accumulated Depreciation Beginning - Plant	\$ (1,447,941)	- Appendix A, Sch 20
6	Opening Balance Adjustment	-	
7	Accumulated Depreciation Ending - Plant	(1,578,746)	- Appendix A, Sch 20
8			
9	CIAC, Beginning	\$ (437,989)	- Appendix A, Sch 21
10	Opening Balance Adjustment	-	
11	CIAC, Ending	(430,714)	- Appendix A, Sch 21
12			
13	Accumulated Amortization Beginning - CIAC	\$ 123,879	- Appendix A, Sch 21
14	Opening Balance Adjustment	-	
15	Accumulated Amortization Ending - CIAC	130,605	- Appendix A, Sch 21
16			
17	Net Plant in Service, Mid-Year	\$ 3,475,573	
18			
19	Adjustment to 13-Month Average	-	
20	Work in Progress, No AFUDC	31,688	
21	Unamortized Deferred Charges	31,350	- Appendix A, Sch 23
22	Cash Working Capital	651	- Appendix A, Sch 25
23	Other Working Capital	93,949	- Appendix A, Sch 25
24	Future Income Taxes Regulatory Asset	380,816	
25	Future Income Taxes Regulatory Liability	(380,816)	
26	LIFO Benefit	(983)	
27	Utility Rate Base	\$ 3,632,228	- Appendix A, Sch 3

GAS PLANT IN SERVICE CONTINUITY SCHEDULE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Schedule 15

Line No.	Particulars	Balance 12/31/2013	CPCN'S	2014 Additions	2014 AFUDC	2014 CapOH	Retirements	Transfers/ Recovery	Balance 12/31/2014	Mid-year GPIS
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	INTANGIBLE PLANT									
2	117-00 Utility Plant Acquisition Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	175-00 Unamortized Conversion Expense	109	-	-	-	-	-	-	109	109
4	175-00 Unamortized Conversion Expense - Squamish	777	-	-	-	-	-	-	777	777
5	178-00 Organization Expense	728	-	-	-	-	-	-	728	728
6	179-01 Other Deferred Charges	-	-	-	-	-	-	-	-	-
7	401-00 Franchise and Consents	297	-	-	-	-	-	-	297	297
8	402-00 Utility Plant Acquisition Adjustment	62	-	-	-	-	-	-	62	62
9	402-00 Other Intangible Plant	1,907	-	-	-	-	-	-	1,907	1,907
10	431-00 Mfg'd Gas Land Rights	-	-	-	-	-	-	-	-	-
11	461-00 Transmission Land Rights	52,371	-	869	-	-	-	-	53,240	52,806
12	461-02 Transmission Land Rights - Mt. Hayes	610	-	-	-	-	-	-	610	610
13	461-10 Transmission Land Rights - Byron Creek	16	-	-	-	-	-	-	16	16
14	461-13 IP Land Rights Whistler	24	-	-	-	-	-	-	24	24
15	471-00 Distribution Land Rights	3,166	-	-	-	-	-	-	3,166	3,166
16	471-10 Distribution Land Rights - Byron Creek	1	-	-	-	-	-	-	1	1
17	402-01 Application Software - 12.5%	107,914	-	6,980	197	-	(4,332)	-	110,759	109,337
18	402-02 Application Software - 20%	22,092	-	6,238	123	-	(2,648)	-	25,805	23,949
19	TOTAL INTANGIBLE	190,074	-	14,087	320	-	(6,980)	-	197,501	193,788
20										
21	MANUFACTURED GAS / LOCAL STORAGE									
22	430-00 Manufact'd Gas - Land	31	-	-	-	-	-	-	31	31
23	431-00 Manufact'd Gas - Land Rights	-	-	-	-	-	-	-	-	-
24	432-00 Manufact'd Gas - Struct. & Improvements	999	-	-	-	-	-	-	999	999
25	433-00 Manufact'd Gas - Equipment	459	-	229	-	81	-	-	769	614
26	434-00 Manufact'd Gas - Gas Holders	2,940	-	-	-	-	-	-	2,940	2,940
27	436-00 Manufact'd Gas - Compressor Equipment	366	-	-	-	-	-	-	366	366
28	437-00 Manufact'd Gas - Measuring & Regulating Equipme	875	-	-	-	-	-	-	875	875
29	443-00 Gas Holders - Storage (non-Tilbury, non-Mt. Hayes	-	-	-	-	-	-	-	-	-
30	440/441-00 Land in Fee Simple and Land Rights (Tilbury)	15,164	-	-	-	-	-	-	15,164	15,164
31	442-00 Structures & Improvements (Tilbury)	4,960	-	-	-	-	-	-	4,960	4,960
32	443-00 Gas Holders - Storage (Tilbury)	16,499	-	-	-	-	-	-	16,499	16,499
33	446-00 Compressor Equipment (Tilbury)	-	-	-	-	-	-	-	-	-
34	447-00 Measuring & Regulating Equipment (Tilbury)	-	-	-	-	-	-	-	-	-
35	448-00 Purification Equipment (Tilbury)	-	-	-	-	-	-	-	-	-
36	449-00 Local Storage Equipment (Tilbury)	25,042	-	1,692	65	600	-	-	27,399	26,221
37	440/441-00 Land in Fee Simple and Land Rights (Mount H	1,083	-	-	-	-	-	-	1,083	1,083
38	442-00 Structures & Improvements (Mount Hayes)	17,261	-	-	-	-	-	-	17,261	17,261
39	443-00 Gas Holders - Storage (Mount Hayes)	60,999	-	1,321	27	-	-	-	62,347	61,673
40	446-00 Compressor Equipment (Mount Hayes)	-	-	-	-	-	-	-	-	-
41	447-00 Measuring & Regulating Equipment (Mount Hayes)	-	-	-	-	-	-	-	-	-
42	448-00 Purification Equipment (Mount Hayes)	-	-	-	-	-	-	-	-	-
43	448-10 Piping (Mount Hayes)	11,488	-	-	-	-	-	-	11,488	11,488
44	448-20 Pre-treatment (Mount Hayes)	28,714	-	-	-	-	-	-	28,714	28,714
45	448-30 Liquefaction Equipment (Mount Hayes)	28,714	-	-	-	-	-	-	28,714	28,714
46	448-40 Send out Equipment (Mount Hayes)	22,960	-	-	-	-	-	-	22,960	22,960
47	448-50 Sub-station and Electric (Mount Hayes)	21,644	-	-	-	-	-	-	21,644	21,644
48	448-60 Control Room (Mount Hayes)	5,900	-	-	-	-	-	-	5,900	5,900
49	449-00 Local Storage Equipment (Mount Hayes)	33	-	-	-	-	-	-	33	33
50	TOTAL MANUFACTURED	266,131	-	3,242	92	681	-	-	270,146	268,139

GAS PLANT IN SERVICE CONTINUITY SCHEDULE (Continued)
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Schedule 16

Line No.	Particulars	Balance 12/31/2013	CPCN'S	2014 Additions	2014 AFUDC	2014 CapOH	Retirements	Transfers/ Recovery	Balance 12/31/2014	Mid-year GPIS
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	TRANSMISSION PLANT									
2	460-00 Land in Fee Simple	\$ 10,627	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,627	\$ 10,627
3	461-00 Transmission Land Rights	1	-	-	-	-	-	-	1	1
4	461-02 Land Rights - Mt. Hayes	-	-	-	-	-	-	-	-	-
5	462-00 Compressor Structures	28,758	-	-	-	-	-	-	28,758	28,758
6	463-00 Measuring Structures	14,056	-	-	-	-	(21)	-	14,035	14,046
7	464-00 Other Structures & Improvements	6,484	-	-	-	-	-	-	6,484	6,484
8	465-00 Mains	1,144,477	-	11,601	452	3,914	(392)	-	1,160,052	1,152,265
9	465-00 Mains - INSPECTION	12,636	-	1,736	-	615	(368)	-	14,619	13,628
10	465-11 IP Transmission Pipeline - Whistler	42,173	-	-	-	-	-	-	42,173	42,173
11	465-30 Mains - Mt Hayes	6,299	-	-	-	-	-	-	6,299	6,299
12	465-10 Mains - Byron Creek	974	-	-	-	-	-	-	974	974
13	466-00 Compressor Equipment	174,831	-	6,102	162	1,634	(447)	-	182,282	178,557
14	466-00 Compressor Equipment - OVERHAUL	5,427	-	-	-	-	(1,571)	-	3,856	4,642
15	467-00 Measuring and Regulating Equipment - Mt. Hayes	5,342	-	-	-	-	-	-	5,342	5,342
16	467-00 Measuring & Regulating Equipment	48,181	-	-	-	-	(150)	-	48,031	48,106
17	467-10 Telemetry	11,383	-	240	10	85	(24)	-	11,694	11,539
18	467-31 IP Intermediate Pressure Whistler	313	-	-	-	-	-	-	313	313
19	467-20 Measuring & Regulating Equipment - Byron Creek	39	-	-	-	-	-	-	39	39
20	468-00 Communication Structures & Equipment	4,205	-	-	-	-	-	-	4,205	4,205
21	TOTAL TRANSMISSION	1,516,206	-	19,679	624	6,248	(2,973)	-	1,539,784	1,527,995
22										
23	DISTRIBUTION PLANT									
24	470-00 Land in Fee Simple	4,194	-	-	-	-	-	-	4,194	4,194
25	471-00 Distribution Land Rights	-	-	-	-	-	-	-	-	-
26	472-00 Structures & Improvements	21,444	-	-	-	-	(93)	-	21,351	21,398
27	472-10 Structures & Improvements - Byron Creek	107	-	-	-	-	-	-	107	107
28	473-00 Services	987,976	-	32,321	-	10,559	(3,493)	-	1,027,363	1,007,670
29	474-00 House Regulators & Meter Installations	200,857	-	829	-	189	(774)	-	201,101	200,979
30	477-00 Meters/Regulators Installations	45,294	-	18,479	129	6,544	-	-	70,446	57,870
31	475-00 Mains	1,281,650	-	26,828	102	8,466	(1,484)	-	1,315,562	1,298,606
32	476-00 Compressor Equipment	1,110	-	-	-	-	-	-	1,110	1,110
33	477-00 Measuring & Regulating Equipment	104,756	-	7,237	303	2,438	(818)	-	113,916	109,336
34	477-00 Telemetry	8,538	-	703	6	249	(6)	-	9,490	9,014
35	477-10 Measuring & Regulating Equipment - Byron Creek	163	-	-	-	-	-	-	163	163
36	478-10 Meters	225,784	-	13,207	-	-	(6,672)	-	232,319	229,052
37	478-20 Instruments	11,944	-	-	-	-	-	-	11,944	11,944
38	479-00 Other Distribution Equipment	-	-	-	-	-	-	-	-	-
39	TOTAL DISTRIBUTION	2,893,817	-	99,604	540	28,445	(13,340)	-	3,009,066	2,951,442
40										
41	BIO GAS									
42	472-00 Bio Gas Struct. & Improvements	185	-	259	-	-	-	-	444	315
43	475-10 Bio Gas Mains – Municipal Land	80	-	-	-	-	-	-	80	80
44	475-20 Bio Gas Mains – Private Land	41	-	1,495	-	530	-	-	2,066	1,054
45	418-10 Bio Gas Purification Overhaul	-	-	-	-	-	-	-	-	-
46	418-20 Bio Gas Purification Upgrader	2,369	-	4,426	-	-	-	-	6,795	4,582
47	477-10 Bio Gas Reg & Meter Equipment	784	-	1,710	-	606	-	-	3,100	1,942
48	478-30 Bio Gas Meters	10	-	26	-	-	-	-	36	23
49	474-10 Bio Gas Reg & Meter Installations	22	-	-	-	-	-	-	22	22
50	TOTAL BIO-GAS	3,491	-	7,916	-	1,136	-	-	12,543	8,017

GAS PLANT IN SERVICE CONTINUITY SCHEDULE (Continued)
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Schedule 17

Line No.	Particulars	Balance 12/31/2013	CPCN'S	2014 Additions	2014 AFUDC	2014 CapOH	Retirements	Transfers/ Recovery	Balance 12/31/2014	Mid-year GPIS
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Natural Gas for Transportation									
2	476-10 NG Transportation CNG Dispensing Equipment	\$ 3,945	\$ 1,914	\$ -	\$ -	\$ 324	\$ -	\$ -	\$ 6,183	\$ 5,064
3	476-20 NG Transportation LNG Dispensing Equipment	2,417	2,550	-	-	904	-	-	5,871	4,144
4	476-30 NG Transportation CNG Foundations	646	398	-	-	107	-	-	1,151	899
5	476-40 NG Transportation LNG Foundations	555	-	-	-	-	-	-	555	555
6	476-50 NG Transportation LNG Pumps	63	50	-	-	-	-	-	113	88
7	476-60 NG Transportation CNG Dehydrator	194	34	-	-	12	-	-	240	217
8	476-70 NG Transportation LNG Dehydrator	-	-	-	-	-	-	-	-	-
9	TOTAL NG FOR TRANSPORTATION	<u>7,820</u>	<u>4,946</u>	<u>-</u>	<u>-</u>	<u>1,347</u>	<u>-</u>	<u>-</u>	<u>14,113</u>	<u>10,967</u>
10										
11	GENERAL PLANT & EQUIPMENT									
12	480-00 Land in Fee Simple	29,361	-	350	-	-	-	-	29,711	29,536
13	481-00 Land Rights	-	-	-	-	-	-	-	-	-
14	482-00 Structures & Improvements	-	-	-	-	-	-	-	-	-
15	- Frame Buildings	16,476	-	-	-	-	-	-	16,476	16,476
16	- Masonry Buildings	107,336	-	5,788	6	-	-	-	113,130	110,233
17	- Leasehold Improvement	4,535	-	378	-	-	(43)	-	4,870	4,703
18	Office Equipment & Furniture	-	-	-	-	-	-	-	-	-
19	483-30 GP Office Equipment	3,990	-	646	-	-	(109)	-	4,527	4,259
20	483-40 GP Furniture	21,696	-	1,771	-	-	(3,123)	-	20,344	21,020
21	483-10 GP Computer Hardware	36,782	-	9,474	248	-	(4,387)	-	42,117	39,450
22	483-20 GP Computer Software	4,823	-	-	-	-	(206)	-	4,617	4,720
23	483-21 GP Computer Software	-	-	-	-	-	-	-	-	-
24	483-22 GP Computer Software	51	-	-	-	-	-	-	51	51
25	484-00 Vehicles	11,791	-	3,766	-	-	-	-	15,557	13,674
26	484-00 Vehicles - Leased	29,179	-	-	-	-	(1,536)	-	27,643	28,411
27	485-10 Heavy Work Equipment	928	-	150	-	-	-	-	1,078	1,003
28	485-20 Heavy Mobile Equipment	2,592	-	100	-	-	-	-	2,692	2,642
29	486-00 Small Tools & Equipment	47,119	-	3,123	-	-	(2,323)	-	47,919	47,519
30	487-00 Equipment on Customer's Premises	24	-	-	-	-	-	-	24	24
31	- VRA Compressor Installation Costs	-	-	-	-	-	-	-	-	-
32	488-00 Communications Equipment	-	-	-	-	-	-	-	-	-
33	- Telephone	7,545	-	-	-	-	(1,530)	-	6,015	6,780
34	- Radio	4,730	-	1,114	-	-	(214)	-	5,630	5,180
35	489-00 Other General Equipment	-	-	-	-	-	-	-	-	-
36	TOTAL GENERAL	<u>328,958</u>	<u>-</u>	<u>26,660</u>	<u>254</u>	<u>-</u>	<u>(13,471)</u>	<u>-</u>	<u>342,401</u>	<u>335,680</u>
37										
38	UNCLASSIFIED PLANT									
39	499-00 Plant Suspense	-	-	-	-	-	-	-	-	-
40	TOTAL UNCLASSIFIED	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
41										
42	TOTAL CAPITAL	<u>\$ 5,206,497</u>	<u>\$ 4,946</u>	<u>\$ 171,188</u>	<u>\$ 1,830</u>	<u>\$ 37,857</u>	<u>\$ (36,764)</u>	<u>\$ -</u>	<u>\$ 5,385,554</u>	<u>\$ 5,296,026</u>
43										
44	Cross Reference		- Appendix A, Sch 14			- Appendix A, Sch 8			- Appendix A, Sch 14	

DEPRECIATION AND AMORTIZATION CONTINUITY SCHEDULE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Schedule 18

Line No.	Account	GPIS for Depreciation	Annual Depreciation Rate %	2014 DEPRECIATION			Accumulated	
				Provision (Cr.)	Adjust- ments	Retirements	12/31/2013	12/31/2014
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	INTANGIBLE PLANT							
2	117-00 Utility Plant Acquisition Adjustment	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -
3	175-00 Unamortized Conversion Expense	109	0.92%	1	-	-	557	558
4	175-00 Unamortized Conversion Expense - Squamish	777	10.04%	78	-	-	-	78
5	178-00 Organization Expense	728	0.96%	7	-	-	400	407
6	179-01 Other Deferred Charges	-	0.00%	-	-	-	-	-
7	401-00 Franchise and Consents	297	2.02%	6	-	-	187	193
8	402-00 Utility Plant Acquisition Adjustment	62	0.00%	-	-	-	62	62
9	402-00 Other Intangible Plant	1,907	2.05%	39	-	-	914	953
10	431-00 Mfg'd Gas Land Rights	-	0.00%	-	-	-	-	-
11	461-00 Transmission Land Rights	52,371	0.00%	-	-	-	1,766	1,766
12	461-02 Transmission Land Rights - Mt. Hayes	610	0.00%	-	-	-	-	-
13	461-10 Transmission Land Rights - Byron Creek	16	0.00%	-	-	-	19	19
14	461-13 IP Land Rights Whistler	24	0.00%	-	-	-	-	-
15	471-00 Distribution Land Rights	3,166	0.00%	-	-	-	248	248
16	471-10 Distribution Land Rights - Byron Creek	1	0.00%	-	-	-	1	1
17	402-01 Application Software - 12.5%	107,914	12.50%	13,489	-	(4,332)	39,169	48,326
18	402-02 Application Software - 20%	22,092	20.00%	4,418	-	(2,648)	9,369	11,139
19	TOTAL INTANGIBLE	190,074		18,038	-	(6,980)	52,692	63,750
20								
21	MANUFACTURED GAS / LOCAL STORAGE							
22	430-00 Manufact'd Gas - Land	31	0.00%	-	-	-	-	-
23	431-00 Manufact'd Gas - Land Rights	-	0.00%	-	-	-	-	-
24	432-00 Manufact'd Gas - Struct. & Improvements	999	3.40%	34	-	-	186	220
25	433-00 Manufact'd Gas - Equipment	459	6.54%	30	-	-	118	148
26	434-00 Manufact'd Gas - Gas Holders	2,940	2.35%	69	-	-	305	374
27	436-00 Manufact'd Gas - Compressor Equipment	366	5.19%	19	-	-	57	76
28	437-00 Manufact'd Gas - Measuring & Regulating Equipment	875	15.89%	139	-	-	490	629
29	443-00 Gas Holders - Storage (non-Tilbury, non-Mt. Hayes)	-	0.00%	-	-	-	-	-
30	440/441-00 Land in Fee Simple and Land Rights (Tilbury)	15,164	0.00%	-	-	-	1	1
31	442-00 Structures & Improvements (Tilbury)	4,960	3.57%	177	-	-	2,966	3,143
32	443-00 Gas Holders - Storage (Tilbury)	16,499	1.93%	318	-	-	11,039	11,357
33	446-00 Compressor Equipment (Tilbury)	-	0.00%	-	-	-	-	-
34	447-00 Measuring & Regulating Equipment (Tilbury)	-	0.00%	-	-	-	-	-
35	448-00 Purification Equipment (Tilbury)	-	0.00%	-	-	-	-	-
36	449-00 Local Storage Equipment (Tilbury)	25,042	4.24%	1,062	-	-	11,962	13,024
37	440/441-00 Land in Fee Simple and Land Rights (Mount Hayes)	1,083	0.00%	-	-	-	-	-
38	442-00 Structures & Improvements (Mount Hayes)	17,261	4.00%	690	-	-	1,782	2,472
39	443-00 Gas Holders - Storage (Mount Hayes)	60,999	1.67%	1,019	-	-	2,599	3,618
40	446-00 Compressor Equipment (Mount Hayes)	-	0.00%	-	-	-	-	-
41	447-00 Measuring & Regulating Equipment (Mount Hayes)	-	0.00%	-	-	-	-	-
42	448-00 Purification Equipment (Mount Hayes)	-	0.00%	-	-	-	-	-
43	448-10 Piping (Mount Hayes)	11,488	2.50%	287	-	-	741	1,028
44	448-20 Pre-treatment (Mount Hayes)	28,714	4.00%	1,149	-	-	2,966	4,115
45	448-30 Liquefaction Equipment (Mount Hayes)	28,714	2.50%	718	-	-	1,853	2,571
46	448-40 Send out Equipment (Mount Hayes)	22,960	2.50%	574	-	-	1,482	2,056
47	448-50 Sub-station and Electric (Mount Hayes)	21,644	2.50%	541	-	-	1,397	1,938
48	448-60 Control Room (Mount Hayes)	5,900	6.68%	394	-	-	1,016	1,410
49	449-00 Local Storage Equipment (Mount Hayes)	33	3.03%	1	-	-	3	4
50	TOTAL MANUFACTURED	266,131		7,221	-	-	40,963	48,184

DEPRECIATION AND AMORTIZATION CONTINUITY SCHEDULE (Continued)
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Schedule 19

Line No.	Account (1)	GPIS for Depreciation (2)	Annual Depreciation Rate % (3)	2014 DEPRECIATION			Accumulated	
				Provision (Cr.) (4)	Adjust- ments (5)	Retirements (6)	12/31/2013 (7)	12/31/2014 (8)
1	TRANSMISSION PLANT							
2	460-00 Land in Fee Simple	\$ 10,627	0.00%	\$ -	\$ -	\$ -	\$ 503	\$ 503
3	461-00 Transmission Land Rights	1	0.00%	-	-	-	-	-
4	461-02 Land Rights - Mt. Hayes	-	0.00%	-	-	-	-	-
5	462-00 Compressor Structures	28,758	3.66%	1,053	-	-	12,374	13,427
6	463-00 Measuring Structures	14,056	3.37%	474	-	(17)	5,393	5,850
7	464-00 Other Structures & Improvements	6,484	2.84%	184	-	-	2,094	2,278
8	465-00 Mains	1,144,477	1.47%	16,839	-	(380)	331,741	348,200
9	465-00 Mains - INSPECTION	12,636	14.73%	1,861	-	(368)	4,229	5,722
10	465-11 IP Transmission Pipeline - Whistler	42,173	1.43%	603	-	-	2,675	3,278
11	465-30 Mains - Mt Hayes	6,299	1.54%	97	-	-	307	404
12	465-10 Mains - Byron Creek	974	5.03%	49	-	-	1,035	1,084
13	466-00 Compressor Equipment	174,831	2.88%	5,037	-	(426)	69,051	73,662
14	466-00 Compressor Equipment - OVERHAUL	5,427	17.38%	943	-	(1,571)	2,704	2,076
15	467-00 Measuring and Regulating Equipment - Mt. Hayes	5,342	3.71%	198	-	-	583	781
16	467-00 Measuring & Regulating Equipment	48,181	4.28%	2,062	-	(117)	17,486	19,431
17	467-10 Telemetry	11,383	0.74%	84	-	(24)	6,360	6,420
18	467-31 IP Intermediate Pressure Whistler	313	4.15%	13	-	-	51	64
19	467-20 Measuring & Regulating Equipment - Byron Creek	39	0.00%	-	-	-	10	10
20	468-00 Communication Structures & Equipment	4,205	11.34%	477	-	-	3,572	4,049
21	TOTAL TRANSMISSION	1,516,206		29,974	-	(2,903)	460,168	487,239
22								
23	DISTRIBUTION PLANT							
24	470-00 Land in Fee Simple	4,194	0.00%	-	-	-	(9)	(9)
25	471-00 Distribution Land Rights	-	0.00%	-	-	-	-	-
26	472-00 Structures & Improvements	21,444	3.30%	708	-	(56)	6,544	7,196
27	472-10 Structures & Improvements - Byron Creek	107	4.67%	5	-	-	37	42
28	473-00 Services	987,976	2.37%	23,692	-	(1,215)	205,183	227,660
29	474-00 House Regulators & Meter Installations	200,857	7.35%	13,906	-	(554)	40,788	54,140
30	477-00 Meters/Regulators Installations	45,294	4.55%	2,061	-	-	1,471	3,532
31	475-00 Mains	1,281,650	1.54%	20,229	-	(638)	397,966	417,557
32	476-00 Compressor Equipment	1,110	26.58%	295	-	-	1,258	1,553
33	477-00 Measuring & Regulating Equipment	104,756	4.71%	4,932	-	(607)	34,136	38,461
34	477-00 Telemetry	8,538	0.26%	22	-	(2)	6,074	6,094
35	477-10 Measuring & Regulating Equipment - Byron Creek	163	0.00%	-	-	-	216	216
36	478-10 Meters	225,784	7.81%	17,298	-	(3,667)	93,441	107,072
37	478-20 Instruments	11,944	3.15%	376	-	-	1,674	2,050
38	479-00 Other Distribution Equipment	-	0.00%	-	-	-	-	-
39	TOTAL DISTRIBUTION	2,893,817		83,524	-	(6,739)	788,779	865,564
40								
41	BIO GAS							
42	472-00 Bio Gas Struct. & Improvements	185	3.78%	7	-	-	17	24
43	475-10 Bio Gas Mains – Municipal Land	80	1.25%	1	-	-	5	6
44	475-20 Bio Gas Mains – Private Land	41	2.44%	1	-	-	2	3
45	418-10 Bio Gas Purification Overhaul	-	0.00%	-	-	-	-	-
46	418-20 Bio Gas Purification Upgrader	2,369	6.67%	158	-	-	105	263
47	477-10 Bio Gas Reg & Meter Equipment	784	4.72%	37	-	-	53	90
48	478-30 Bio Gas Meters	10	10.00%	1	-	-	2	3
49	474-10 Bio Gas Reg & Meter Installations	22	0.00%	-	-	-	3	3
50	TOTAL BIO-GAS	3,491		205	-	-	187	392

DEPRECIATION AND AMORTIZATION CONTINUITY SCHEDULE (Continued)
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Schedule 20

Line No.	Account (1)	GPIS for Depreciation (2)	Annual Depreciation Rate % (3)	2014 DEPRECIATION			Accumulated	
				Provision (Cr.) (4)	Adjust- ments (5)	Retirements (6)	12/31/2013 (7)	12/31/2014 (8)
1	Natural Gas for Transportation							
2	476-10 NG Transportation CNG Dispensing Equipment	\$ 3,945	4.99%	\$ 197	\$ -	\$ -	\$ 458	\$ 655
3	476-20 NG Transportation LNG Dispensing Equipment	2,417	5.01%	121	-	-	85	206
4	476-30 NG Transportation CNG Foundations	646	4.95%	32	-	-	44	76
5	476-40 NG Transportation LNG Foundations	555	5.05%	28	-	-	24	52
6	476-50 NG Transportation LNG Pumps	63	9.52%	6	-	-	6	12
7	476-60 NG Transportation CNG Dehydrator	194	5.15%	10	-	-	12	22
8	476-70 NG Transportation LNG Dehydrator	-	0.00%	-	-	-	-	-
9	TOTAL NG FOR TRANSPORTATION	<u>7,820</u>		<u>394</u>	<u>-</u>	<u>-</u>	<u>629</u>	<u>1,023</u>
10								
11	GENERAL PLANT & EQUIPMENT							
12	480-00 Land in Fee Simple	29,361	0.00%	-	-	-	17	17
13	481-00 Land Rights	-	0.00%	-	-	-	-	-
14	482-00 Structures & Improvements	-	0.00%	-	-	-	-	-
15	- Frame Buildings	16,476	5.34%	880	-	-	5,099	5,979
16	- Masonry Buildings	107,336	2.23%	2,392	-	-	18,248	20,640
17	- Leasehold Improvement	4,535	9.13%	414	-	(43)	877	1,248
18	Office Equipment & Furniture	-	0.00%	-	-	-	-	-
19	483-30 GP Office Equipment	3,990	6.67%	266	-	(83)	3,634	3,817
20	483-40 GP Furniture	21,696	5.00%	1,085	-	(3,123)	10,200	8,162
21	483-10 GP Computer Hardware	36,782	20.00%	7,357	-	(4,387)	13,394	16,364
22	483-20 GP Computer Software	4,823	12.50%	603	-	(206)	1,667	2,064
23	483-21 GP Computer Software	-	0.00%	-	-	-	-	-
24	483-22 GP Computer Software	51	19.61%	10	-	-	44	54
25	484-00 Vehicles	11,791	16.52%	1,948	-	-	4,718	6,666
26	484-00 Vehicles - Leased	29,179	9.44%	2,755	-	(1,536)	15,934	17,153
27	485-10 Heavy Work Equipment	928	6.47%	60	-	-	406	466
28	485-20 Heavy Mobile Equipment	2,592	16.36%	424	-	-	1,169	1,593
29	486-00 Small Tools & Equipment	47,119	5.00%	2,356	-	(2,323)	21,710	21,743
30	487-00 Equipment on Customer's Premises	24	8.33%	2	-	-	14	16
31	- VRA Compressor Installation Costs	-	0.00%	-	-	-	-	-
32	488-00 Communications Equipment	-	0.00%	-	-	-	-	-
33	- Telephone	7,545	6.67%	503	-	(1,385)	4,668	3,786
34	- Radio	4,730	6.68%	316	-	(214)	2,724	2,826
35	489-00 Other General Equipment	-	0.00%	-	-	-	-	-
36	TOTAL GENERAL	<u>328,958</u>		<u>21,371</u>	<u>-</u>	<u>(13,300)</u>	<u>104,523</u>	<u>112,594</u>
37								
38	UNCLASSIFIED PLANT							
39	499-00 Plant Suspense	-	0.00%	-	-	-	-	-
40	TOTAL UNCLASSIFIED	<u>-</u>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
41								
42	TOTALS	<u>\$ 5,206,497</u>		<u>\$ 160,727</u>	<u>\$ -</u>	<u>\$ (29,922)</u>	<u>\$ 1,447,941</u>	<u>\$ 1,578,746</u>
43	Less: Depreciation & Amortization transferred to biomethane BVA			(158)				
44	Less: Vehicle Depreciation Allocated To Capital Projects			(1,778)				
45	Add: Depreciation variance adjustment			-				
46	Net Depreciation Expense			<u>\$ 158,791</u>				
47								
48	Cross Reference		- Appendix A, Sch 17		- Appendix A, Sch 10			- Appendix A, Sch 14

CONTRIBUTIONS IN AID OF CONSTRUCTION
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Schedule 21

Line No.	Particulars (1)	Balance 12/31/2013 (2)	Adjustment (3)	2014 FORECAST		Balance 12/31/2014 (6)	Cross Reference (7)
				Additions (4)	Retirements (5)		
1	CIAC						
2							
3	Distribution Contributions	\$ 256,784	\$ -	\$ 6,097	\$ -	\$ 262,881	
4							
5	Transmission Contributions	144,277	-	396	-	144,673	
6							
7	Others	827	-	-	-	827	
8							
9	Software Tax Savings - Non-Infrastructure	-	-	-	-	-	
10	- Infrastructure/Custom	10,555	-	-	(3,768)	6,787	
11							
12	FEW Contribution for Whistler Pipeline	-	-	-	-	-	
13	Government Loans Contribution	25,000	-	-	(10,000)	15,000	
14							
15	Biomethane	546	-	-	-	546	
16							
17	TOTAL Contributions	437,989	-	6,493	(13,768)	430,714	- Appendix A, Sch 3
18							
19							
20							
21	Amortization						
22							
23	Distribution Contributions	(75,668)	-	(6,461)	-	(82,129)	
24							
25	Transmission Contributions	(40,426)	-	(2,600)	-	(43,026)	
26							
27	Others	(225)	-	(114)	-	(339)	
28							
29	Software Tax Savings - Non-Infrastructure	-	-	-	-	-	
30	- Infrastructure/Custom	(7,539)	-	(1,319)	3,768	(5,090)	
31							
32	FEW Contribution for Whistler Pipeline	-	-	-	-	-	
33	Government Loans Contribution	-	-	-	-	-	
34							
35	Biomethane	(21)	-	-	-	(21)	
36							
37	TOTAL CIAC Amortization	(123,879)	-	(10,494)	3,768	(130,605)	- Appendix A, Sch 3
38							
39	NET CONTRIBUTIONS	<u>\$ 314,110</u>	<u>\$ -</u>	<u>\$ (4,001)</u>	<u>\$ (10,000)</u>	<u>\$ 300,109</u>	
40							
41							
42	Total CIAC Amortization Expense per Line 37			(10,494)			
43							
44	Net Amortization Expense			<u>\$ (10,494)</u>			
45							
46	-						- Appendix A, Sch 10

Schedule 22

[illegible]

UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION (Continued)
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Schedule 23

Line No.	Particulars	Forecast Balance 12/31/2013	Opening Bal. Transfer / Adjustment	Gross Additions	Less-Taxes	Net Additions	Amortization Expense	Recoveries Rider	Tax on Rider	Balance 12/31/2014	Mid-Year Average 2014
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	<u>Application Costs Deferral Accounts</u>										
2	2014-2018 PBR Requirements	\$ -	\$ 538	\$ 1,015	\$ (264)	\$ 751	\$ (347)	\$ -	\$ -	\$ 942	\$ 740
3	NGV for Transportation Application	36	-	-	-	-	(36)	-	-	(0)	18
4	Long Term Resource Plan Application	(74)	-	40	(10)	30	68	-	-	24	(25)
5	AES Inquiry Cost	518	-	-	-	-	(132)	-	-	387	453
6	Generic Cost of Capital Application	-	1,585	-	-	-	(793)	-	-	792	1,189
7	Amalgamation and Rate Design Application Costs	-	1,406	-	-	-	(469)	-	-	937	1,171
8	Rate Schedule 16 Application Cost	-	126	-	-	-	(126)	-	-	-	63
9	Victoria Regional Centre CPCN Application	-	-	-	-	-	-	-	-	-	-
10											
11	<u>Whistler Pipeline</u>										
12	Whistler Pipeline Conversion	11,619	-	-	-	-	(738)	-	-	10,880	11,249
13	Capital Contribution to FEVI	-	-	-	-	-	-	-	-	-	-
14											
15	<u>Other Deferral Accounts</u>										
16	2010-2011 Customer Service O&M and COS	21,062	-	-	-	-	(3,223)	-	-	17,839	19,450
17	Gas Asset Records Project	24	-	1,415	(368)	1,047	(176)	-	-	895	460
18	BC OneCall Project	266	-	784	(204)	580	(156)	-	-	690	478
19	Gains and Losses on Asset Disposition	39,074	-	6,844	-	6,844	(2,036)	-	-	43,882	41,478
20	Negative Salvage Provision/Cost	(24,937)	-	13,476	-	13,476	(20,902)	-	-	(32,363)	(28,650)
21	PCEC Start Up Costs	964	-	-	-	-	(44)	-	-	920	942
22	TESDA Overhead Allocation Variance	-	-	-	-	-	-	-	-	-	-
23											
24	<u>Residual Deferred Accounts</u>										
25	Depreciation Variance	(2,312)	-	-	-	-	2,312	-	-	-	(1,156)
26	SCP Tax Reassessment	(32)	-	-	-	-	32	-	-	-	(16)
27	BFI Costs and Recoveries	(39)	39	-	-	-	-	-	-	-	-
28	Fuelling Stations Variance Account	-	159	23	(6)	17	(53)	-	-	123	141
29	2011 CNG and LNG Service Costs and Recoveries	(34)	-	-	-	-	34	-	-	-	(17)
30	Olympics Security Costs Deferral	(4)	-	-	-	-	4	-	-	0	(2)
31	IFRS Conversion Costs	-	-	-	-	-	-	-	-	-	-
32	2009 ROE & Cost of Capital Application	345	-	-	-	-	(345)	-	-	-	173
33	Vancouver Island HST Implementation	111	-	-	-	-	(111)	-	-	-	56
34	2012-2013 Revenue Requirement Application	219	-	-	-	-	(219)	-	-	0	110
35	CCE CPCN Application	101	-	-	-	-	(101)	-	-	0	51
36	Deferred Removal Costs	(131)	-	-	-	-	131	-	-	0	(66)
37	US GAAP Conversion Costs	(853)	-	-	-	-	853	-	-	-	(426)
38	US GAAP Transitional Costs	1,214	-	-	-	-	(1,355)	-	-	(141)	537
39	Earnings Sharing Mechanism	84	(84)	-	-	-	-	-	-	-	-
40	OH&M Recoveries from NGT	-	(70)	-	-	-	70	-	-	-	(35)
41	Tilbury Property Purchase (Subdividable Land)	-	(220)	-	-	-	220	-	-	-	(110)
42	Residual Delivery Rate Riders	-	61	-	-	-	(61)	-	-	-	31
43											
44	Total Deferred Charges for Rate Base	\$ (14,915)	\$ 28,578	\$ 65,655	\$ (11,360)	\$ 54,295	\$ (35,955)	\$ 23,022	\$ (5,986)	\$ 49,038	\$ 31,350
45											
46	Cross Reference										

- Appendix A, Sch 10

- Appendix A, Sch 14

NEGATIVE SALVAGE CONTINUITY
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Schedule 24

Line No.	Account	GPIS for Depreciation	Annual Salvage Rate %	2014 DEPRECIATION				Ending	
				Provision (Cr.)	Open Bal Transfers	Removal Costs	Proceeds on Disposal	12/31/2013	12/31/2014
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	MANUFACTURED GAS / LOCAL STORAGE								
2	442-00 Structures & Improvements (Tilbury)	\$ 4,960	0.36%	\$ 18	\$ -	\$ -	\$ -	\$ 36	\$ 54
3	443-00 Gas Holders - Storage (Tilbury)	16,499	0.40%	66	-	-	-	132	198
4	449-00 Local Storage Equipment (Tilbury)	25,042	0.35%	93	-	-	-	191	284
5	TOTAL MANUFACTURED	46,501		177	-	-	-	359	536
6									
7	TRANSMISSION PLANT								
8	462-00 Compressor Structures	28,758	0.18%	52	-	-	-	308	360
9	463-00 Measuring Structures	14,056	0.08%	12	-	-	-	107	119
10	464-00 Other Structures & Improvements	6,484	0.14%	9	-	-	-	2	11
11	465-00 Mains	1,144,477	0.10%	1,146	-	-	-	5,266	6,412
12	466-00 Compressor Equipment	174,831	0.28%	502	-	-	-	1,418	1,920
13	467-00 Measuring & Regulating Equipment	48,181	0.19%	91	-	-	-	114	205
14	468-00 Communication Structures & Equipment	4,205	2.11%	89	-	-	-	177	266
15	TOTAL TRANSMISSION	1,420,992		1,901	-	-	-	7,392	9,293
16									
17	DISTRIBUTION PLANT								
18	472-00 Structures & Improvements	21,444	0.16%	35	-	-	-	83	118
19	473-00 Services	987,976	1.17%	11,316	-	(9,177)	-	3,761	5,900
20	474-00 House Regulators & Meter Installations	200,857	0.75%	1,390	-	(2,721)	-	2,120	789
21	477-00 Meters/Regulators Installations	45,294	0.59%	340	-	-	-	241	581
22	475-00 Mains	1,281,650	0.32%	4,055	-	(902)	-	8,968	12,121
23	476-00 Compressor Equipment	1,110	11.43%	127	-	-	-	330	457
24	477-00 Measuring & Regulating Equipment	104,756	0.45%	492	-	(676)	-	478	294
25	477-00 Telemetering	8,538	0.00%	-	-	-	-	(12)	(12)
26	477-10 Measuring & Regulating Equipment - Byron Creek	-	0.00%	-	-	-	-	-	-
27	478-10 Meters	225,784	0.49%	1,071	-	-	-	1,213	2,284
28	TOTAL DISTRIBUTION	2,877,409		18,826	-	(13,476)	-	17,182	22,532
29									
30	BIO GAS								
31	475-10 Bio Gas Mains – Municipal Land	80	0.33%	-	-	-	-	2	2
32	475-20 Bio Gas Mains – Private Land	41	0.01%	-	-	-	-	1	1
33	478-30 Bio Gas Meters	10	0.22%	-	-	-	-	-	-
34	474-10 Bio Gas Reg & Meter Installations	-	0.00%	-	-	-	-	-	-
35	TOTAL BIO-GAS	131		-	-	-	-	3	3
36									
37	TOTALS	\$ 4,345,033		\$ 20,904	\$ -	\$ (13,476)	\$ -	\$ 24,936	\$ 32,364
38									
39	Cross Reference								

- Appendix A, Sch 23

- Appendix A, Sch 23

WORKING CAPITAL ALLOWANCE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000)

Schedule 25

Line No.	Particulars (1)	2014 FORECAST (2)	Cross Reference (3)
1	Cash Working Capital		
2	Cash Required for		
3	Operating Expenses	\$ 12,203	- Appendix A, Sch 26
4			
5	Customer Deposits	-	
6	Other -	-	
7			
8	Less - Funds Available:		
9			
10	Reserve for Bad Debts	(6,680)	
11		-	
12			
13	Withholdings From Employees	(4,872)	
14			
15	Subtotal	<u>651</u>	- Appendix A, Sch 14
16			
17	Other Working Capital Items		
18	Construction Advances	(13)	
19	Transmission Line Pack Gas	3,510	
20	Gas in Storage	89,214	
21	Inventory - Materials & Supplies	1,536	
22	Refundable Contributions	(298)	
23			
24	Subtotal	<u>93,949</u>	- Appendix A, Sch 14
25			
26	Total	<u><u>\$ 94,600</u></u>	

CASH WORKING CAPITAL
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Schedule 26

Line No.	Particulars (1)	2014		Cash Working Capital (4)	Cross Reference (5)
		Days (2)	Expenses (3)		
1	CASH WORKING CAPITAL, REVISED RATES				
2					
3	Revenue Lag Days	39.0			
4	Expense Lead Days	<u>35.0</u>			- Appendix A, Sch 27
5					
6	Net Lead/(Lag) Days	<u>4.0</u>	\$ 1,113,516	<u>\$ 12,203</u>	
7					
8					
9					
10	(Line 6, Column 4) = (Line, 6 Column 2) x (Line, 6 Column 3) / 365				

CASH WORKING CAPITAL
 LEAD TIME IN PAYMENT OF EXPENSES
 FOR THE YEAR ENDING DECEMBER 31, 2014
 (\$000s)

Schedule 27

Line No.	Particulars (1)	2014			Cross Reference (5)
		Amount (2)	Lead Days Expense to Payment (3)	Dollar Days (4)	
1	EXPENSES				
2					
3	Operating And Maintenance				
4	Expenses	\$ 233,508	25.5	\$ 5,954,454	- Appendix A, Sch 8
5	Transportation Costs	480	40.2	19,296	- Appendix A, Sch 2
6	Gas Purchases (excl Royalty Credits)	562,763	40.2	22,623,073	- Appendix A, Sch 2
7					
8	Taxes Other Than Income				
9	Property Taxes	60,424	2.0	120,848	- Appendix A, Sch 9
10	Franchise Fees	8,335	420.3	3,503,201	
11	Carbon Tax	186,661	29.1	5,431,824	
12	HST - Net	11,307	38.9	439,961	
13	PST Component of HST (REC)	4,996	37.1	185,343	
14	Income Tax	45,042	15.2	684,638	- Appendix A, Sch 11
15					
16	Total	\$ 1,113,516	35.0	\$ 38,962,638	

FORTISBC ENERGY UTILITY - AMALCO
 WEIGHTED AVERAGE RETURN ON CAPITAL
 FOR THE YEAR ENDING DECEMBER 31, 2014
 (\$000s)

16-Jul-14

Appendix A

Schedule 28

Line No.	Particulars	Capitalization Amount	%	Average Embedded Cost	Cost Component	Earned Return	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1							
2	2014 FORECAST						
3	Long-Term Debt	\$ 1,947,150	53.61%	6.65%	3.57%	\$ 129,410	
4	Unfunded Debt						
5	Adjustment, Revised Rates	286,670	7.89%	2.12%	0.17%	6,068	
6	Common Equity	<u>1,398,408</u>	<u>38.50%</u>	<u>8.75%</u>	<u>3.37%</u>	<u>122,361</u>	
7							
8		<u>\$ 3,632,228</u>	<u>100.00%</u>		<u>7.10%</u>	<u>\$ 257,839</u>	- Appendix A, Sch 14

APPENDIX B1

FEI FINANCIAL SCHEDULES

Summary of Rate Change

Evidentiary Update - February 21, 2014

Section E
FORMULA
Schedule 1

Line No.	Particulars	2014 (\$ Millions)		Cross Reference
1	(1)	(2)		(3)
2	<u>Volume/Revenue Related</u>			
3	Customer Growth and Use Rates	(7.2)		
4	Change in Other Revenue	0.2	(7.0)	
5				
6	<u>O&M Changes</u>			
7	Gross O&M Increases	(2.6)		
8	Less: Capitalized Overhead	0.3	(2.3)	
9				
10	<u>Depreciation Expense</u>			
11	Change in Depreciation Rates	(0.2)		
12	Tax Expense Impact of Depreciation Changes	0.3		
13	Depreciation from Net Additions	1.0	1.1	
14				
15	<u>Amortization Expense</u>			
16	CIAC	(0.0)		
17	Deferral Accounts	3.7	3.7	
18				
19	<u>Other</u>			
20	Property and Other Taxes	(2.4)		
21	Income Tax Rate Change	1.9		
22	Other Income Tax Changes	11.1		
23	Financing Rate Changes	(2.9)		
24	Financing Changes	0.2		
25	Rate Base Growth	0.3	8.2	
26				
27	Revenue Deficiency (Surplus)		3.7	- Section E-FORMULA, Sch 2
28				

SUMMARY OF RATE CHANGE REQUIRED
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars (1)	2013 PROJECTED (2)	2014		Bypass and Special Rates (5)	Total (6)	Change (7)	Cross Reference (8)
			Non-Bypass Sales (3)	Transportation (4)				
1	RATE CHANGE REQUIRED							
2								
3	Gas Sales and Transportation Revenue,							
4	At Prior Year's Rates	\$ 1,113,989	\$ 1,011,096	\$ 83,059	\$ 11,524	\$ 1,105,679	\$ (8,310)	- Section E-FORMULA, Sch 8
5								
6	Add - Other Revenue Related to SCP Third Party + FEVI Wheeling							
7	Revenue	18,237	-	-	18,138	18,138	(99)	- Section E-FORMULA, Sch 13
8								
9	Total Revenue	1,132,226	1,011,096	83,059	29,662	1,123,817	(8,409)	
10								
11	Less - Cost of Gas	(505,614)	(494,561)	(250)	(248)	(495,059)	10,555	- Section E-FORMULA, Sch 9
12								
13	Gross Margin	<u>\$ 626,612</u>	<u>\$ 516,535</u>	<u>\$ 82,809</u>	<u>\$ 29,414</u>	<u>\$ 628,758</u>	<u>\$ 2,146</u>	
14								
15	Revenue Deficiency (Surplus)	<u>\$ -</u>	<u>\$ 3,197</u>	<u>\$ 513</u>	<u>\$ -</u>	<u>\$ 3,710</u>	<u>\$ 3,710</u>	
16								
17	Revenue Deficiency (Surplus) as a % of Gross Margin	<u>0.00%</u>	<u>0.62%</u>	<u>0.62%</u>	<u>0.00%</u>	<u>0.59%</u>		
18								
19	Revenue Deficiency (Surplus) as a % of Total Revenue	<u>0.00%</u>	<u>0.32%</u>	<u>0.62%</u>	<u>0.00%</u>	<u>0.33%</u>		
20								

FORTISBC ENERGY INC.

Evidentiary Update - February 21, 2014

Section E
FORMULA
Schedule 3UTILITY INCOME AND EARNED RETURN
FOR THE YEAR ENDING DECEMBER 31, 2013
(\$000s)

Line No.	Particulars	2012 ACTUAL	2013 APPROVED	2013 PROJECTED	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)
					(Column (4) - Column (3))	
1	ENERGY VOLUMES (TJ)					
2	Sales	113,621	112,327	113,914	1,587	- Section E-FORMULA, Sch 5
3	Transportation	86,767	94,833	97,837	3,004	- Section E-FORMULA, Sch 5
4		<u>200,388</u>	<u>207,160</u>	<u>211,751</u>	<u>4,591</u>	
5						
6	Average Rate per GJ					
7	Sales	\$ 9.106	\$ 10.426	\$ 8.943	\$ (1.483)	
8	Transportation	\$ 1.039	\$ 0.946	\$ 0.974	\$ 0.028	
9	Average	\$ 5.616	\$ 6.086	\$ 5.226	\$ (0.860)	
10						
11	UTILITY REVENUE					
12	Sales - Existing Rates	\$ 1,034,629	\$ 1,171,155	\$ 1,018,733	\$ (152,422)	- Section E-FORMULA, Sch 7
13	- Increase / (Decrease)	-	-	-	-	
14	RSAM Revenue	472	-	(7,323)	(7,323)	
15	Transportation - Existing Rates	90,183	89,704	95,257	5,553	- Section E-FORMULA, Sch 7
16	- Increase / (Decrease)	-	-	-	-	
17						
18	Total Revenue	<u>1,125,284</u>	<u>1,260,859</u>	<u>1,106,667</u>	<u>(154,192)</u>	
19						
20	Cost of Gas Sold (Including Gas Lost)	539,821	658,568	505,614	(152,954)	- Section E-FORMULA, Sch 9
21						
22	Gross Margin	<u>585,463</u>	<u>602,291</u>	<u>601,053</u>	<u>(1,238)</u>	
23						
24	Operation and Maintenance	187,925	202,963	196,170	(6,793)	- Section E-FORMULA, Sch 15
25	Property and Sundry Taxes	49,656	51,239	51,239	-	- Section E-FORMULA, Sch 19
26	Depreciation and Amortization	123,928	142,912	142,909	(3)	- Section E-FORMULA, Sch 21
27	Other Operating Revenue	(24,501)	(24,789)	(24,165)	624	- Section E-FORMULA, Sch 12
28	Sub-total	<u>337,008</u>	<u>372,325</u>	<u>366,153</u>	<u>(6,172)</u>	
29	Utility Income Before Income Taxes	248,454	229,966	234,900	4,934	
30						
31	Income Taxes	26,880	24,066	25,325	1,259	- Section E-FORMULA, Sch 23
32						
33	EARNED RETURN	<u>\$ 221,574</u>	<u>\$ 205,900</u>	<u>209,576</u>	<u>\$ 3,676</u>	- Section E-FORMULA, Sch 59
34						
35						
36	UTILITY RATE BASE	<u>\$ 2,692,824</u>	<u>\$ 2,767,651</u>	<u>\$ 2,688,936</u>	<u>\$ (78,715)</u>	- Section E-FORMULA, Sch 29
37						
38	RATE OF RETURN ON UTILITY RATE BASE	<u>8.23%</u>	<u>7.44%</u>	<u>7.79%</u>	<u>0.35%</u>	- Section E-FORMULA, Sch 59

FORTISBC ENERGY INC.

Evidentiary Update - February 21, 2014

Section E
FORMULA
Schedule 4UTILITY INCOME AND EARNED RETURN
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

(\$000s)

		2014 FORECAST					
Line No.	Particulars	2013 PROJECTED	Existing 2013 Rates	Revised Revenue	Total	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	ENERGY VOLUMES (TJ)						
2	Sales	113,914	114,087	-	114,087	173	- Section E-FORMULA, Sch 6
3	Transportation	97,837	98,330	-	98,330	493	- Section E-FORMULA, Sch 6
4		<u>211,751</u>	<u>212,417</u>	<u>-</u>	<u>212,417</u>	<u>666</u>	
5							
6	Average Rate per GJ						
7	Sales	\$ 8.943	\$ 8.862	\$ -	\$ 8.891	\$ (0.052)	
8	Transportation	\$ 0.974	\$ 0.962	\$ -	\$ 0.967	\$ (0.007)	
9	Average	\$ 5.226	\$ 5.205	\$ -	\$ 5.223	\$ (0.003)	
10							
11	UTILITY REVENUE						
12	Sales - Existing Rates	\$ 1,018,733	\$ 1,011,096	\$ -	\$ 1,011,096	\$ (7,637)	- Section E-FORMULA, Sch 8
13	- Increase / (Decrease)	-	-	3,196	3,196	3,196	- Section E-FORMULA, Sch 10
14	RSAM Revenue	(7,323)				7,323	
15	Transportation - Existing Rates	95,257	94,582	-	94,582	(675)	- Section E-FORMULA, Sch 8
16	- Increase / (Decrease)	-		514	514	514	- Section E-FORMULA, Sch 10
17							
18	Total Revenue	<u>1,106,667</u>	<u>1,105,678</u>	<u>3,710</u>	<u>1,109,388</u>	<u>2,721</u>	
19							
20	Cost of Gas Sold (Including Gas Lost)	505,614	496,151	-	496,151	(9,463)	- Section E-FORMULA, Sch 9
21							
22	Gross Margin	<u>601,053</u>	<u>609,527</u>	<u>3,710</u>	<u>613,237</u>	<u>12,184</u>	
23							
24	Operation and Maintenance	196,170	200,684	-	200,684	4,514	- Section E-FORMULA, Sch 15
25	Property and Sundry Taxes	51,239	48,797	-	48,797	(2,442)	- Section E-FORMULA, Sch 20
26	Depreciation and Amortization	142,909	147,446	-	147,446	4,537	- Section E-FORMULA, Sch 22
27	Other Operating Revenue	(24,165)	(24,567)	-	(24,567)	(402)	- Section E-FORMULA, Sch 13
28	Sub-total	<u>366,153</u>	<u>372,360</u>	<u>-</u>	<u>372,360</u>	<u>6,207</u>	
29	Utility Income Before Income Taxes	<u>234,900</u>	<u>237,167</u>	<u>3,710</u>	<u>240,877</u>	<u>5,977</u>	
30							
31	Income Taxes	25,325	36,398	964	37,362	12,037	- Section E-FORMULA, Sch 24
32							
33	EARNED RETURN	<u>\$ 209,576</u>	<u>\$ 200,769</u>	<u>\$ 2,746</u>	<u>\$ 203,515</u>	<u>\$ (6,061)</u>	- Section E-FORMULA, Sch 60
34							
35							
36	UTILITY RATE BASE	<u>\$ 2,688,936</u>	<u>\$ 2,777,435</u>	<u>\$ 277</u>	<u>\$ 2,777,712</u>	<u>\$ 88,776</u>	- Section E-FORMULA, Sch 30
37							
38	RATE OF RETURN ON UTILITY RATE BASE	7.79%	7.23%		7.33%	-0.47%	- Section E-FORMULA, Sch 60

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

Line No.	Particulars	2013 Projected Terajoules					Cross Reference
		2012 ACTUAL	2013 APPROVED	Non-Bypass Sales & Transp	Bypass and Special Rates	Total	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
							(8)
							(Column (6) - Column (3))
1	SALES						
2	Schedule 1 - Residential	69,753.0	69,816.4	69,644.2	-	69,644.2	(172.2)
3	Schedule 2 - Small Commercial	24,319.0	23,331.9	24,087.6		24,087.6	755.7
4	Schedule 3 - Large Commercial	16,744.0	16,514.8	17,354.8		17,354.8	840.0
5							
6	Schedules 1, 2 and 3	110,816.0	109,663.1	111,086.6	-	111,086.6	1,423.5
7							
8	Schedule 4 - Seasonal	169.0	185.2	169.1		169.1	(16.1)
9	Schedule 5 - General Firm	2,315.0	2,407.7	2,315.3		2,315.3	(92.4)
10							
11	Industrials						
12	Schedule 7 - Interruptible	87.0	14.2	86.7		86.7	72.5
13							
14	Schedule 6 - N G V Fuel - Stations	62.0	56.4	61.4		61.4	5.0
15	Schedule 16 - Liquefied Natural Gas (LNG)	172.0	-	194.7		194.7	194.7
16	Schedule 46 - Liquefied Natural Gas (LNG)			-		-	-
17							
18	Total Sales	113,621.0	112,326.6	113,913.8	-	113,913.8	1,587.2
19							- Section E-FORMULA, Sch 3
20	TRANSPORTATION SERVICE						
21	Schedule 22 - Firm Service	18,884.0	17,089.5	13,208.0	6,874.9	20,082.9	2,993.4
22	- Interruptible Service	18,760.0	12,302.6	15,940.9	-	15,940.9	3,638.3
23	Byron Creek (aka Fording Coal Mountain)	393.0	227.4		179.1	179.1	(48.3)
24	Burrard Thermal - Firm	482.0	1,372.0		482.5	482.5	(889.5)
25	FEVI - Firm	21,244.0	37,080.0		33,553.2	33,553.2	(3,526.8)
26	Schedule 23 - Large Commercial	7,803.0	7,485.3	8,168.1		8,168.1	682.8
27	Schedule 25 - Firm Service	12,829.0	13,471.3	12,268.5	837.3	13,105.8	(365.5)
28	Schedule 27 - Interruptible Service	6,372.0	5,804.8	6,324.5		6,324.5	519.7
29							
30	Total Transportation Service	86,767.0	94,832.9	55,910.0	41,927.0	97,837.0	3,004.1
31							- Section E-FORMULA, Sch 3
32	TOTAL SALES AND TRANSPORTATION SERVICES	200,388.0	207,160.0	169,823.8	41,927.0	211,750.8	4,591.3
33							- Section E-FORMULA, Sch 3

GAS SALES AND TRANSPORTATION VOLUMES
FOR THE YEAR ENDING DECEMBER 31, 2014

Line No.	Particulars (1)	2014 Forecast Terajoules				Cross Reference (7)
		2013 PROJECTED (2)	Non-Bypass Sales & Transp (3)	Bypass and Special Rates (4)	Total (5)	Change (6)
1	SALES					
2	Schedule 1 - Residential	69,644.2	69,511.7	-	69,511.7	(132.5)
3	Schedule 2 - Small Commercial	24,087.6	24,246.8		24,246.8	159.2
4	Schedule 3 - Large Commercial	17,354.8	17,253.0		17,253.0	(101.8)
5						
6	Schedules 1, 2 and 3	111,086.6	111,011.5	-	111,011.5	(75.1)
7						
8	Schedule 4 - Seasonal	169.1	169.1		169.1	-
9	Schedule 5 - General Firm	2,315.3	2,315.3		2,315.3	-
10						
11	Industrials					
12	Schedule 7 - Interruptible	86.7	86.7		86.7	-
13						
14	Schedule 6 - N G V Fuel - Stations	61.4	61.4		61.4	-
15	Schedule 16 - Liquefied Natural Gas (LNG)	194.7	165.0		165.0	(29.7)
16	Schedule 46 - Liquefied Natural Gas (LNG)	-	277.7		277.7	277.7
17						
18	Total Sales	113,913.8	114,086.7	-	114,086.7	172.9
19						- Section E-FORMULA, Sch 4
20	TRANSPORTATION SERVICE					
21	Schedule 22 - Firm Service	20,082.9	13,188.4	6,553.2	19,741.6	(341.3)
22	- Interruptible Service	15,940.9	15,822.0	-	15,822.0	(118.9)
23	Byron Creek (aka Fording Coal Mountain)	179.1		176.6	176.6	(2.5)
24	Burrard Thermal - Firm	482.5		482.5	482.5	-
25	FEVI - Firm	33,553.2		33,720.0	33,720.0	166.8
26	Schedule 23 - Large Commercial	8,168.1	8,721.3		8,721.3	553.2
27	Schedule 25 - Firm Service	13,105.8	12,352.3	837.3	13,189.6	83.8
28	Schedule 27 - Interruptible Service	6,324.5	6,476.3		6,476.3	151.8
29						
30	Total Transportation Service	97,837.0	56,560.3	41,769.6	98,329.9	492.9
31						- Section E-FORMULA, Sch 4
32	TOTAL SALES AND TRANSPORTATION SERVICES	211,750.8	170,647.0	41,769.6	212,416.6	665.8
33						- Section E-FORMULA, Sch 11

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

Line No.	Particulars	2012 ACTUAL	2013 APPROVED	2013 Gas Sales Revenue At Existing 2013 Rates			Change (7)	Cross Reference (8)
				Non-Bypass Sales & Transp (4)	Bypass and Special Rates (5)	Total (6)		
	(1)	(2)	(3)				(Column (6) - Column (3))	
1	SALES							
2	Schedule 1 - Residential	\$ 684,879	\$ 777,332	\$ 672,249	\$ -	\$ 672,249	\$ (105,083)	
3	Schedule 2 - Small Commercial	207,547	229,774	204,217		204,217	(25,557)	
4	Schedule 3 - Large Commercial	123,547	142,700	124,396		124,396	(18,304)	
5	Schedules 1, 2 and 3	1,015,973	1,149,806	1,000,862	-	1,000,862	(148,944)	
6								
7	Schedule 4 - Seasonal	945	1,285	939	-	939	(346)	
8	Schedule 5 - General Firm	15,405	19,409	14,522		14,522	(4,887)	
9		16,350	20,694	15,461	-	15,461	(5,233)	
10	Industrials							
11	Schedule 7 - Interruptible	489	137	456	-	456	319	
12								
13	Schedule 6 - N G V Fuel - Stations	480	518	461		461	(57)	
14	Schedule 16 - Liquefied Natural Gas (LNG)	1,337	-	1,493		1,493	1,493	
15	Schedule 46 - Liquefied Natural Gas (LNG)			-		-	-	
16	Total Sales	1,034,629	1,171,155	1,018,733	-	1,018,733	(152,422)	- Section E-FORMULA, Sch 3
17								
18	Transportation Service							
19	Schedule 22 - Firm Service	7,173	9,459	10,523	823	11,346	1,887	
20	- Interruptible Service	17,350	11,987	14,721	-	14,721	2,734	
21	Byron Creek (aka Fording Coal Mountain)	78	55		32	32	(23)	
22	Burrard Thermal - Firm	9,965	9,996		9,965	9,965	(31)	
23	FEVI - Firm (Revenue/Margin included in Other Revenue - Sch12)	-	-		-	-	-	
24	Schedule 23 - Large Commercial	22,810	22,845	24,566	-	24,566	1,721	
25	Schedule 25 - Firm Service	24,484	27,382	25,399	704	26,103	(1,279)	
26	Schedule 27 - Interruptible Service	8,323	7,980	8,524	-	8,524	544	
27	Total Transportation Service	90,183	89,704	83,733	11,524	95,257	5,553	- Section E-FORMULA, Sch 3
28								
29	TOTAL SALES AND TRANSPORTATION SERVICES	\$ 1,124,812	\$ 1,260,859	\$ 1,102,466	\$ 11,524	\$ 1,113,990	\$ (146,869)	- Section E-FORMULA, Sch 3

REVENUE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars	2014 Gas Sales Revenue At Existing 2013 Rates				Change	Reference
		2013 PROJECTED	Non-Bypass Sales & Transp	Bypass and Special Rates	Total		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	SALES						
2	Schedule 1 - Residential	\$ 672,249	\$ 667,279	\$ -	\$ 667,279	\$ (4,970)	
3	Schedule 2 - Small Commercial	204,217	201,875		201,875	(2,342)	
4	Schedule 3 - Large Commercial	124,396	121,939		121,939	(2,457)	
5	Schedules 1, 2 and 3	1,000,862	991,093	-	991,093	(9,769)	
6							
7	Schedule 4 - Seasonal	939	939	-	939	-	
8	Schedule 5 - General Firm	14,522	14,522		14,522	-	
9		15,461	15,461	-	15,461	-	
10	Industrials						
11	Schedule 7 - Interruptible	456	456	-	456	-	
12							
13	Schedule 6 - N G V Fuel - Stations	461	461		461	-	
14	Schedule 16 - Liquefied Natural Gas (LNG)	1,493	1,325		1,325	(168)	
15	Schedule 46 - Liquefied Natural Gas (LNG)	-	2,300		2,300	2,300	
16	Total Sales	1,018,733	1,011,096	-	1,011,096	(7,637)	- Section E-FORMULA, Sch 4
17							
18	Transportation Service						
19	Schedule 22 - Firm Service	11,346	8,397	823	9,220	(2,126)	
20	- Interruptible Service	14,721	14,379	-	14,379	(342)	
21	Byron Creek (aka Fording Coal Mountain)	32		32	32	-	
22	Burrard Thermal - Firm	9,965		9,965	9,965	-	
23	FEVI - Firm (Revenue/Margin included in Other Revenue - Sch13)	-		-	-	-	
24	Schedule 23 - Large Commercial	24,566	26,120	-	26,120	1,554	
25	Schedule 25 - Firm Service	26,103	25,460	704	26,164	61	
26	Schedule 27 - Interruptible Service	8,524	8,702	-	8,702	178	
27	Total Transportation Service	95,257	83,058	11,524	94,582	(675)	- Section E-FORMULA, Sch 4
28							
29	TOTAL SALES AND TRANSPORTATION SERVICES	<u>\$ 1,113,990</u>	<u>\$ 1,094,154</u>	<u>\$ 11,524</u>	<u>\$ 1,105,678</u>	<u>\$ (8,312)</u>	- Section E-FORMULA, Sch 4 - Section E-FORMULA, Sch 11

COST OF GAS
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000s)

Line No.	Particulars	2013 Projected Gas Costs			2014 Forecast Gas Costs		
		Non-Bypass Sales & Transp	Bypass and Special Rates	Total	Non-Bypass Sales & Transp	Bypass and Special Rates	Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	SALES						
2	Schedule 1 - Residential	310,537	\$ -	\$ 310,537	\$ 305,432	\$ -	\$ 305,432
3	Schedule 2 - Small Commercial	110,811		110,811	107,890		107,890
4	Schedule 3 - Large Commercial	72,872		72,872	70,770		70,770
5							
6	Schedules 1, 2 and 3	494,220	-	494,220	484,092	-	484,092
7							
8	Schedule 4 - Seasonal	629		629	629		629
9	Schedule 5 - General Firm	8,660		8,660	8,660		8,660
10							
11	Schedules 4 and 5	9,289	-	9,289	9,289	-	9,289
12							
13	Industrials						
14	Schedule 7 - Interruptible	323		323	323		323
15							
16	Schedule 6 - N G V Fuel - Stations	208		208	208		208
17	Schedule 16 - Liquefied Natural Gas (LNG)	697		697	649		649
18	Schedule 46 - Liquefied Natural Gas (LNG)	-		-	1,092		1,092
19							
20	Total Sales	504,737	-	504,737	495,653	-	495,653
21							
22	TRANSPORTATION SERVICE						
23	Schedule 22 - Firm Service	268	58	326	44	31	75
24	- Interruptible Service	58	-	58	73	-	73
25	Byron Creek (aka Fording Coal Mountain)		7	7		-	-
26	Burrard Thermal - Firm		5	5		3	3
27	FEVI - Firm		324	324		210	210
28	Schedule 23 - Large Commercial	41	-	41	43	-	43
29	Schedule 25 - Firm Service	71	6	77	59	4	63
30	Schedule 27 - Interruptible Service	39	-	39	31	-	31
31							
32	Total Transportation Service	477	400	877	250	248	498
33							
34	TOTAL SALES AND TRANSPORTATION SERVICES	\$ 505,214	\$ 400	\$ 505,614	\$ 495,903	\$ 248	\$ 496,151
35							
36	Cross Reference						

REVENUE UNDER EXISTING 2013 RATES AND REVISED 2014 RATES (Non-Bypass)
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars	Terajoules	Revenue -- At Existing 2013 Rates --		Gross Margin -- At Existing 2013 Rates --		Effective Increase / (Decrease) 0.62% of Margin		Average Number of Customers	Revenue	
			Average \$/GJ	Revenue (\$000s)	Average \$/GJ	Margin (\$000s)	\$/GJ	Revenue (\$000s)		Average \$/GJ	Revenue (\$000s)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	NON-BYPASS										
2	Sales										
3	Schedule 1 - Residential	69,511.7	\$ 9.600	\$ 667,279	\$ 5.206	\$ 361,847	\$ 0.032	\$ 2,244	765,842	\$ 9.632	\$ 669,523
4	Schedule 2 - Small Commercial	24,246.8	8.326	201,875	3.876	93,986	0.024	582	72,614	8.350	202,457
5	Schedule 3 - Large Commercial	17,253.0	7.068	121,939	2.966	51,168	0.018	318	4,577	7.086	122,257
6	Schedules 1, 2 and 3	111,011.5		991,093		507,001		3,144	843,033		994,237
7											
8	Schedule 4 - Seasonal	169.1	5.553	939	1.833	310	0.012	2	26	5.565	941
9	Schedule 5 - General Firm	2,315.3	6.272	14,522	2.532	5,863	0.016	36	216	6.288	14,558
10											
11	Industrials										
12	Schedule 7 - Interruptible	86.7	5.260	456	1.546	134	0.012	1	3	5.272	457
13											
14	Schedule 6 - N G V Fuel - Stations	61.4	7.508	461	4.137	254	0.033	2	14	7.541	463
15	Schedule 16 - Liquefied Natural Gas (LNG)	165.0	8.030	1,325	4.103	677	0.024	4	2	8.054	1,329
16	Schedule 46 - Liquefied Natural Gas (LNG)	277.7	8.282	2,300	4.350	1,208	0.025	7	3	8.307	2,307
17	Total Sales	114,086.7		1,011,096		515,447		3,196	843,297		1,014,292
18											
19	TRANSPORTATION SERVICE										
20	Schedule 22 - Firm Service	13,188.4	0.637	8,397	0.633	8,353	0.004	52	14	0.641	8,449
21	- Interruptible Service	15,822.0	0.909	14,380	0.904	14,307	0.006	89	25	0.915	14,469
22	Schedule 23 - Large Commercial	8,721.3	2.995	26,120	2.990	26,078	0.018	161	1,560	3.013	26,281
23	Schedule 25 - Firm Service	12,352.3	2.061	25,460	2.056	25,401	0.013	158	487	2.074	25,618
24	Schedule 27 - Interruptible Service	6,476.3	1.344	8,702	1.339	8,671	0.008	54	95	1.352	8,756
25											
26	Total Transportation Service	56,560.3		83,059		82,810		514	2,181		83,573
27											
28	Total Non-Bypass Sales & Transportation Service	170,647.0		\$ 1,094,155		\$ 598,257		\$ 3,710	845,478		\$ 1,097,865
29											
30	Cross Reference		Section E-FORMULA, Sch 6	- Section E-FORMULA, Sch 8			- Section E-FORMULA, Sch 2				

REVENUE UNDER EXISTING 2013 RATES AND REVISED 2014 RATES (Bypass)
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars	Terajoules	Revenue -- At Existing 2013 Rates --		Gross Margin -- At Existing 2013 Rates --		Increase / (Decrease) 0.62% of Margin		Average Number of Customers	Revenue	
			Average \$/GJ	Revenue (\$000)	Average \$/GJ	Margin (\$000s)	\$/GJ	Revenue (\$000)		Average \$/GJ	Revenue (\$000)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	BYPASS AND SPECIAL RATES										
2	Bypass and Special Rates Transportation Service										
3	Schedule 22 - Firm Service	6,553.2	\$ 0.126	\$ 823	\$ 0.121	\$ 791	\$ -	\$ -	5	\$ 0.126	\$ 823
4	- Interruptible Service	-	-	-	-	-	-	-	1	-	-
5	Byron Creek (aka Fording Coal Mountain)	176.6	0.181	32	0.181	32	-	-	1	0.181	32
6	Burrard Thermal - Firm	482.5	20.653	9,965	20.647	9,962	-	-	1	20.653	9,965
7	FEVI - Firm (Revenue/Margin in Other Revenue - Sch13)	33,720.0	-	-	-	-	-	-	1	-	-
8	Schedule 23 - Large Commercial	-	-	-	-	-	-	-	-	-	-
9	Schedule 25 - Firm Service	837.3	0.841	704	0.836	700	-	-	6	0.841	704
10	Schedule 27 - Interruptible Service	-	-	-	-	-	-	-	-	-	-
11	Total Bypass and Spec. Rates T-Svc	<u>41,769.6</u>		<u>11,524</u>		<u>11,485</u>		<u>-</u>	<u>15</u>		<u>11,524</u>
12											
13	TOTAL NON-BYPASS AND BYPASS SALES AND										
14	TRANSPORTATION SERVICE	<u>212,416.6</u>		<u>\$ 1,105,679</u>		<u>\$ 609,742</u>		<u>\$ 3,710</u>	<u>845,493</u>		<u>\$ 1,109,389</u>
15											
16	Cross Reference	Section E-FORMULA, Sch 6	-	Section E-FORMULA, Sch 8	-	Section E-FORMULA, Sch 2	-	Section E-FORMULA, Sch 2	-	-	-

FORTISBC ENERGY INC.

Evidentiary Update - February 21, 2014

Section E
FORMULA
Schedule 12OTHER OPERATING REVENUE
FOR THE YEAR ENDING DECEMBER 31, 2013
(\$000s)

Line No.	Particulars (1)	2012 ACTUAL (2)	2013 APPROVED (3)	2013 PROJECTED (4)	Change (5)	Cross Reference (6)
						(Column (4) - Column (3))
1	Other Utility Revenue					
2						
3	Late Payment Charge	\$ 2,402	\$ 2,333	\$ 2,109	\$ (224)	- Section E-FORMULA, Sch 56
4						
5	Connection Charge	2,390	2,685	2,622	(63)	- Section E-FORMULA, Sch 56
6						
7	NSF Returned Cheque Charges	110	79	79	-	- Section E-FORMULA, Sch 56
8						
9	Other Recoveries	237	126	284	158	- Section E-FORMULA, Sch 56
10						
11	Total Other Utility Revenue	5,139	5,223	5,094	(129)	
12						
13	Miscellaneous Revenue					
14						
15	FEVI Wheeling Charge	3,353	3,464	3,464	-	
16						
17	SCP Third Party Revenue	15,272	14,827	14,773	(54)	
18						
19	FEVI SAP Lease Income	17	-	-	-	- Section E-FORMULA, Sch 56
20						
21	NGT Overhead and Marketing Recovery	-	-	-	-	- Section E-FORMULA, Sch 56
22						
23	Biomethane Other Revenue	-	(29)	(97)	(68)	- Section E-FORMULA, Sch 56
24						
25	CNG & LNG Service Revenues	720	1,304	931	(373)	- Section E-FORMULA, Sch 56
26						
27						
28	Total Miscellaneous	19,362	19,566	19,071	(495)	
29						
30	Total Other Operating Revenue	<u>\$ 24,501</u>	<u>\$ 24,789</u>	<u>\$ 24,165</u>	<u>\$ (624)</u>	- Section E-FORMULA, Sch 3

FORTISBC ENERGY INC.

Evidentiary Update - February 21, 2014

Section E
FORMULA
Schedule 13OTHER OPERATING REVENUE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars (1)	2013 PROJECTED (2)	2014 (3)	Change (4)	Cross Reference (5)
1	Other Utility Revenue				
2					
3	Late Payment Charge	\$ 2,109	\$ 2,089	\$ (20)	- Section E-FORMULA, Sch 56
4					
5	Connection Charge	2,622	2,636	14	- Section E-FORMULA, Sch 56
6					
7	NSF Returned Cheque Charges	79	79	-	- Section E-FORMULA, Sch 56
8					
9	Other Recoveries	284	284	-	- Section E-FORMULA, Sch 56
10					
11	Total Other Utility Revenue	5,094	5,088	(6)	
12					
13	Miscellaneous Revenue				
14					
15	FEVI Wheeling Charge	3,464	3,365	(99)	- Section E-FORMULA, Sch 2
16					
17	SCP Third Party Revenue	14,773	14,773	-	- Section E-FORMULA, Sch 2
18					
19	FEVI SAP Lease Income	-	-	-	- Section E-FORMULA, Sch 56
20					
21	NGT Overhead and Marketing Recovery	-	180	180	- Section E-FORMULA, Sch 56
22					
23	Biomethane Other Revenue	(97)	(198)	(101)	- Section E-FORMULA, Sch 56
24					
25	CNG & LNG Service Revenues	931	1,359	428	- Section E-FORMULA, Sch 56
26					
27					
28	Total Miscellaneous	19,071	19,479	408	
29					
30	Total Other Operating Revenue	<u>\$ 24,165</u>	<u>\$ 24,567</u>	<u>\$ 402</u>	- Section E-FORMULA, Sch 4

FORMULA GROSS OPERATING & MAINTENANCE EXPENSE
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014

Line No.	Particulars	2013 Base	2014 Formula	Cross Reference
	(1)	(2)	(3)	(4)
1				
2				
3	Cost Drivers for Formulaic O&M			
4	CPI		1.83%	
5	AWE		2.70%	
6	Labour Split			
7	Non Labour		45.00%	
8	Labour		55.00%	
9	CPI/AWE	(line 4 * line 7) + (line 5 * line 8)	2.31%	
10	Productivity Factor		-0.50%	
11	Customer Growth		0.57%	
12	Net Inflation Factor	(1 + line 9 + line 10) * (1 + line 11)	102.39%	
13				
14	2013 Base O&M	\$ 229,488		
15	Remove O&M tracked outside of Formula			
16	Pension/OPEB (O&M portion)	(25,312)		
17	Insurance	(4,710)		
18	Bio-Methane O&M	(410)		
19	NGT Stations O&M	(289)		
20	Tilbury 2 O&M			
21	RS 16 O&M			
22	O&M Subject to Formula	(prior year * line 12)	198,768	203,514
23	O&M tracked outside of Formula			
24	Pension/OPEB (O&M portion)	25,312	24,113	
25	Insurance	4,710	4,990	
26	Bio-Methane O&M	410	590	
27	NGT Stations O&M	289	433	
28	Tilbury 2 O&M	-		
29	RS 16 O&M	-	376	
30				
31	Formulaic O&M	229,488	234,016	- Section E-FORMULA, Sch 15
32	Cross Reference	- Table C3-2 in Application		- Section E-FORMULA, Sch 18
33				

OPERATION & MAINTENANCE EXPENSES - RESOURCE VIEW
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000)

Line No.	Particulars	2012 ACTUAL	2013 APPROVED	2013 PROJECTED	2014 FORECAST	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)
1	M&E Costs	\$ 50,708	\$ 59,097	\$ 52,770		
2	COPE Costs	32,450	37,183	31,426		
3	COPE Customer Services Costs	11,825	11,144	10,977		
4	IBEW Costs	27,180	27,640	25,156		
5						
6	Labour Costs	122,164	135,064	120,330		
7						
8	Vehicle Costs	3,807	3,685	4,134		
9	Employee Expenses	5,898	5,716	5,744		
10	Materials and Supplies	7,903	7,019	8,764		
11	Computer Costs	14,570	14,769	16,397		
12	Fees and Administration Costs	38,611	37,905	37,790		
13	Contractor Costs	31,955	38,335	42,961		
14	Facilities	15,486	14,284	14,305		
15	Recoveries & Revenue	(20,689)	(20,774)	(21,211)		
16						
17	Non-Labour Costs	97,540	100,939	108,884		
18						
19						
20	Total Gross O&M Expenses	219,704	236,003	229,214	234,016	
21						
22	Less: O&M Transferred to Biomethane BVA	-	-	(4)	(570)	
23	Less: Capitalized Overhead	(31,779)	(33,040)	(33,040)	(32,762)	
24						
25	Total O&M Expenses	\$ 187,925	\$ 202,963	\$ 196,170	\$ 200,684	
26						
27	Cross Reference					- Section E-FORMULA, Sch 3
28						- Section E-FORMULA, Sch 4

OPERATION & MAINTENANCE EXPENSES - ACTIVITY VIEW
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000)

Line No.	Particulars	BCUC Reference	2012 ACTUAL	2013 APPROVED	2013 PROJECTED	2014 FORECAST	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Distribution Supervision	110-11	\$ 10,578	\$ 11,026	\$ 10,994		
2	Distribution Supervision Total	110-10	10,578	11,026	10,994		
3							
4	Operation Centre - Distribution	110-21	10,112	11,074	9,815		
5	Preventative Maintenance - Distribution	110-22	2,644	2,990	2,417		
6	Operations - Distribution	110-23	5,538	5,904	6,321		
7	Emergency Management - Distribution	110-24	5,405	5,077	5,434		
8	Field Training - Distribution	110-25	1,746	4,088	3,242		
9	Meter Exchange - Distribution	110-26	2,397	2,231	2,419		
10	Distribution Operations Total	110-20	27,842	31,363	29,647		
11							
12	Corrective - Distribution	110-31	5,564	4,643	6,061		
13	Distribution Maintenance Total	110-30	5,564	4,643	6,061		
14							
15	Account Services - Distribution	110-41	1,111	1,004	1,110		
16	Bad Debt Management - Distribution	110-42	585	599	661		
17	Distribution Meter to Cash Total	110-40	1,697	1,603	1,771		
18							
19	Distribution Total	110	45,680	48,635	48,473		
20							
21	Transmission Supervision	120-11	535	482	482		
22	Transmission Supervision Total	120-10	535	482	482		
23							
24	Pipeline / Right of Way Operations	120-21	7,287	6,096	7,541		
25	Compression Operations	120-22	1,827	2,112	2,074		
26	Measurement Control Operations	120-23	103	-	97		
27	Transmission Operations Total	120-20	9,217	8,208	9,712		
28							
29	Pipeline / Right of Way - Maintenance	120-31	1,830	2,707	2,504		
30	Compression - Maintenance	120-32	554	1,147	713		
31	Measurement Control Operations	120-33	117	119	119		
32	Transmission Maintenance Total	120-30	2,501	3,973	3,335		
33							
34	Transmission Total	120	12,253	12,663	13,529		
35							
36	LNG Operations	130-11	1,601	1,617	1,956		
37	LNG Operations Total	130-10	1,601	1,617	1,956		
38							
39	LNG Plant Maintenance	130-21	272	274	268		
40	LNG Plant Maintenance Total	130-20	272	274	268		
41							
42	LNG Plant Total	130	1,873	1,891	2,224		
43							
44	Operations Total	100	59,806	63,189	64,226		
45							
46	Customer Service Supervision	210-11	482	566	491		
47	Customer Assistance	210-12	11,513	11,493	10,874		
48	Customer Billing	210-13	18,586	14,494	23,701		
49	Meter Reading	210-14	12,178	19,696	10,148		
50	Credit & Collections	210-15	3,028	3,851	2,641		
51	Customer Operations	210-16	2,385	2,353	2,075		
52	Customer Service Total	210-10	48,172	52,452	49,931		
53							
54	Customer Service Total	210	48,172	52,452	49,931		
55							
56	Customer Service Total	200	48,172	52,452	49,931		

OPERATION & MAINTENANCE EXPENSES - ACTIVITY VIEW (Continued)
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000)

Line No.	Particulars	BCUC Reference	2012 ACTUAL	2013 APPROVED	2013 PROJECTED	2014 FORECAST	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Energy Solutions & External Relations Supervisi	310-11	614	796	\$ 1,014		
2	Energy Solutions	310-12	5,134	4,991	5,076		
3	Energy Efficiency	310-13	117	120	151		
4	Corporate Communications and External Relatic	310-14	7,212	6,155	6,823		
5	Forecasting, Market & Business Development	310-15	4,998	6,119	5,957		
6	Energy Solutions & External Relations Total	310-10	18,075	18,181	19,022		
7							
8	Energy Solutions & External Relations Total	310	18,075	18,181	19,022		
9							
10	Energy Solutions & External Relations Total	300	18,075	18,181	19,022		
11							
12	Energy Supply & Resource Development	410-11	1,937	2,136	2,375		
13	Gas Control	410-12	1,551	1,602	1,562		
14	Energy Supply & Resource Development Tot	410-10	3,488	3,738	3,937		
15							
16	Energy Supply & Resource Development Tot	410	3,488	3,738	3,937		
17							
18	Information Technology Supervision	420-11	4,172	4,577	4,185		
19	Application Management	420-12	11,251	12,083	12,647		
20	Infrastructure Management	420-13	8,018	8,719	7,418		
21	Information Technology Total	420-10	23,442	25,379	24,249		
22							
23	Information Technology Total	420	23,442	25,379	24,249		
24							
25	System Planning	430-11	5,672	8,394	7,485		
26	Engineering	430-12	6,803	7,027	6,799		
27	Project Management	430-13	1,125	1,535	1,014		
28	Engineering Services & Project Management	430-10	13,599	16,956	15,297		
29							
30	Engineering Services & Project Management	430	13,599	16,956	15,297		
31							
32	Supply Chain	440-11	4,420	4,884	4,424		
33	Measurement	440-12	5,548	6,688	6,091		
34	Property Services	440-13	1,070	1,418	1,204		
35	Operations Support Total	440-10	11,038	12,990	11,718		
36							
37	Operations Support Total	440	11,038	12,990	11,718		
38							
39	Facilities Management	450-11	9,563	9,259	9,230		
40	Facilities Total	450-10	9,563	9,259	9,230		
41							
42	Facilities Total	450	9,563	9,259	9,230		
43							
44	Environment Health & Safety	460-11	2,481	2,999	2,680		
45	Environment Health & Safety Total	460-10	2,481	2,999	2,680		
46							
47	Environment Health & Safety Total	460	2,481	2,999	2,680		
48							
49							
50	Business Services Total	400	63,611	71,321	67,111		

OPERATION & MAINTENANCE EXPENSES - ACTIVITY VIEW (Continued)
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000)

Line No.	Particulars	BCUC Reference	2012 ACTUAL	2013 APPROVED	2013 PROJECTED	2014 FORECAST	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Financial & Regulatory Services	510-11	12,149	14,184	12,872		
2	Financial & Regulatory Services Total	510-10	12,149	14,184	12,872		
3							
4	Financial & Regulatory Services Total	510	12,149	14,184	12,872		
5							
6	Human Resources	520-11	8,610	8,511	8,305		
7	Human Resources Total	520-10	8,610	8,511	8,305		
8							
9	Human Resources Total	520	8,610	8,511	8,305		
10							
11	Legal	530-11	1,917	2,282	2,342		
12	Internal Audit	530-12	695	755	755		
13	Risk Management/Insurance	530-13	4,754	4,898	4,898		
14	Governance	530-10	7,366	7,935	7,995		
15							
16	Governance Total	530	7,366	7,935	7,995		
17							
18	Administration & General	540-11	226	(46)	262		
19	Shared Services Agreement	540-12	(5,984)	(5,581)	(6,366)		
20	Retiree Benefits	540-16	7,673	5,857	5,857		
21	Corporate Total	540-10	1,915	230	(247)		
22							
23	Corporate Total	540	1,915	230	(247)		
24							
25	Corporate Services Total	500	30,041	30,860	28,924		
26							
27	Total Gross O&M Expenses		219,704	236,003	229,214	234,016	
28	Less: O&M Transferred to Biomethane BVA		-	-	(4)	(570)	
29	Less: Capitalized Overhead		(31,779)	(33,040)	(33,040)	(32,762)	
30							
31	Total O&M Expenses		\$ 187,925	\$ 202,963	\$ 196,170	\$ 200,684	
32							
33	Cross Reference						- Section E-FORMULA, Sch 3
34							- Section E-FORMULA, Sch 4

FORTISBC ENERGY INC.

Evidentiary Update - February 21, 2014

Section E
FORMULA
Schedule 19

PROPERTY AND SUNDRY TAXES
FOR THE YEAR ENDING DECEMBER 31, 2013
(\$000s)

Line No.	Particulars	2012 ACTUAL (2)	2013 APPROVED (3)	2013 PROJECTED		Change (6)	Cross Reference (7)
				Total Expenses (4)	2013 Rates, Total Expenses (5)		
						(Column (5) - Column (3))	
1	Property Taxes						
2							
3	1% in Lieu of General Municipal Tax	\$ 13,283	\$ 13,728	\$ 12,151	\$ 12,151	\$ (1,577)	
4							
5	General, School and Other	34,132	37,511	35,547	35,547	(1,964)	
6							
7		47,415	51,239	47,698	47,698	(3,541)	
8							
9	Add / Less: Deferred Property Taxes	2,241	-	3,541	3,541	3,541	
10							
11	Total	<u>\$ 49,656</u>	<u>\$ 51,239</u>	<u>\$ 51,239</u>	<u>\$ 51,239</u>	<u>\$ -</u>	- Section E-FORMULA, Sch 3

FORTISBC ENERGY INC.

Evidentiary Update - February 21, 2014

Section E
FORMULA
Schedule 20

PROPERTY AND SUNDRY TAXES
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars (1)	2014			Change (5)	Cross Reference (6)
		2013 PROJECTED (2)	Total Expenses (3)	2013 Rates, Total Expenses (4)		
1	Property Taxes					
2						
3	1% in Lieu of General Municipal Tax	\$ 12,151	\$ 12,032	\$ 12,032	\$ (119)	
4						
5	General, School and Other	35,547	36,765	36,765	1,218	
6						
7		47,698	48,797	48,797	1,099	
8						
9	Add / Less: Deferred Property Taxes	3,541	-	-	(3,541)	
10						
11	Total	<u>\$ 51,239</u>	<u>\$ 48,797</u>	<u>\$ 48,797</u>	<u>\$ (2,442)</u>	- Section E-FORMULA, Sch 4

FORTISBC ENERGY INC.

Evidentiary Update - February 21, 2014

Section E
FORMULA
Schedule 21

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

Line No.	Particulars	2012 ACTUAL	2013 APPROVED	2013 PROJECTED	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)
				(Column (4) - Column (3))		
1	<u>Depreciation & Removal Provision</u>					
2						
3	Depreciation Expense	\$ 118,639	\$ 123,842	\$ 123,839	\$ (3)	- Section E-FORMULA, Sch 41
4						
5	Less: Amortization of Contributions in Aid of Construction	(6,558)	(6,499)	(6,499)	-	- Section E-FORMULA, Sch 45
6		<u>112,081</u>	<u>117,343</u>	<u>117,340</u>	<u>(3)</u>	- Section E-FORMULA, Sch 25
7						
8	<u>Amortization Expense</u>					
9						
10	Amortization of Deferred Charges	\$ 11,847	\$ 25,569	\$ 25,569	\$ -	- Section E-FORMULA, Sch 48
11						
12	TOTAL	<u>123,928</u>	<u>142,912</u>	<u>142,909</u>	<u>\$ (3)</u>	- Section E-FORMULA, Sch 3

FORTISBC ENERGY INC.

Evidentiary Update - February 21, 2014

Section E
FORMULA
Schedule 22DEPRECIATION AND AMORTIZATION EXPENSES
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars (1)	2013 PROJECTED (2)	2014 (3)	Change (4)	Cross Reference (5)
1	<u>Depreciation & Removal Provision</u>				
2					
3	Depreciation Expense	\$ 123,839	\$ 124,667	\$ 828	- Section E-FORMULA, Sch 44
4					
5	Less: Amortization of Contributions in Aid of Construction	(6,499)	(6,505)	(6)	- Section E-FORMULA, Sch 46
6		<u>117,340</u>	<u>118,162</u>	<u>822</u>	- Section E-FORMULA, Sch 26
7					
8	<u>Amortization Expense</u>				
9					
10	Amortization of Deferred Charges	\$ 25,569	\$ 29,284	\$ 3,715	- Section E-FORMULA, Sch 50
11					
12	TOTAL	<u>\$ 142,909</u>	<u>147,446</u>	<u>\$ 4,537</u>	- Section E-FORMULA, Sch 4

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

Line No.	Particulars	2013 PROJECTED						Cross Reference
		2012 ACTUAL	2013 APPROVED	Existing Rates	Revised Revenue	Total	Change	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
							(Column (6) - Column (3))	
1	CALCULATION OF INCOME TAXES							
2	EARNED RETURN	\$ 221,574	\$ 205,900	\$ 209,576	\$ -	\$ 209,575	\$ 3,675	- Section E-FORMULA, Sch 3
3	Deduct - Interest on Debt	(108,979)	(112,665)	(110,971)	-	(110,971)	1,694	- Section E-FORMULA, Sch 59
4	Net Additions (Deductions)	(31,957)	(21,038)	(22,631)	-	(22,631)	(1,593)	- Section E-FORMULA, Sch 25
5	Accounting Income After Tax	<u>\$ 80,638</u>	<u>\$ 72,197</u>	<u>\$ 75,974</u>	<u>\$ -</u>	<u>\$ 75,973</u>	<u>\$ 3,776</u>	
6								
7	Current Income Tax Rate	25.00%	25.00%	25.00%	25.00%	25.00%	0.00%	
8	1 - Current Income Tax Rate	75.00%	75.00%	75.00%	75.00%	75.00%	0.00%	
9								
10	Taxable Income	<u>\$ 107,518</u>	<u>\$ 96,263</u>	<u>\$ 101,299</u>	<u>\$ -</u>	<u>\$ 101,297</u>	<u>\$ 5,034</u>	
11								
12								
13	Income Tax - Current	\$ 26,880	\$ 24,066	\$ 25,325	\$ -	\$ 25,324	\$ 1,258	
14	Previous Year Adjustment	-	-		-		-	
15								
16	Total Income Tax	<u>\$ 26,880</u>	<u>\$ 24,066</u>	<u>\$ 25,325</u>	<u>\$ -</u>	<u>\$ 25,324</u>	<u>\$ 1,258</u>	- Section E-FORMULA, Sch 3

FORTISBC ENERGY INC.

Evidentiary Update - February 21, 2014

Section E
FORMULA
Schedule 24INCOME TAXES
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

		2014					
Line No.	Particulars	2013 PROJECTED	Existing Rates	Revised Revenue	Total	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	CALCULATION OF INCOME TAXES						
2	EARNED RETURN	\$ 209,575	\$ 200,769	\$ 2,746	\$ 203,515	\$ (6,060)	- Section E-FORMULA, Sch 4
3	Deduct - Interest on Debt	(110,971)	(109,938)	(3)	(109,941)	1,030	- Section E-FORMULA, Sch 60
4	Net Additions (Deductions)	(22,631)	12,763	-	12,763	35,394	- Section E-FORMULA, Sch 26
5	Accounting Income After Tax	75,973	103,594	2,743	106,337	30,364	
6							
7	Current Income Tax Rate	25.00%	26.00%	26.00%	26.00%	1.00%	
8	1 - Current Income Tax Rate	75.00%	74.00%	74.00%	74.00%	-1.00%	
9							
10	Taxable Income	101,297	139,992	3,707	143,699	42,402	
11							
12							
13	Income Tax - Current	\$ 25,324	\$ 36,398	\$ 964	\$ 37,362	\$ 12,038	
14	Previous Year Adjustment	-		-		-	
15							
16	Total Income Tax	25,324	36,398	964	37,362	12,038	- Section E-FORMULA, Sch 4

FORTISBC ENERGY INC.

Evidentiary Update - February 21, 2014

Section E
FORMULA
Schedule 25ADJUSTMENTS TO TAXABLE INCOME
FOR THE YEAR ENDING DECEMBER 31, 2013
(\$000s)

Line No.	Particulars	2012 ACTUAL	2013 APPROVED	2013 PROJECTED	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)
				(Column (4) - Column (3))		
1	Addbacks:					
2	Non-tax Deductible Expenses	\$ 677	\$ 700	700	\$ -	
3	Depreciation	112,081	117,343	117,340	(3)	- Section E-FORMULA, Sch 21
4	Amortization of Debt Issue Expenses	537	622	577	(45)	
5	Vehicles: Interest & Capitalized Depreciation	1,898	2,187	1,688	(499)	
6	Pension Expense	14,097	12,530	12,530	-	
7	OPEB Expense	4,765	4,902	4,902	-	
8	Olympic Cauldron (50% NBV)	1,445	-	-	-	
9	Bad Debt Provision	726	-	-	-	
10						
11	Deductions:					
12	Amortization of Deferred Charges	11,847	25,569	25,569	-	- Section E-FORMULA, Sch 21
13	Capital Cost Allowance	(129,279)	(136,232)	(136,232)	-	- Section E-FORMULA, Sch 27
14	Cumulative Eligible Capital Allowance	(907)	(857)	(846)	11	
15	Debt Issue Costs	(834)	(411)	(385)	26	
16	Vehicle Lease Payment	(3,432)	(4,613)	(3,316)	1,297	
17	Pension Contributions	(13,920)	(12,006)	(12,666)	(660)	
18	OPEB Contributions	(1,667)	(2,367)	(2,407)	(40)	
19	Overheads Capitalized Expensed for Tax Purposes	(13,620)	(14,160)	(14,160)	-	
20	Removal Costs	(14,766)	(12,932)	(13,398)	(466)	
21	Discounts on Debt Issue and Other	-	-	-	-	
22	Major Inspection Costs	(1,606)	(1,342)	(2,624)	(1,282)	
23	SCP Landscaping Deduction	-	-	-	-	
24	Biomethane Other Revenue	-	29	97	68	
25	TOTAL	<u>(31,957)</u>	<u>(21,038)</u>	<u>\$ (22,631)</u>	<u>\$ (1,593)</u>	- Section E-FORMULA, Sch 23

FORTISBC ENERGY INC.

Evidentiary Update - February 21, 2014

Section E
FORMULA
Schedule 26ADJUSTMENTS TO TAXABLE INCOME
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars (1)	2013 PROJECTED (2)	2014 (3)	Change (4)	Cross Reference (5)
1	Addbacks:				
2	Non-tax Deductible Expenses	\$ 700	800	\$ 100	
3	Depreciation	117,340	118,162	822	- Section E-FORMULA, Sch 22
4	Amortization of Debt Issue Expenses	577	734	157	
5	Vehicles: Interest & Capitalized Depreciation	1,688	1,386	(302)	
6	Pension Expense	12,530	20,004	7,474	
7	OPEB Expense	4,902	8,662	3,760	
8	Olympic Cauldron (50% NBV)	-	-	-	
9	Bad Debt Provision	-	-	-	
10					
11	Deductions:				
12	Amortization of Deferred Charges	25,569	29,284	3,715	- Section E-FORMULA, Sch 22
13	Capital Cost Allowance	(136,232)	(115,464)	20,768	- Section E-FORMULA, Sch 28
14	Cumulative Eligible Capital Allowance	(846)	(787)	59	
15	Debt Issue Costs	(385)	(202)	183	
16	Vehicle Lease Payment	(3,316)	(3,006)	310	
17	Pension Contributions	(12,666)	(16,114)	(3,448)	
18	OPEB Contributions	(2,407)	(2,631)	(224)	
19	Overheads Capitalized Expensed for Tax Purposes	(14,160)	(14,041)	119	
20	Removal Costs	(13,398)	(12,486)	912	
21	Discounts on Debt Issue and Other	-	-	-	
22	Major Inspection Costs	(2,624)	(1,736)	888	
23	SCP Landscaping Deduction	-	-	-	
24	Biomethane Other Revenue	97	198	101	
25	TOTAL	<u>\$ (22,631)</u>	<u>\$ 12,763</u>	<u>\$ 35,394</u>	- Section E-FORMULA, Sch 24

FORTISBC ENERGY INC.

Evidentiary Update - February 21, 2014

Section E
FORMULA
Schedule 27CAPITAL COST ALLOWANCE
FOR THE YEAR ENDING DECEMBER 31, 2013
(\$000s)

Line No.	Class	CCA Rate	12/31/2012 UCC Balance	Adjustments	2013 Net Additions	2013 CCA	12/31/2013 UCC Balance
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	1	4%	\$ 1,044,769	\$ -	\$ 208	\$ (41,795)	\$ 1,003,182
2	1(b)	6%	27,756	-	8,451	(1,919)	34,288
3	2	6%	136,353	-	-	(8,181)	128,172
4	3	5%	2,423	-	-	(121)	2,302
5	6	10%	150	-	-	(15)	135
6	7	15%	5,442	-	1,180	(905)	5,717
7	8	20%	23,402	(1,412)	8,301	(5,228)	25,063
8	10	30%	1,680	-	323	(553)	1,450
9	12	100%	26,830	-	13,083	(33,372)	6,541
10	13	manual	3,517	-	180	(687)	3,010
11	14	manual	-	-	-	-	-
12	17	8%	174	-	-	(14)	160
13	38	30%	511	-	72	(164)	419
14	39	25%	-	-	-	-	-
15	45	45%	202	-	-	(91)	111
16	47	8%	5,496	-	25	(441)	5,080
17	49	8%	77,300	-	3,989	(6,344)	74,945
18	50	55%	7,461	-	9,481	(6,711)	10,231
19	51	6%	336,347	-	98,039	(23,122)	411,264
20	43.2	50%	-	-	2,369	(592)	1,777
21		Total	<u>\$ 1,699,813</u>	<u>\$ (1,412)</u>	<u>\$ 145,701</u>	<u>\$ (130,255)</u>	<u>\$ 1,713,847</u>
22							
23	Add: Depreciation variance adjustment					(5,977)	
24	Approved CCA					<u>(136,232)</u>	
25							
26	Cross Reference						

- Section E-FORMULA, Sch 25

FORTISBC ENERGY INC.

Evidentiary Update - February 21, 2014

Section E
FORMULA
Schedule 28CAPITAL COST ALLOWANCE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Class	CCA Rate	12/31/2013 UCC Balance	Adjustments	2014 Net Additions	2014 CCA	12/31/2014 UCC Balance
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	1	4%	\$ 1,003,182	\$ -	\$ 272	\$ (40,133)	\$ 963,321
2	1(b)	6%	34,288	-	6,762	(2,260)	38,790
3	2	6%	128,172	-	-	(7,690)	120,482
4	3	5%	2,302	-	-	(115)	2,187
5	6	10%	135	-	-	(14)	121
6	7	15%	5,717	-	2,265	(1,027)	6,955
7	8	20%	25,063	-	10,314	(6,044)	29,333
8	10	30%	1,450	-	2,441	(801)	3,090
9	12	100%	6,541	-	11,885	(12,484)	5,942
10	13	manual	3,010	-	178	(303)	2,885
11	14	manual	-	-	-	-	-
12	17	8%	160	-	-	(13)	147
13	38	30%	419	-	-	(126)	293
14	39	25%	-	-	-	-	-
15	45	45%	111	-	-	(50)	61
16	47	8%	5,080	-	2,011	(487)	6,604
17	49	8%	74,945	-	5,977	(6,235)	74,687
18	50	55%	10,231	-	8,585	(7,988)	10,828
19	51	6%	411,264	-	100,777	(27,699)	484,342
20	43.2	50%	1,777	-	4,426	(1,995)	4,208
21		Total	<u>\$ 1,713,847</u>	<u>\$ -</u>	<u>\$ 155,893</u>	<u>\$ (115,464)</u>	<u>\$ 1,754,276</u>

Cross Reference

- Section E-FORMULA, Sch 26

FORTISBC ENERGY INC.

Evidentiary Update - February 21, 2014

Section E
FORMULA
Schedule 29UTILITY RATE BASE
FOR THE YEAR ENDING DECEMBER 31, 2013
(\$000s)

Line No.	Particulars	2012 ACTUAL	2013 APPROVED	2013 PROJECTED			Change	Cross Reference
				Existing 2013 Rates	Adjustments	2013 Revised Rates		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
							(Column (6) - Column (3))	
1	Gas Plant in Service, Beginning	\$ 3,545,030	\$ 3,774,425	\$ 3,726,853	\$ -	\$ 3,726,853	\$ (47,572)	- Section E-FORMULA, Sch 35
2	Opening Balance Adjustment	(3,890)	-	-	-	-	-	
3	Gas Plant in Service, Ending	3,726,853	3,905,299	3,870,810	-	3,870,810	(34,489)	- Section E-FORMULA, Sch 35
4								
5	Accumulated Depreciation Beginning - Plant	\$ (922,011)	\$ (1,012,343)	\$ (1,011,180)	\$ -	\$ (1,011,180)	\$ 1,163	- Section E-FORMULA, Sch 41
6	Opening Balance Adjustment	4,463	-	-	-	-	-	
7	Accumulated Depreciation Ending - Plant	(1,011,179)	(1,104,066)	(1,102,885)	-	(1,102,885)	1,181	- Section E-FORMULA, Sch 41
8								
9	CIAC, Beginning	\$ (180,038)	\$ (191,772)	\$ (185,545)	\$ -	\$ (185,545)	\$ 6,227	- Section E-FORMULA, Sch 45
10	Opening Balance Adjustment	-	-	-	-	-	-	
11	CIAC, Ending	(185,545)	(198,468)	(200,601)	-	(200,601)	(2,133)	- Section E-FORMULA, Sch 45
12								
13	Accumulated Amortization Beginning - CIAC	\$ 49,620	\$ 51,072	\$ 51,143	\$ -	\$ 51,143	\$ 71	- Section E-FORMULA, Sch 45
14	Opening Balance Adjustment	(5)	-	-	-	-	-	
15	Accumulated Amortization Ending - CIAC	51,143	57,367	57,280	-	57,280	(87)	- Section E-FORMULA, Sch 45
16								
17	Net Plant in Service, Mid-Year	<u>\$ 2,537,220</u>	<u>\$ 2,640,757</u>	<u>\$ 2,602,938</u>	<u>\$ -</u>	<u>\$ 2,602,938</u>	<u>\$ (37,819)</u>	
18								
19	Adjustment to 13-Month Average	30,786	-	-	-	-	-	
20	Work in Progress, No AFUDC	26,120	20,803	26,120	-	26,120	5,317	
21	Unamortized Deferred Charges	497	8,249	(20,190)	-	(20,190)	(28,439)	- Section E-FORMULA, Sch 48
22	Cash Working Capital	(1,899)	(2,630)	(1,903)	-	(1,903)	727	- Section E-FORMULA, Sch 53
23	Other Working Capital	101,416	101,622	83,121	-	83,121	(18,501)	- Section E-FORMULA, Sch 53
24	Deferred Income Taxes Regulatory Asset	281,929	282,359	284,958	-	284,958	2,599	- Section E-FORMULA, Sch 58
25	Deferred Income Taxes Regulatory Liability	(281,929)	(282,359)	(284,958)	-	(284,958)	(2,599)	- Section E-FORMULA, Sch 58
26	LIFO Benefit	(1,316)	(1,150)	(1,150)	-	(1,150)	-	
27	Utility Rate Base	<u><u>\$ 2,692,824</u></u>	<u><u>\$ 2,767,651</u></u>	<u><u>\$ 2,688,936</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,688,936</u></u>	<u><u>\$ (78,715)</u></u>	- Section E-FORMULA, Sch 59
28								- Section E-FORMULA, Sch 3

FORTISBC ENERGY INC.

Evidentiary Update - February 21, 2014

Section E
FORMULA
Schedule 30UTILITY RATE BASE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars	2014 FORECAST					Cross Reference
		2013 PROJECTED	Existing 2013 Rates	Adjustments	2013 Revised Rates	Change	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Gas Plant in Service, Beginning	\$ 3,726,853	\$ 3,870,810	\$ -	\$ 3,870,810	\$ 143,957	- Section E-FORMULA, Sch 38
2	Opening Balance Adjustment	-	-	-	-	-	
3	Gas Plant in Service, Ending	3,870,810	4,019,425	-	4,019,425	148,615	- Section E-FORMULA, Sch 38
4							
5	Accumulated Depreciation Beginning - Plant	\$ (1,011,180)	\$ (1,102,885)	\$ -	\$ (1,102,885)	\$ (91,705)	- Section E-FORMULA, Sch 44
6	Opening Balance Adjustment	-	-	-	-	-	
7	Accumulated Depreciation Ending - Plant	(1,102,885)	(1,203,723)	-	(1,203,723)	(100,838)	- Section E-FORMULA, Sch 44
8							
9	CIAC, Beginning	\$ (185,545)	\$ (200,601)	\$ -	\$ (200,601)	\$ (15,056)	- Section E-FORMULA, Sch 46
10	Opening Balance Adjustment	-	-	-	-	-	
11	CIAC, Ending	(200,601)	(202,456)	-	(202,456)	(1,855)	- Section E-FORMULA, Sch 46
12							
13	Accumulated Amortization Beginning - CIAC	\$ 51,143	\$ 57,280	\$ -	\$ 57,280	\$ 6,137	- Section E-FORMULA, Sch 46
14	Opening Balance Adjustment	-	-	-	-	-	
15	Accumulated Amortization Ending - CIAC	57,280	60,017	-	60,017	2,737	- Section E-FORMULA, Sch 46
16							
17	Net Plant in Service, Mid-Year	<u>\$ 2,602,938</u>	<u>\$ 2,648,934</u>	<u>\$ -</u>	<u>\$ 2,648,934</u>	<u>\$ 45,996</u>	
18							
19	Adjustment to 13-Month Average	-	-	-	-	-	
20	Work in Progress, No AFUDC	26,120	26,120	-	26,120	-	
21	Unamortized Deferred Charges	(20,190)	24,937	-	24,937	45,127	- Section E-FORMULA, Sch 50
22	Cash Working Capital	(1,903)	(612)	277	(335)	1,568	- Section E-FORMULA, Sch 54
23	Other Working Capital	83,121	79,039	-	79,039	(4,082)	- Section E-FORMULA, Sch 54
24	Deferred Income Taxes Regulatory Asset	284,958	288,453	-	288,453	3,495	- Section E-FORMULA, Sch 58
25	Deferred Income Taxes Regulatory Liability	(284,958)	(288,453)	-	(288,453)	(3,495)	- Section E-FORMULA, Sch 58
26	LIFO Benefit	(1,150)	(983)	-	(983)	167	
27	Utility Rate Base	<u><u>\$ 2,688,936</u></u>	<u><u>\$ 2,777,435</u></u>	<u><u>\$ 277</u></u>	<u><u>\$ 2,777,712</u></u>	<u><u>\$ 88,776</u></u>	- Section E-FORMULA, Sch 60
28							- Section E-FORMULA, Sch 4

FORMULA CAPITAL EXPENDITURES
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014

Line No.	Particulars	2013 Base	2014 Formula	Cross Reference
	(1)	(2)	(3)	(4)
1				
2				
3	Cost Drivers for Formulaic Capital			
4	CPI		1.83%	
5	AWE		2.70%	
6	Labour Split			
7	Non Labour		45.00%	
8	Labour		55.00%	
9	CPI/AWE	(line 4 * line 7) + (line 5 * line 8)	2.31%	
10	Productivity Factor		-0.50%	
11	Net Inflation Factor		1.81%	
12				
13	Forecast Service Line Additions	7,989	8,051	
14	Average Growth Capital per Service Line Addition (prior year * line 11)	\$ 2,738.92	\$ 2,788.50	
15				
16	Forecast Customer Growth		0.57%	
17				
18	2013 Base Capital Expenditures			
19	Growth Capital	(Line 13 * Line 14)	21,881	22,450
20	Sustainment Capital	(prior year * (1 + Line 11) * (1 + Line 16)	70,902	72,595
21	Other Capital	(prior year * (1 + Line 11) * (1 + Line 16)	30,141	30,861
22	Capital Subject to Formula	122,924	125,906	
23	Add: Capital Tracked Outside of the Formula			
24	Insurance & OPEB	2,241	2,068	
25	Bio-Methane Upgraders		1,468	
26	Bio-Methane Interconnect		3,700	
27	NGT Assets		3,356	
28	Tilbury 2			
29	Formulaic Capital	125,165	136,498	- Section E-FORMULA, Sch 38 -
30	Cross Reference	- Table C4-2 in Application	- Section E-FORMULA, Sch 46	
31				

FORTISBC ENERGY INC.

Evidentiary Update - February 21, 2014

Section E
FORMULA
Schedule 32

CAPITAL EXPENDITURES AND PLANT ADDITIONS
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000)

Line No.	Particulars	2013 Projected	2014 Forecast	Cross Reference
	(1)	(2)	(3)	(4)
1	CAPITAL EXPENDITURES			
2				
3	<u>Regular Capital Expenditures</u>			
4				
5	Regular Capital Expenditures	\$ 138,204	\$ 133,597	
6	Gateway Project	4,139	-	
7	Biomethane Assets	3,436	5,168	
8	Total Regular Capital Expenditures	<u>\$ 145,779</u>	<u>\$ 138,765</u>	
9				
10	<u>Special Projects - CPCN's</u>			
11	Fraser River Crossing Seismic Upg	42	-	
12	Kootenay River Crossing	755	-	
13	Tilbury Expansion Project (Q-477)	2,656	-	
14	NGT Assets	4,233	3,356	
15	Tilbury Land Property Purchase	(406)	-	
16	Total CPCN's	<u>\$ 7,279</u>	<u>\$ 3,356</u>	
17				
18				
19				
20	TOTAL CAPITAL EXPENDITURES	<u>\$ 153,058</u>	<u>\$ 142,121</u>	
21				
22				
23	RECONCILIATION OF CAPITAL EXPENDITURES TO PLANT ADDITIONS			
24				
25	<u>Regular Capital</u>			
26	Regular Capital Expenditures	\$ 145,779	\$ 138,765	
27	Add - Opening WIP	43,661	48,168	
28	Less - Adjustments	777	-	
29	Less - Closing WIP	(48,168)	(45,420)	
30	Capital Spares Inventory	727	-	
31	Capital Vehicle Lease	2,577	-	
32	Add - AFUDC	1,749	1,642	
33	Add - Overhead Capitalized	33,040	32,762	
34				
35	TOTAL REGULAR CAPITAL ADDITIONS TO GAS PLANT IN SERVICE	<u>\$ 180,141</u>	<u>\$ 175,917</u>	
36				
37	<u>Special Projects - CPCN's</u>			
38	CPCN Expenditures	\$ 7,279	\$ 3,356	
39	Add - Opening WIP	(158)	5,098	
40	Less - Closing WIP	(5,098)	(4,654)	
41	Add: Projects transferred from Deferral Accounts	-	-	
42	Less: Projects settling to Deferral Accounts	406	-	
43	Less: Adjustments	(4)	-	
44	Less: Removal Costs	-	-	
44	Add - AFUDC	52	-	
45				
46	TOTAL CPCN ADDITIONS	<u>\$ 2,477</u>	<u>\$ 3,800</u>	
47				
48	TOTAL PLANT ADDITIONS	<u>\$ 182,618</u>	<u>\$ 179,717</u>	
49				
50	Cross Reference	- Section E-FORMULA, Sch 35		
51		- Section E-FORMULA, Sch 38		

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

FORMULA
Schedule 33

Line No.	Particulars (1)	Balance 12/31/2012 (2)	CPCN'S (3)	2013 Additions (4)	2013 AFUDC (5)	2013 CapOH (6)	Retirements (7)	Transfers/ Recovery (8)	Balance 12/31/2013 (9)	Mid-year GPIS for Depreciation (10)
1	INTANGIBLE PLANT									
2	117-00 Utility Plant Acquisition Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	175-00 Unamortized Conversion Expense	109	-	-	-	-	-	-	109	109
4	175-00 Unamortized Conversion Expense - Squamish	777	-	-	-	-	-	-	777	777
5	178-00 Organization Expense	728	-	-	-	-	-	-	728	728
6	179-01 Other Deferred Charges	-	-	-	-	-	-	-	-	-
7	401-00 Franchise and Consents	99	-	-	-	-	-	-	99	99
8	402-00 Utility Plant Acquisition Adjustment	62	-	-	-	-	-	-	62	62
9	402-00 Other Intangible Plant	688	-	-	-	-	-	-	688	688
10	431-00 Mfg'd Gas Land Rights	-	-	-	-	-	-	-	-	-
11	461-00 Transmission Land Rights	44,529	12	34	-	-	-	1	44,576	44,553
12	461-10 Transmission Land Rights - Byron Creek	16	-	-	-	-	-	-	16	16
13	461-13 IP Land Rights Whistler	-	-	-	-	-	-	-	-	-
14	471-00 Distribution Land Rights	1,209	-	-	-	-	-	4	1,213	1,211
15	471-10 Distribution Land Rights - Byron Creek	1	-	-	-	-	-	-	1	1
16	402-01 Application Software - 12.5%	85,471	-	9,173	208	-	(5,985)	(427)	88,440	86,956
17	402-02 Application Software - 20%	18,723	-	3,245	34	-	(2,982)	(94)	18,926	18,825
18	TOTAL INTANGIBLE	152,412	12	12,452	242	-	(8,967)	(516)	155,635	154,024
19										
20	MANUFACTURED GAS / LOCAL STORAGE									
21	430-00 Manufact'd Gas - Land	31	-	-	-	-	-	-	31	31
22	431-00 Manufact'd Gas - Land Rights	-	-	-	-	-	-	-	-	-
23	432-00 Manufact'd Gas - Struct. & Improvements	965	-	25	-	9	-	-	999	982
24	433-00 Manufact'd Gas - Equipment	448	-	8	-	3	-	-	459	454
25	434-00 Manufact'd Gas - Gas Holders	2,852	-	65	-	23	-	-	2,940	2,896
26	436-00 Manufact'd Gas - Compressor Equipment	355	-	8	-	3	-	-	366	361
27	437-00 Manufact'd Gas - Measuring & Regulating Equipme	735	-	100	4	36	-	-	875	805
28	443-00 Gas Holders - Storage (non-Tilbury, non-Mt. Hayes)	-	-	-	-	-	-	-	-	-
29	440/441-00 Land in Fee Simple and Land Rights (Tilbury)	15,164	-	-	-	-	-	-	15,164	15,164
30	442-00 Structures & Improvements (Tilbury)	4,960	-	-	-	-	-	-	4,960	4,960
31	443-00 Gas Holders - Storage (Tilbury)	16,499	-	-	-	-	-	-	16,499	16,499
32	446-00 Compressor Equipment (Tilbury)	-	-	-	-	-	-	-	-	-
33	447-00 Measuring & Regulating Equipment (Tilbury)	-	-	-	-	-	-	-	-	-
34	448-00 Purification Equipment (Tilbury)	-	-	-	-	-	-	-	-	-
35	449-00 Local Storage Equipment (Tilbury)	25,014	-	21	-	7	-	-	25,042	25,028
36	TOTAL MANUFACTURED	67,023	-	227	4	81	-	-	67,335	67,179

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

Line No.	Particulars	Balance 12/31/2012	CPCN'S	2013 Additions	2013 AFUDC	2013 CapOH	Retirements	Transfers/ Recovery	Balance 12/31/2013	Mid-year GPIS for Depreciation
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	TRANSMISSION PLANT									
2	460-00 Land in Fee Simple	\$ 7,402	\$ -	\$ 27	\$ -	\$ -	\$ -	\$ -	\$ 7,429	\$ 7,416
3	461-00 Transmission Land Rights	-	-	-	-	-	-	1	1	1
4	461-02 Land Rights - Mt. Hayes	-	-	-	-	-	-	-	-	-
5	462-00 Compressor Structures	16,299	-	29	-	10	-	-	16,338	16,319
6	463-00 Measuring Structures	5,511	-	596	62	228	(5)	-	6,392	5,952
7	464-00 Other Structures & Improvements	6,023	-	246	-	85	-	1	6,355	6,189
8	465-00 Mains	799,512	102	14,202	596	5,171	(441)	(340)	818,802	809,157
9	465-00 Mains - INSPECTION	5,803	-	2,624	87	941	-	-	9,455	7,629
10	465-11 IP Transmission Pipeline - Whistler	-	-	-	-	-	-	-	-	-
11	465-30 Mt Hayes - Mains	-	-	-	-	-	-	-	-	-
12	465-10 Mains - Byron Creek	974	-	-	-	-	-	-	974	974
13	466-00 Compressor Equipment	111,811	-	981	34	352	(1,329)	-	111,849	111,830
14	466-00 Compressor Equipment - OVERHAUL	2,285	-	-	-	-	-	-	2,285	2,285
15	467-00 Mt. Hayes - Measuring and Regulating Equipment	-	-	-	-	-	-	-	-	-
16	467-00 Measuring & Regulating Equipment	30,249	-	1,423	54	513	(121)	445	32,563	31,406
17	467-10 Telemetry	9,293	-	643	52	241	(38)	(31)	10,160	9,727
18	467-31 IP Intermediate Pressure Whistler	-	-	-	-	-	-	-	-	-
19	467-20 Measuring & Regulating Equipment - Byron Creek	39	-	-	-	-	-	-	39	39
20	468-00 Communication Structures & Equipment	346	-	-	-	-	-	-	346	346
21	TOTAL TRANSMISSION	995,547	102	20,771	885	7,541	(1,934)	76	1,022,988	1,009,268
22										
23	DISTRIBUTION PLANT									
24	470-00 Land in Fee Simple	3,395	-	-	-	-	-	-	3,395	3,395
25	471-00 Distribution Land Rights	-	-	-	-	-	-	-	-	-
26	472-00 Structures & Improvements	18,219	-	651	18	232	(92)	8	19,036	18,628
27	472-10 Structures & Improvements - Byron Creek	107	-	-	-	-	-	-	107	107
28	473-00 Services	758,346	-	25,999	-	9,020	(4,250)	(7)	789,108	773,727
29	474-00 House Regulators & Meter Installations	174,943	-	-	-	-	(265)	67	174,745	174,844
30	477-00 Meters/Regulators Installations	18,871	-	18,798	7	6,526	-	-	44,202	31,537
31	475-00 Mains	947,273	-	21,502	87	7,492	(1,702)	112	974,764	961,019
32	476-00 Compressor Equipment	1,450	-	-	-	-	-	(340)	1,110	1,110
33	477-00 Measuring & Regulating Equipment	88,594	-	4,503	230	1,643	(393)	79	94,656	91,625
34	477-00 Telemetry	7,102	-	1,022	24	363	(10)	31	8,532	7,817
35	477-10 Measuring & Regulating Equipment - Byron Creek	163	-	-	-	-	-	-	163	163
36	478-10 Meters	207,016	-	11,514	-	-	(8,249)	4	210,285	208,651
37	478-20 Instruments	11,889	-	55	-	-	-	-	11,944	11,917
38	479-00 Other Distribution Equipment	-	-	-	-	-	-	-	-	-
39	TOTAL DISTRIBUTION	2,237,368	-	84,044	366	25,276	(14,961)	(46)	2,332,047	2,284,538
40										
41	BIO GAS									
42	472-00 Bio Gas Struct. & Improvements	137	-	36	-	12	-	-	185	161
43	475-10 Bio Gas Mains – Municipal Land	80	-	-	-	-	-	-	80	80
44	475-20 Bio Gas Mains – Private Land	41	-	-	-	-	-	-	41	41
45	418-10 Bio Gas Purification Overhaul	-	-	-	-	-	-	-	-	-
46	418-20 Bio Gas Purification Upgrader	-	-	2,369	-	-	-	-	2,369	1,185
47	477-10 Bio Gas Reg & Meter Equipment	280	-	374	-	130	-	-	784	532
48	478-30 Bio Gas Meters	7	-	3	-	-	-	-	10	9
49	474-10 Bio Gas Reg & Meter Installations	22	-	-	-	-	-	-	22	22
50	TOTAL BIO-GAS	567	-	2,782	-	142	-	-	3,491	2,029

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

Line No.	Particulars	Balance 12/31/2012	CPCN'S	2013 Additions	2013 AFUDC	2013 CapOH	Retirements	Transfers/ Recovery	Balance 12/31/2013	Mid-year GPIS for Depreciation
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Natural Gas for Transportation									
2	476-10 NG Transportation CNG Dispensing Equipment	\$ 2,554	\$ 1,051	\$ (12)	\$ 12	\$ -	\$ -	\$ 340	\$ 3,945	\$ 3,420
3	476-20 NG Transportation LNG Dispensing Equipment	47	923	1,443	4	-	-	-	2,417	1,232
4	476-30 NG Transportation CNG Foundations	471	175	(1)	1	-	-	-	646	559
5	476-40 NG Transportation LNG Foundations	4	119	432	-	-	-	-	555	280
6	476-50 NG Transportation LNG Pumps	-	20	43	-	-	-	-	63	32
7	476-60 NG Transportation CNG Dehydrator	119	75	(1)	1	-	-	-	194	157
8	476-70 NG Transportation LNG Dehydrator	-	-	-	-	-	-	-	-	-
9	TOTAL NG FOR TRANSP	3,195	2,363	1,904	18	-	-	340	7,820	5,678
10										
11	GENERAL PLANT & EQUIPMENT									
12	480-00 Land in Fee Simple	22,329	-	(112)	-	-	-	-	22,217	22,273
13	481-00 Land Rights	-	-	-	-	-	-	-	-	-
14	482-00 Structures & Improvements	-	-	-	-	-	-	-	-	-
15	- Frame Buildings	10,770	-	380	-	-	-	10	11,160	10,965
16	- Masonry Buildings	92,527	-	5,062	-	-	-	-	97,589	95,058
17	- Leasehold Improvement	3,822	-	180	-	-	(151)	-	3,851	3,837
18	Office Equipment & Furniture	-	-	-	-	-	-	-	-	-
19	483-30 GP Office Equipment	3,479	-	376	-	-	(301)	17	3,571	3,525
20	483-40 GP Furniture	21,395	-	1,176	2	-	(1,954)	-	20,619	21,007
21	483-10 GP Computer Hardware	29,627	-	9,481	216	-	(6,424)	-	32,900	31,264
22	483-20 GP Computer Software	3,405	-	1,076	16	-	(190)	110	4,417	3,911
23	483-21 GP Computer Software	-	-	-	-	-	-	-	-	-
24	483-22 GP Computer Software	-	-	-	-	-	-	-	-	-
25	484-00 Vehicles	2,208	-	323	-	-	(30)	11	2,512	2,360
26	484-00 Vehicles - Leased	28,385	-	2,577	-	-	(1,783)	-	29,179	28,782
27	485-10 Heavy Work Equipment	664	-	-	-	-	-	(418)	246	455
28	485-20 Heavy Mobile Equipment	838	-	72	-	-	(80)	421	1,251	1,045
29	486-00 Small Tools & Equipment	38,733	-	2,435	-	-	(963)	10	40,215	39,474
30	487-00 Equipment on Customer's Premises	24	-	-	-	-	-	-	24	24
31	- VRA Compressor Installation Costs	-	-	-	-	-	-	-	-	-
32	488-00 Communications Equipment	-	-	-	-	-	-	-	-	-
33	- Telephone	7,679	-	-	-	-	(905)	239	7,013	7,346
34	- Radio	4,856	-	145	1	-	(33)	(239)	4,730	4,793
35	489-00 Other General Equipment	-	-	-	-	-	-	-	-	-
36	TOTAL GENERAL	270,741	-	23,171	235	-	(12,814)	161	281,494	276,118
37										
38	UNCLASSIFIED PLANT									
39	499-00 Plant Suspense	-	-	-	-	-	-	-	-	-
40	TOTAL UNCLASSIFIED	-	-	-	-	-	-	-	-	-
41										
42	TOTAL CAPITAL	\$ 3,726,853	\$ 2,477	\$ 145,351	\$ 1,750	\$ 33,040	\$ (38,676)	\$ 15	\$ 3,870,810	\$ 3,798,832
43										
44	Cross Reference		- Section E-FORMULA, Sch 29	- Section E-FORMULA, Sch 32					- Section E-FORMULA, Sch 29	
45			- Section E-FORMULA, Sch 32		- Section E-FORMULA, Sch 32					

GAS PLANT IN SERVICE CONTINUITY SCHEDULE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

FORMULA
Schedule 36

Line No.	Particulars (1)	Balance 12/31/2013 (2)	CPCN'S (3)	2014 Additions (4)	2014 AFUDC (5)	2014 CapOH (6)	Retirements (7)	Transfers/ Recovery (8)	Balance 12/31/2014 (9)	Mid-year GPIS (10)
1	INTANGIBLE PLANT									
2	117-00 Utility Plant Acquisition Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	175-00 Unamortized Conversion Expense	109	-	-	-	-	-	-	109	109
4	175-00 Unamortized Conversion Expense - Squamish	777	-	-	-	-	-	-	777	777
5	178-00 Organization Expense	728	-	-	-	-	-	-	728	728
6	179-01 Other Deferred Charges	-	-	-	-	-	-	-	-	-
7	401-00 Franchise and Consents	99	-	-	-	-	-	-	99	99
8	402-00 Utility Plant Acquisition Adjustment	62	-	-	-	-	-	-	62	62
9	402-00 Other Intangible Plant	688	-	-	-	-	-	-	688	688
10	431-00 Mfg'd Gas Land Rights	-	-	-	-	-	-	-	-	-
11	461-00 Transmission Land Rights	44,576	-	429	-	-	-	-	45,005	44,791
12	461-10 Transmission Land Rights - Byron Creek	16	-	-	-	-	-	-	16	16
13	461-13 IP Land Rights Whistler	-	-	-	-	-	-	-	-	-
14	471-00 Distribution Land Rights	1,213	-	-	-	-	-	-	1,213	1,213
15	471-10 Distribution Land Rights - Byron Creek	1	-	-	-	-	-	-	1	1
16	402-01 Application Software - 12.5%	88,440	-	6,314	184	-	(3,738)	-	91,200	89,820
17	402-02 Application Software - 20%	18,926	-	5,572	111	-	(2,317)	-	22,292	20,609
18	TOTAL INTANGIBLE	155,635	-	12,315	295	-	(6,055)	-	162,190	158,913
19										
20	MANUFACTURED GAS / LOCAL STORAGE									
21	430-00 Manufact'd Gas - Land	31	-	-	-	-	-	-	31	31
22	431-00 Manufact'd Gas - Land Rights	-	-	-	-	-	-	-	-	-
23	432-00 Manufact'd Gas - Struct. & Improvements	999	-	-	-	-	-	-	999	999
24	433-00 Manufact'd Gas - Equipment	459	-	229	-	81	-	-	769	614
25	434-00 Manufact'd Gas - Gas Holders	2,940	-	-	-	-	-	-	2,940	2,940
26	436-00 Manufact'd Gas - Compressor Equipment	366	-	-	-	-	-	-	366	366
27	437-00 Manufact'd Gas - Measuring & Regulating Equipme	875	-	-	-	-	-	-	875	875
28	443-00 Gas Holders - Storage (non-Tilbury, non-Mt. Hayes)	-	-	-	-	-	-	-	-	-
29	440/441-00 Land in Fee Simple and Land Rights (Tilbury)	15,164	-	-	-	-	-	-	15,164	15,164
30	442-00 Structures & Improvements (Tilbury)	4,960	-	-	-	-	-	-	4,960	4,960
31	443-00 Gas Holders - Storage (Tilbury)	16,499	-	-	-	-	-	-	16,499	16,499
32	446-00 Compressor Equipment (Tilbury)	-	-	-	-	-	-	-	-	-
33	447-00 Measuring & Regulating Equipment (Tilbury)	-	-	-	-	-	-	-	-	-
34	448-00 Purification Equipment (Tilbury)	-	-	-	-	-	-	-	-	-
35	449-00 Local Storage Equipment (Tilbury)	25,042	-	1,692	65	600	-	-	27,399	26,221
36	TOTAL MANUFACTURED	67,335	-	1,921	65	681	-	-	70,002	68,669

GAS PLANT IN SERVICE CONTINUITY SCHEDULE (Continued)
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars	Balance 12/31/2013	CPCN'S	2014 Additions	2014 AFUDC	2014 CapOH	Retirements	Transfers/ Recovery	Balance 12/31/2014	Mid-year GPIS
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	TRANSMISSION PLANT									
2	460-00 Land in Fee Simple	\$ 7,429	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,429	\$ 7,429
3	461-00 Transmission Land Rights	1	-	-	-	-	-	-	1	1
4	461-02 Land Rights - Mt. Hayes	-	-	-	-	-	-	-	-	-
5	462-00 Compressor Structures	16,338	-	-	-	-	-	-	16,338	16,338
6	463-00 Measuring Structures	6,392	-	-	-	-	(21)	-	6,371	6,382
7	464-00 Other Structures & Improvements	6,355	-	-	-	-	-	-	6,355	6,355
8	465-00 Mains	818,802	-	10,016	412	3,552	(374)	-	832,408	825,605
9	465-00 Mains - INSPECTION	9,455	-	1,736	-	615	(368)	-	11,438	10,447
10	465-11 IP Transmission Pipeline - Whistler	-	-	-	-	-	-	-	-	-
11	465-30 Mt Hayes - Mains	-	-	-	-	-	-	-	-	-
12	465-10 Mains - Byron Creek	974	-	-	-	-	-	-	974	974
13	466-00 Compressor Equipment	111,849	-	1,906	88	676	(372)	-	114,147	112,998
14	466-00 Compressor Equipment - OVERHAUL	2,285	-	-	-	-	-	-	2,285	2,285
15	467-00 Mt. Hayes - Measuring and Regulating Equipment	-	-	-	-	-	-	-	-	-
16	467-00 Measuring & Regulating Equipment	32,563	-	-	-	-	(131)	-	32,432	32,498
17	467-10 Telemetry	10,160	-	240	10	85	(24)	-	10,471	10,316
18	467-31 IP Intermediate Pressure Whistler	-	-	-	-	-	-	-	-	-
19	467-20 Measuring & Regulating Equipment - Byron Creek	39	-	-	-	-	-	-	39	39
20	468-00 Communication Structures & Equipment	346	-	-	-	-	-	-	346	346
21	TOTAL TRANSMISSION	1,022,988	-	13,898	510	4,928	(1,290)	-	1,041,034	1,032,011
22										
23	DISTRIBUTION PLANT									
24	470-00 Land in Fee Simple	3,395	-	-	-	-	-	-	3,395	3,395
25	471-00 Distribution Land Rights	-	-	-	-	-	-	-	-	-
26	472-00 Structures & Improvements	19,036	-	-	-	-	(21)	-	19,015	19,026
27	472-10 Structures & Improvements - Byron Creek	107	-	-	-	-	-	-	107	107
28	473-00 Services	789,108	-	25,318	-	8,974	(3,185)	-	820,215	804,662
29	474-00 House Regulators & Meter Installations	174,745	-	-	-	-	(6)	-	174,739	174,742
30	477-00 Meters/Regulators Installations	44,202	-	18,461	129	6,544	-	-	69,336	56,769
31	475-00 Mains	974,764	-	18,843	102	6,677	(1,049)	-	999,337	987,051
32	476-00 Compressor Equipment	1,110	-	-	-	-	-	-	1,110	1,110
33	477-00 Measuring & Regulating Equipment	94,656	-	6,279	303	2,226	(598)	-	102,866	98,761
34	477-00 Telemetry	8,532	-	703	6	249	(6)	-	9,484	9,008
35	477-10 Measuring & Regulating Equipment - Byron Creek	163	-	-	-	-	-	-	163	163
36	478-10 Meters	210,285	-	12,359	-	-	(6,672)	-	215,972	213,129
37	478-20 Instruments	11,944	-	-	-	-	-	-	11,944	11,944
38	479-00 Other Distribution Equipment	-	-	-	-	-	-	-	-	-
39	TOTAL DISTRIBUTION	2,332,047	-	81,963	540	24,670	(11,537)	-	2,427,683	2,379,865
40										
41	BIO GAS									
42	472-00 Bio Gas Struct. & Improvements	185	-	259	-	-	-	-	444	315
43	475-10 Bio Gas Mains – Municipal Land	80	-	-	-	-	-	-	80	80
44	475-20 Bio Gas Mains – Private Land	41	-	1,495	-	530	-	-	2,066	1,054
45	418-10 Bio Gas Purification Overhaul	-	-	-	-	-	-	-	-	-
46	418-20 Bio Gas Purification Upgrader	2,369	-	4,426	-	-	-	-	6,795	4,582
47	477-10 Bio Gas Reg & Meter Equipment	784	-	1,710	-	606	-	-	3,100	1,942
48	478-30 Bio Gas Meters	10	-	26	-	-	-	-	36	23
49	474-10 Bio Gas Reg & Meter Installations	22	-	-	-	-	-	-	22	22
50	TOTAL BIO-GAS	3,491	-	7,916	-	1,136	-	-	12,543	8,017

Section E
FORMULA
Schedule 38

[illegible]

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

Line No.	Account	Mid-year GPIS for Depreciation	Annual Depreciation Rate %	2013 DEPRECIATION			Accumulated	
				Provision (Cr.)	Adjustments	Retirements	12/31/2012	12/31/2013
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	INTANGIBLE PLANT							
2	117-00 Utility Plant Acquisition Adjustment	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -
3	175-00 Unamortized Conversion Expense	109	1.00%	9	-	-	548	557
4	175-00 Unamortized Conversion Expense - Squamish	777	10.00%	-	-	-	-	-
5	178-00 Organization Expense	728	1.00%	7	2	-	391	400
6	179-01 Other Deferred Charges	-	0.00%	-	-	-	-	-
7	401-00 Franchise and Consents	99	49.19%	-	1	-	98	99
8	402-00 Utility Plant Acquisition Adjustment	62	57.14%	-	-	-	62	62
9	402-00 Other Intangible Plant	688	2.38%	21	-	-	227	248
10	431-00 Mfg'd Gas Land Rights	-	0.00%	-	-	-	-	-
11	461-00 Transmission Land Rights	44,553	0.00%	-	-	-	667	667
12	461-10 Transmission Land Rights - Byron Creek	16	0.00%	-	-	-	19	19
13	461-13 IP Land Rights Whistler	-	0.00%	-	-	-	-	-
14	471-00 Distribution Land Rights	1,211	0.00%	-	-	-	2	2
15	471-10 Distribution Land Rights - Byron Creek	1	0.00%	-	-	-	1	1
16	402-01 Application Software - 12.5%	86,956	12.50%	10,665	(118)	(5,985)	23,581	28,143
17	402-02 Application Software - 20%	18,825	20.00%	3,785	(36)	(2,982)	7,243	8,010
18	TOTAL INTANGIBLE	154,024		14,487	(151)	(8,967)	32,839	38,208
19								
20	MANUFACTURED GAS / LOCAL STORAGE							
21	430-00 Manufact'd Gas - Land	31	0.00%	-	-	-	-	-
22	431-00 Manufact'd Gas - Land Rights	-	0.00%	-	-	-	-	-
23	432-00 Manufact'd Gas - Struct. & Improvements	982	3.38%	33	10	-	143	186
24	433-00 Manufact'd Gas - Equipment	454	6.63%	30	-	-	88	118
25	434-00 Manufact'd Gas - Gas Holders	2,896	2.35%	67	-	-	238	305
26	436-00 Manufact'd Gas - Compressor Equipment	361	5.16%	19	-	-	38	57
27	437-00 Manufact'd Gas - Measuring & Regulating Equipment	805	15.89%	127	-	-	363	490
28	443-00 Gas Holders - Storage (non-Tilbury, non-Mt. Hayes)	-	0.00%	-	-	-	-	-
29	440/441-00 Land in Fee Simple and Land Rights (Tilbury)	15,164	0.00%	-	-	-	1	1
30	442-00 Structures & Improvements (Tilbury)	4,960	3.57%	177	-	-	2,789	2,966
31	443-00 Gas Holders - Storage (Tilbury)	16,499	1.93%	318	-	-	10,721	11,039
32	446-00 Compressor Equipment (Tilbury)	-	0.00%	-	-	-	-	-
33	447-00 Measuring & Regulating Equipment (Tilbury)	-	0.00%	-	-	-	-	-
34	448-00 Purification Equipment (Tilbury)	-	0.00%	-	-	-	-	-
35	449-00 Local Storage Equipment (Tilbury)	25,028	4.24%	1,061	-	-	10,901	11,962
36	TOTAL MANUFACTURED	67,179		1,832	10	-	25,282	27,124

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

Line No.	Account (1)	Mid-year GPIS for Depreciation (2)	Annual Depreciation Rate % (3)	2013 DEPRECIATION			Accumulated	
				Provision (Cr.) (4)	Adjust- ments (5)	Retirements (6)	12/31/2012 (7)	12/31/2013 (8)
1	TRANSMISSION PLANT							
2	460-00 Land in Fee Simple	\$ 7,416	0.00%	\$ -	\$ 102	\$ -	\$ 401	\$ 503
3	461-00 Transmission Land Rights	1	0.00%	-	-	-	-	-
4	461-02 Land Rights - Mt. Hayes	-	0.00%	-	-	-	-	-
5	462-00 Compressor Structures	16,319	3.74%	610	-	-	6,790	7,400
6	463-00 Measuring Structures	5,952	3.80%	217	-	(3)	1,936	2,150
7	464-00 Other Structures & Improvements	6,189	2.83%	174	(2)	-	1,891	2,063
8	465-00 Mains	809,157	1.44%	11,601	(224)	(211)	214,894	226,060
9	465-00 Mains - INSPECTION	7,629	14.87%	974	-	-	1,851	2,825
10	465-11 IP Transmission Pipeline - Whistler	-	0.00%	-	-	-	-	-
11	465-30 Mt Hayes - Mains	-	0.00%	-	-	-	-	-
12	465-10 Mains - Byron Creek	974	5.00%	49	49	-	937	1,035
13	466-00 Compressor Equipment	111,830	2.87%	3,207	-	(719)	44,521	47,009
14	466-00 Compressor Equipment - OVERHAUL	2,285	4.47%	102	-	-	298	400
15	467-00 Mt. Hayes - Measuring and Regulating Equipment	-	0.00%	-	-	-	-	-
16	467-00 Measuring & Regulating Equipment	31,406	4.27%	1,323	(26)	(59)	10,440	11,678
17	467-10 Telemetry	9,727	0.31%	29	(26)	(66)	6,316	6,253
18	467-31 IP Intermediate Pressure Whistler	-	0.00%	-	-	-	-	-
19	467-20 Measuring & Regulating Equipment - Byron Creek	39	0.00%	-	7	-	3	10
20	468-00 Communication Structures & Equipment	346	4.37%	15	(9)	-	328	334
21	TOTAL TRANSMISSION	1,009,268		18,301	(129)	(1,058)	290,606	307,720
22								
23	DISTRIBUTION PLANT							
24	470-00 Land in Fee Simple	3,395	0.00%	-	(35)	-	26	(9)
25	471-00 Distribution Land Rights	-	0.00%	-	-	-	-	-
26	472-00 Structures & Improvements	18,628	3.33%	612	-	(19)	4,852	5,445
27	472-10 Structures & Improvements - Byron Creek	107	5.00%	5	-	-	32	37
28	473-00 Services	773,727	2.53%	19,248	6	(1,579)	142,028	159,703
29	474-00 House Regulators & Meter Installations	174,844	7.62%	12,409	47	(208)	18,625	30,873
30	477-00 Meters/Regulators Installations	31,537	4.55%	1,202	-	-	206	1,408
31	475-00 Mains	961,019	1.59%	15,365	2	(642)	299,353	314,078
32	476-00 Compressor Equipment	1,110	26.54%	295	(272)	-	1,235	1,258
33	477-00 Measuring & Regulating Equipment	91,625	4.75%	4,257	(2)	(220)	25,902	29,937
34	477-00 Telemetry	7,817	0.25%	19	(8)	(1)	6,063	6,073
35	477-10 Measuring & Regulating Equipment - Byron Creek	163	0.00%	4	-	-	212	216
36	478-10 Meters	208,651	8.05%	16,266	425	(4,960)	75,361	87,092
37	478-20 Instruments	11,917	3.15%	375	-	-	1,299	1,674
38	479-00 Other Distribution Equipment	-	0.00%	-	-	-	-	-
39	TOTAL DISTRIBUTION	2,284,538		70,057	163	(7,629)	575,194	637,785
40								
41	BIO GAS							
42	472-00 Bio Gas Struct. & Improvements	161	3.60%	6	-	-	11	17
43	475-10 Bio Gas Mains – Municipal Land	80	1.48%	1	-	-	4	5
44	475-20 Bio Gas Mains – Private Land	41	1.48%	1	-	-	1	2
45	418-10 Bio Gas Purification Overhaul	-	13.33%	-	-	-	-	-
46	418-20 Bio Gas Purification Upgrader	1,185	6.67%	105	-	-	-	105
47	477-10 Bio Gas Reg & Meter Equipment	532	4.75%	25	-	-	28	53
48	478-30 Bio Gas Meters	9	8.05%	1	-	-	1	2
49	474-10 Bio Gas Reg & Meter Installations	22	0.00%	1	-	-	2	3
50	TOTAL BIO-GAS	2,029		140	-	-	47	187

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

Line No.	Account (1)	Mid-year GPIS for Depreciation (2)	Annual Depreciation Rate % (3)	2013 DEPRECIATION			Accumulated	
				Provision (Cr.) (4)	Adjust- ments (5)	Retirements (6)	12/31/2012 (7)	12/31/2013 (8)
1	Natural Gas for Transportation							
2	476-10 NG Transportation CNG Dispensing Equipment	\$ 3,420	5.00%	\$ 148	\$ 175	\$ -	135	\$ 458
3	476-20 NG Transportation LNG Dispensing Equipment	1,232	5.00%	81	-	-	4	85
4	476-30 NG Transportation CNG Foundations	559	5.00%	24	(60)	-	80	44
5	476-40 NG Transportation LNG Foundations	280	5.00%	22	-	-	2	24
6	476-50 NG Transportation LNG Pumps	32	10.00%	6	-	-	-	6
7	476-60 NG Transportation CNG Dehydrator	157	5.00%	6	-	-	6	12
8	476-70 NG Transportation LNG Dehydrator	-	5.00%	-	-	-	-	-
9	TOTAL NG FOR TRANSP	<u>5,678</u>		<u>287</u>	<u>115</u>	<u>-</u>	<u>227</u>	<u>629</u>
10								
11	GENERAL PLANT & EQUIPMENT							
12	480-00 Land in Fee Simple	22,273	0.00%	-	(13)	-	30	17
13	481-00 Land Rights	-	0.00%	-	-	-	-	-
14	482-00 Structures & Improvements	-	0.00%	-	-	-	-	-
15	- Frame Buildings	10,965	4.82%	524	(26)	-	2,912	3,410
16	- Masonry Buildings	95,058	2.23%	2,099	85	-	15,696	17,880
17	- Leasehold Improvement	3,837	10.00%	408	(50)	(151)	565	772
18	Office Equipment & Furniture	-	0.00%	-	-	-	-	-
19	483-30 GP Office Equipment	3,525	6.67%	232	1,943	(243)	1,554	3,486
20	483-40 GP Furniture	21,007	5.00%	1,075	(1,937)	(1,954)	12,884	10,068
21	483-10 GP Computer Hardware	31,264	20.00%	5,768	143	(6,424)	12,281	11,768
22	483-20 GP Computer Software	3,911	12.50%	460	-	(190)	1,146	1,416
23	483-21 GP Computer Software	-	20.00%	-	-	-	-	-
24	483-22 GP Computer Software	-	0.00%	-	-	-	-	-
25	484-00 Vehicles	2,360	5.16%	113	(143)	(24)	601	547
26	484-00 Vehicles - Leased	28,782	0.00%	2,978	-	(1,600)	14,556	15,934
27	485-10 Heavy Work Equipment	455	8.96%	22	280	-	(175)	127
28	485-20 Heavy Mobile Equipment	1,045	18.06%	222	(332)	(63)	753	580
29	486-00 Small Tools & Equipment	39,474	5.00%	1,979	-	(963)	17,124	18,140
30	487-00 Equipment on Customer's Premises	24	6.67%	2	-	-	12	14
31	- VRA Compressor Installation Costs	-	0.00%	-	-	-	-	-
32	488-00 Communications Equipment	-	0.00%	-	-	-	-	-
33	- Telephone	7,346	6.67%	523	253	(795)	4,368	4,349
34	- Radio	4,793	6.67%	311	(232)	(33)	2,678	2,724
35	489-00 Other General Equipment	-	0.00%	-	-	-	-	-
36	TOTAL GENERAL	<u>276,118</u>		<u>16,716</u>	<u>(29)</u>	<u>(12,440)</u>	<u>86,985</u>	<u>91,232</u>
37								
38	UNCLASSIFIED PLANT							
39	499-00 Plant Suspense	-	0.00%	-	-	-	-	-
40	TOTAL UNCLASSIFIED	<u>-</u>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
41								
42	TOTALS	<u>\$ 3,798,832</u>		<u>\$ 121,820</u>	<u>\$ (21)</u>	<u>\$ (30,094)</u>	<u>\$ 1,011,180</u>	<u>\$ 1,102,885</u>
43	Less: Depreciation & Amortization transferred to biomethane BVA			(105)				
44	Less: Vehicle Depreciation Allocated To Capital Projects			(1,350)				
45	Add: Depreciation variance adjustment			3,474				
46	Net Depreciation Expense			<u>\$ 123,839</u>				
47								
48	Cross Reference		- Section E-FORMULA, Sch 35	- Section E-FORMULA, Sch 21			- Section E-FORMULA, Sch 29	

DEPRECIATION AND AMORTIZATION CONTINUITY SCHEDULE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Account	GPIS for Depreciation	Annual Depreciation Rate %	2014 DEPRECIATION			Accumulated	
				Provision (Cr.)	Adjustments	Retirements	12/31/2013	12/31/2014
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	INTANGIBLE PLANT							
2	117-00 Utility Plant Acquisition Adjustment	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -
3	175-00 Unamortized Conversion Expense	109	1.00%	1	-	-	557	558
4	175-00 Unamortized Conversion Expense - Squamish	777	10.00%	78	-	-	-	78
5	178-00 Organization Expense	728	1.00%	7	-	-	400	407
6	179-01 Other Deferred Charges	-	0.00%	-	-	-	-	-
7	401-00 Franchise and Consents	99	49.19%	-	-	-	99	99
8	402-00 Utility Plant Acquisition Adjustment	62	57.14%	-	-	-	62	62
9	402-00 Other Intangible Plant	688	2.38%	16	-	-	248	264
10	431-00 Mfg'd Gas Land Rights	-	0.00%	-	-	-	-	-
11	461-00 Transmission Land Rights	44,576	0.00%	-	-	-	667	667
12	461-10 Transmission Land Rights - Byron Creek	16	0.00%	-	-	-	19	19
13	461-13 IP Land Rights Whistler	-	0.00%	-	-	-	-	-
14	471-00 Distribution Land Rights	1,213	0.00%	-	-	-	2	2
15	471-10 Distribution Land Rights - Byron Creek	1	0.00%	-	-	-	1	1
16	402-01 Application Software - 12.5%	88,440	12.50%	11,055	-	(3,738)	28,143	35,460
17	402-02 Application Software - 20%	18,926	20.00%	3,785	-	(2,317)	8,010	9,478
18	TOTAL INTANGIBLE	155,635		14,942	-	(6,055)	38,208	47,095
19								
20	MANUFACTURED GAS / LOCAL STORAGE							
21	430-00 Manufact'd Gas - Land	31	0.00%	-	-	-	-	-
22	431-00 Manufact'd Gas - Land Rights	-	0.00%	-	-	-	-	-
23	432-00 Manufact'd Gas - Struct. & Improvements	999	3.38%	34	-	-	186	220
24	433-00 Manufact'd Gas - Equipment	459	6.63%	30	-	-	118	148
25	434-00 Manufact'd Gas - Gas Holders	2,940	2.35%	69	-	-	305	374
26	436-00 Manufact'd Gas - Compressor Equipment	366	5.16%	19	-	-	57	76
27	437-00 Manufact'd Gas - Measuring & Regulating Equipment	875	15.89%	139	-	-	490	629
28	443-00 Gas Holders - Storage (non-Tilbury, non-Mt. Hayes)	-	0.00%	-	-	-	-	-
29	440/441-00 Land in Fee Simple and Land Rights (Tilbury)	15,164	0.00%	-	-	-	1	1
30	442-00 Structures & Improvements (Tilbury)	4,960	3.57%	177	-	-	2,966	3,143
31	443-00 Gas Holders - Storage (Tilbury)	16,499	1.93%	318	-	-	11,039	11,357
32	446-00 Compressor Equipment (Tilbury)	-	0.00%	-	-	-	-	-
33	447-00 Measuring & Regulating Equipment (Tilbury)	-	0.00%	-	-	-	-	-
34	448-00 Purification Equipment (Tilbury)	-	0.00%	-	-	-	-	-
35	449-00 Local Storage Equipment (Tilbury)	25,042	4.24%	1,062	-	-	11,962	13,024
36	TOTAL MANUFACTURED	67,335		1,848	-	-	27,124	28,972

DEPRECIATION AND AMORTIZATION CONTINUITY SCHEDULE (Continued)
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Account	GPIS for Depreciation (2)	Annual Depreciation Rate % (3)	2014 DEPRECIATION			Accumulated	
				Provision (Cr.) (4)	Adjust- ments (5)	Retirements (6)	12/31/2013 (7)	12/31/2014 (8)
1	TRANSMISSION PLANT							
2	460-00 Land in Fee Simple	\$ 7,429	0.00%	\$ -	\$ -	\$ -	\$ 503	\$ 503
3	461-00 Transmission Land Rights	1	0.00%	-	-	-	-	-
4	461-02 Land Rights - Mt. Hayes	-	0.00%	-	-	-	-	-
5	462-00 Compressor Structures	16,338	3.74%	611	-	-	7,400	8,011
6	463-00 Measuring Structures	6,392	3.80%	243	-	(17)	2,150	2,376
7	464-00 Other Structures & Improvements	6,355	2.83%	180	-	-	2,063	2,243
8	465-00 Mains	818,802	1.44%	11,791	-	(372)	226,060	237,479
9	465-00 Mains - INSPECTION	9,455	14.87%	1,406	-	(368)	2,825	3,863
10	465-11 IP Transmission Pipeline - Whistler	-	0.00%	-	-	-	-	-
11	465-30 Mt Hayes - Mains	-	0.00%	-	-	-	-	-
12	465-10 Mains - Byron Creek	974	5.00%	49	-	-	1,035	1,084
13	466-00 Compressor Equipment	111,849	2.87%	3,210	-	(372)	47,009	49,847
14	466-00 Compressor Equipment - OVERHAUL	2,285	4.47%	102	-	-	400	502
15	467-00 Mt. Hayes - Measuring and Regulating Equipment	-	0.00%	-	-	-	-	-
16	467-00 Measuring & Regulating Equipment	32,563	4.27%	1,390	-	(108)	11,678	12,960
17	467-10 Telemetry	10,160	0.31%	31	-	(24)	6,253	6,260
18	467-31 IP Intermediate Pressure Whistler	-	0.00%	-	-	-	-	-
19	467-20 Measuring & Regulating Equipment - Byron Creek	39	0.00%	-	-	-	10	10
20	468-00 Communication Structures & Equipment	346	4.37%	15	-	-	334	349
21	TOTAL TRANSMISSION	1,022,988		19,028	-	(1,261)	307,720	325,487
22								
23	DISTRIBUTION PLANT							
24	470-00 Land in Fee Simple	3,395	0.00%	-	-	-	(9)	(9)
25	471-00 Distribution Land Rights	-	0.00%	-	-	-	-	-
26	472-00 Structures & Improvements	19,036	3.33%	634	-	(13)	5,445	6,066
27	472-10 Structures & Improvements - Byron Creek	107	5.00%	5	-	-	37	42
28	473-00 Services	789,108	2.53%	19,712	-	(1,132)	159,703	178,283
29	474-00 House Regulators & Meter Installations	174,745	7.62%	12,411	-	(4)	30,873	43,280
30	477-00 Meters/Regulators Installations	44,202	4.55%	2,011	-	-	1,408	3,419
31	475-00 Mains	974,764	1.59%	15,655	-	(501)	314,078	329,232
32	476-00 Compressor Equipment	1,110	26.54%	295	-	-	1,258	1,553
33	477-00 Measuring & Regulating Equipment	94,656	4.75%	4,496	-	(436)	29,937	33,997
34	477-00 Telemetry	8,532	0.25%	21	-	(2)	6,073	6,092
35	477-10 Measuring & Regulating Equipment - Byron Creek	163	0.00%	-	-	-	216	216
36	478-10 Meters	210,285	8.05%	16,313	-	(3,667)	87,092	99,738
37	478-20 Instruments	11,944	3.15%	376	-	-	1,674	2,050
38	479-00 Other Distribution Equipment	-	0.00%	-	-	-	-	-
39	TOTAL DISTRIBUTION	2,332,047		71,929	-	(5,755)	637,785	703,959
40								
41	BIO GAS							
42	472-00 Bio Gas Struct. & Improvements	185	3.60%	7	-	-	17	24
43	475-10 Bio Gas Mains – Municipal Land	80	1.48%	1	-	-	5	6
44	475-20 Bio Gas Mains – Private Land	41	1.48%	1	-	-	2	3
45	418-10 Bio Gas Purification Overhaul	-	13.33%	-	-	-	-	-
46	418-20 Bio Gas Purification Upgrader	2,369	6.67%	158	-	-	105	263
47	477-10 Bio Gas Reg & Meter Equipment	784	4.75%	37	-	-	53	90
48	478-30 Bio Gas Meters	10	8.05%	1	-	-	2	3
49	474-10 Bio Gas Reg & Meter Installations	22	0.00%	-	-	-	3	3
50	TOTAL BIO-GAS	3,491		205	-	-	187	392

DEPRECIATION AND AMORTIZATION CONTINUITY SCHEDULE (Continued)
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Account (1)	GPIS for Depreciation (2)	Annual Depreciation Rate % (3)	2014 DEPRECIATION			Accumulated	
				Provision (Cr.) (4)	Adjust- ments (5)	Retirements (6)	12/31/2013 (7)	12/31/2014 (8)
1	Natural Gas for Transportation							
2	476-10 NG Transportation CNG Dispensing Equipment	\$ 3,945	5.00%	\$ 197	\$ -	\$ -	\$ 458	\$ 655
3	476-20 NG Transportation LNG Dispensing Equipment	2,417	5.00%	121	-	-	85	206
4	476-30 NG Transportation CNG Foundations	646	5.00%	32	-	-	44	76
5	476-40 NG Transportation LNG Foundations	555	5.00%	28	-	-	24	52
6	476-50 NG Transportation LNG Pumps	63	10.00%	6	-	-	6	12
7	476-60 NG Transportation CNG Dehydrator	194	5.00%	10	-	-	12	22
8	476-70 NG Transportation LNG Dehydrator	-	5.00%	-	-	-	-	-
9	TOTAL NG FOR TRANSP	<u>7,820</u>		<u>394</u>	<u>-</u>	<u>-</u>	<u>629</u>	<u>1,023</u>
10								
11	GENERAL PLANT & EQUIPMENT							
12	480-00 Land in Fee Simple	22,217	0.00%	-	-	-	17	17
13	481-00 Land Rights	-	0.00%	-	-	-	-	-
14	482-00 Structures & Improvements	-	0.00%	-	-	-	-	-
15	- Frame Buildings	11,160	4.82%	538	-	-	3,410	3,948
16	- Masonry Buildings	97,589	2.23%	2,176	-	-	17,880	20,056
17	- Leasehold Improvement	3,851	10.00%	385	-	(40)	772	1,117
18	Office Equipment & Furniture	-	0.00%	-	-	-	-	-
19	483-30 GP Office Equipment	3,571	6.67%	238	-	(69)	3,486	3,655
20	483-40 GP Furniture	20,619	5.00%	1,031	-	(3,123)	10,068	7,976
21	483-10 GP Computer Hardware	32,900	20.00%	6,580	-	(3,708)	11,768	14,640
22	483-20 GP Computer Software	4,417	12.50%	552	-	(44)	1,416	1,924
23	483-21 GP Computer Software	-	20.00%	-	-	-	-	-
24	483-22 GP Computer Software	-	0.00%	-	-	-	-	-
25	484-00 Vehicles	2,512	12.50%	314	-	-	547	861
26	484-00 Vehicles - Leased	29,179	0.00%	2,755	-	(1,536)	15,934	17,153
27	485-10 Heavy Work Equipment	246	8.96%	22	-	-	127	149
28	485-20 Heavy Mobile Equipment	1,251	18.06%	226	-	-	580	806
29	486-00 Small Tools & Equipment	40,215	5.00%	2,011	-	(2,003)	18,140	18,148
30	487-00 Equipment on Customer's Premises	24	6.67%	2	-	-	14	16
31	- VRA Compressor Installation Costs	-	0.00%	-	-	-	-	-
32	488-00 Communications Equipment	-	0.00%	-	-	-	-	-
33	- Telephone	7,013	6.67%	468	-	(1,314)	4,349	3,503
34	- Radio	4,730	6.67%	316	-	(214)	2,724	2,826
35	489-00 Other General Equipment	-	0.00%	-	-	-	-	-
36	TOTAL GENERAL	<u>281,494</u>		<u>17,614</u>	<u>-</u>	<u>(12,051)</u>	<u>91,232</u>	<u>96,795</u>
37								
38	UNCLASSIFIED PLANT							
39	499-00 Plant Suspense	-	0.00%	-	-	-	-	-
40	TOTAL UNCLASSIFIED	<u>-</u>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
41								
42	TOTALS	<u>\$ 3,870,810</u>		<u>\$ 125,960</u>	<u>\$ -</u>	<u>\$ (25,122)</u>	<u>\$ 1,102,885</u>	<u>\$ 1,203,723</u>
43	Less: Depreciation & Amortization transferred to biomethane BVA			(158)				
44	Less: Vehicle Depreciation Allocated To Capital Projects			(1,135)				
45	Add: Depreciation variance adjustment							
46	Net Depreciation Expense			<u>\$ 124,667</u>				
47								
48	Cross Reference		- Section E-FORMULA, Sch 38	- Section E-FORMULA, Sch 22			- Section E-FORMULA, Sch 30	

FORTISBC ENERGY INC.

Evidentiary Update - February 21, 2014

Section E
FORMULA
Schedule 45CONTRIBUTIONS IN AID OF CONSTRUCTION
FOR THE YEAR ENDING DECEMBER 31, 2013
(\$000s)

Line No.	Particulars	Balance 12/31/2012	Adjustment	2013 PROJECTED		Balance 12/31/2013	Cross Reference
	(1)	(2)	(3)	Additions	Retirements	(6)	(7)
1	CIAC						
2							
3	Distribution Contributions	\$ 145,014	\$ (645)	\$ 13,054	\$ -	\$ 157,423	
4							
5	Transmission Contributions	29,058	(110)	2,302	-	31,250	
6							
7	Others	714	-	113	-	827	
8							
9	Software Tax Savings - Non-Infrastructure	-	-	-	-	-	
10	- Infrastructure/Custom	10,759	-	-	(204)	10,555	
11							
12	Biomethane	-	-	546	-	546	
13							
14	TOTAL Contributions	185,545	(755)	16,015	(204)	200,601	- Section E-FORMULA, Sch 29
15							
16							
17							
18	Amortization						
19							
20	Distribution Contributions	(42,313)	(1)	(4,325)	-	(46,639)	
21							
22	Transmission Contributions	(2,335)	1	(522)	-	(2,856)	
23							
24	Others	(97)	-	(128)	-	(225)	
25							
26	Software Tax Savings - Non-Infrastructure	-	-	-	-	-	
27	- Infrastructure/Custom	(6,398)	-	(1,345)	204	(7,539)	
28							
29	Biomethane	-	-	(21)	-	(21)	
30							
31	TOTAL CIAC Amortization	(51,143)	-	(6,341)	204	(57,280)	- Section E-FORMULA, Sch 29
32							
33	NET CONTRIBUTIONS	<u>\$ 134,402</u>	<u>\$ (755)</u>	<u>\$ 9,674</u>	<u>\$ -</u>	<u>\$ 143,321</u>	
34							
35							
36	Total CIAC Amortization Expense per Line 31			(6,341)			
37	Add: Depreciation variance adjustment			(158)			
38	Net Amortization Expense			<u>\$ (6,499)</u>			
39							- Section E-FORMULA, Sch 21
40							

FORTISBC ENERGY INC.

Evidentiary Update - February 21, 2014

Section E
FORMULA
Schedule 46CONTRIBUTIONS IN AID OF CONSTRUCTION
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars	Balance 12/31/2013	Adjustment	2014 FORECAST		Balance 12/31/2014	Cross Reference
	(1)	(2)	(3)	Additions	Retirements	(6)	(7)
				(4)	(5)		
1	CIAC						
2							
3	Distribution Contributions	\$ 157,423	\$ -	\$ 5,227	\$ -	\$ 162,650	
4							
5	Transmission Contributions	31,250	-	396	-	31,646	
6							
7	Others	827	-	-	-	827	
8							
9	Software Tax Savings - Non-Infrastructure	-	-	-	-	-	
10	- Infrastructure/Custom	10,555	-	-	(3,768)	6,787	
11							
12	Biomethane	546	-	-	-	546	
13							
14	TOTAL Contributions	200,601	-	5,623	(3,768)	202,456	- Section E-FORMULA, Sch 30
15							
16							
17							
18	Amortization						
19							
20	Distribution Contributions	(46,639)	-	(4,548)	-	(51,187)	
21							
22	Transmission Contributions	(2,856)	-	(524)	-	(3,380)	
23							
24	Others	(225)	-	(114)	-	(339)	
25							
26	Software Tax Savings - Non-Infrastructure	-	-	-	-	-	
27	- Infrastructure/Custom	(7,539)	-	(1,319)	3,768	(5,090)	
28							
29	Biomethane	(21)	-	-	-	(21)	
30							
31	TOTAL CIAC Amortization	(57,280)	-	(6,505)	3,768	(60,017)	- Section E-FORMULA, Sch 30
32							
33	NET CONTRIBUTIONS	<u>\$ 143,321</u>	<u>\$ -</u>	<u>\$ (882)</u>	<u>\$ -</u>	<u>\$ 142,439</u>	
34							
35							
36	Total CIAC Amortization Expense per Line 31			(6,505)			
37							
38	Net Amortization Expense			<u>\$ (6,505)</u>			
39				- Section E-FORMULA, Sch 22			
40							

Line No.	Particulars	Balance 12/31/2012	Opening Bal. Transfer / Adjustment	Gross Additions	Less-Taxes	Net Additions	Amortization Expense	Recoveries		Balance 12/31/2013	Mid-Year Average 2013
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	<u>Margin Related Deferral Accounts</u>										
2	Commodity Cost Reconciliation Account (CCRA)	\$ (10,042)	\$ -	\$ (289)	\$ 74	\$ (214)	\$ -	\$ -	\$ -	\$ (10,256)	\$ (10,149)
3	Midstream Cost Reconciliation Account (MCRA)	(17,800)	-	(3,731)	961	(2,770)	-	8,914	(2,295)	(13,951)	(15,876)
4	Revenue Stabilization Adjustment Mechanism (RSAM)	(24,583)	-	(7,323)	1,886	(5,437)	-	11,582	(2,982)	(21,420)	(23,002)
5	Interest on CCRA / MCRA / RSAM / Gas Storage	(4,125)	-	(1,077)	278	(799)	(10)	159	(41)	(4,816)	(4,471)
6	Revelstoke Propane Cost Deferral Account	(348)	-	499	(128)	371	-	-	-	23	(163)
7	SCP Mitigation Revenues Variance Account	(4,154)	-	431	(111)	320	2,926	-	-	(908)	(2,531)
8											
9	<u>Energy Policy Deferral Accounts</u>										
10	Energy Efficiency & Conservation (EEC)	22,698	-	10,827	(2,788)	8,039	(3,152)	-	-	27,585	25,142
11	NGV Conversion Grants	37	-	18	(5)	13	(28)	-	-	22	30
12	Emmissions Regulations	-	-	4	(1)	3	-	-	-	3	1
13	Biomethane Program Costs	324	-	328	(85)	244	(172)	-	-	396	360
14	On-Bill Financing Pilot Program	-	-	-	-	-	-	-	-	-	-
15	NGT Incentives	-	-	-	-	-	-	-	-	-	-
16	CNG and LNG Recoveries	(11)	-	(69)	18	(51)	-	-	-	(62)	(37)
17	Rate Schedule 16 Cost & Recoveries	-	-	(27)	7	(20)	-	-	-	(20)	(10)
18											
19	<u>Non-Controllable Items Deferral Accounts</u>										
20	Property Tax Deferral	(2,868)	-	(3,541)	912	(2,629)	594	-	-	(4,903)	(3,886)
21	Insurance Variance	45	-	93	(24)	69	-	-	-	114	80
22	Pension & OPEB Variance	15,807	-	12,607	-	12,607	(3,205)	-	-	25,209	20,508
23	BCUC Levies Variance	449	-	923	(238)	685	-	-	-	1,134	792
24	Interest Variance	(5,699)	-	(734)	189	(545)	2,600	-	-	(3,644)	(4,671)
25	Interest Variance - Funding benefits via Customer Deposits	834	-	160	(41)	119	(309)	-	-	644	739
26	Tax Variance Account	597	-	2,150	(351)	1,799	-	-	-	2,396	1,497
27	Customer Service Variance Account	(5,548)	-	(13,234)	3,408	(9,826)	-	-	-	(15,374)	(10,461)
28	Pension & OPEB Funding	(171,550)	3,050	(13,171)	-	(13,171)	-	-	-	(181,671)	(175,086)
29	US GAAP Pension & OPEB Funded Status	139,153	(3,050)	-	-	-	-	-	-	136,103	136,103

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

Line No.	Particulars	Balance 12/31/2012	Opening Bal. Transfer / Adjustment	Gross Additions	Less-Taxes	Net Additions	Amortization Expense	Recoveries Rider	Tax on Rider	Balance 12/31/2013	Mid-Year Average 2013
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	<u>Application Costs Deferral Accounts</u>										
2	2014-2018 PBR Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	NGV for Transportation Application	140	(113)	73	(19)	54	(46)	-	-	36	32
4	Long Term Resource Plan Application	-	-	-	-	-	(90)	-	-	(90)	(45)
5	AES Inquiry Cost	619	-	(21)	5	(16)	(85)	-	-	518	569
6	Generic Cost of Capital Application	-	-	-	-	-	-	-	-	-	-
7	Amalgamation and Rate Design Application Costs	-	-	-	-	-	-	-	-	-	-
8	Rate Schedule 16 Application Cost	-	-	-	-	-	-	-	-	-	-
9											
10	<u>Other Deferral Accounts</u>										
11	2010-2011 Customer Service O&M and COS	21,613	-	-	-	-	(2,807)	-	-	18,806	20,210
12	Gas Asset Records Project	(60)	-	744	(192)	552	(567)	-	-	(75)	(68)
13	BC OneCall Project	(69)	-	777	(200)	577	(334)	-	-	174	53
14	Gains and Losses on Asset Disposition	27,090	-	8,389	-	8,389	(730)	-	-	34,749	30,920
15	Negative Salvage Provision/Cost	(5,965)	-	13,398	-	13,398	(16,933)	-	-	(9,500)	(7,732)
16	TESDA Overhead Allocation Variance	-	-	-	-	-	-	-	-	-	-
17											
18	<u>Residual Deferred Accounts</u>										
19	Depreciation Variance	(1,281)	-	(1,012)	-	(1,012)	-	-	-	(2,293)	(1,787)
20	SCP Tax Reassessment	(32)	-	-	-	-	-	-	-	(32)	(32)
21	BFI Costs and Recoveries	147	-	(250)	64	(186)	-	-	-	(39)	54
22	Fuelling Stations Variance Account	-	-	-	-	-	-	-	-	-	-
23	2011 CNG and LNG Service Costs and Recoveries	(69)	-	-	-	-	35	-	-	(34)	(51)
24	Olympics Security Costs Deferral	188	-	-	-	-	(188)	-	-	-	94
25	IFRS Conversion Costs	238	-	-	-	-	(238)	-	-	-	119
26	2009 ROE & Cost of Capital Application	496	-	-	-	-	(168)	-	-	328	412
27	2012-2013 Revenue Requirement Application	614	-	0	(0)	0	(409)	-	-	205	410
28	CCE CPCN Application	150	-	-	-	-	(56)	-	-	94	122
29	Deferred Removal Costs	2,223	-	-	-	-	(2,354)	-	-	(131)	1,046
30	US GAAP Conversion Costs	(62)	-	-	-	-	(791)	-	-	(853)	(458)
31	US GAAP Transitional Costs	477	-	-	-	-	948	-	-	1,425	951
32	Earnings Sharing Mechanism	84	-	-	-	-	-	-	-	84	84
33	OH&M Recoveries from NGT	-	-	-	-	-	-	-	-	-	-
34	Tilbury Property Purchase (Subdividable Land)	-	-	-	-	-	-	-	-	-	-
35	Residual Delivery Rate Riders	-	-	-	-	-	-	-	-	-	-
36											
37	Total Deferred Charges for Rate Base	\$ (20,243)	\$ (113)	\$ 6,945	\$ 3,619	\$ 10,564	\$ (25,569)	\$ 20,655	\$ (5,319)	\$ (20,025)	\$ (20,190)

Cross Reference

- Section E-FORMULA, Sch 21

- Section E-FORMULA, Sch 29

UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars	Forecast Balance 12/31/2013	Opening Bal. Transfer / Adjustment	Gross Additions	Less-Taxes	Net Additions	Amortization Expense	Recoveries		Balance 12/31/2014	Mid-Year Average 2014
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	<u>Margin Related Deferral Accounts</u>										
2	Commodity Cost Reconciliation Account (CCRA)	\$ (10,256)	\$ -	\$ 13,860	\$ (3,604)	\$ 10,256	\$ -	\$ -	\$ -	\$ 0	\$ (5,128)
3	Midstream Cost Reconciliation Account (MCRA)	(13,951)	-	-	-	-	-	9,085	(2,362)	(7,228)	(10,590)
4	Revenue Stabilization Adjustment Mechanism (RSAM)	(21,420)	-	-	-	-	-	14,160	(3,682)	(10,942)	(16,181)
5	Interest on CCRA / MCRA / RSAM / Gas Storage	(4,816)	-	1,530	(397)	1,133	388	165	(43)	(3,174)	(3,995)
6	Revelstoke Propane Cost Deferral Account	23	-	(30)	8	(23)	-	-	-	(0)	11
7	SCP Mitigation Revenues Variance Account	(908)	-	-	-	-	684	-	-	(224)	(566)
8											
9	<u>Energy Policy Deferral Accounts</u>										
10	Energy Efficiency & Conservation (EEC)	27,585	16,752	13,350	(3,471)	9,879	(5,278)	-	-	48,938	46,638
11	NGV Conversion Grants	22	-	15	(4)	11	(13)	-	-	20	21
12	Emmissions Regulations	3	-	-	-	-	-	-	-	3	3
13	Biomethane Program Costs	396	-	-	-	-	(396)	-	-	(0)	198
14	On-Bill Financing Pilot Program	-	-	-	-	-	-	-	-	-	-
15	NGT Incentives	-	6,564	9,336	(2,427)	6,909	(1,347)	-	-	12,125	9,345
16	CNG and LNG Recoveries	(62)	-	-	-	-	62	-	-	0	(31)
17	Rate Schedule 16 Cost & Recoveries	(20)	-	-	-	-	20	-	-	0	(10)
18											
19	<u>Non-Controllable Items Deferral Accounts</u>										
20	Property Tax Deferral	(4,903)	-	-	-	-	2,030	-	-	(2,873)	(3,888)
21	Insurance Variance	114	-	-	-	-	(114)	-	-	(0)	57
22	Pension & OPEB Variance	25,209	-	-	-	-	(5,039)	-	-	20,170	22,690
23	BCUC Levies Variance	1,134	-	-	-	-	(1,134)	-	-	(0)	567
24	Interest Variance	(3,644)	-	-	-	-	2,829	-	-	(815)	(2,229)
25	Interest Variance - Funding benefits via Customer Deposits	644	-	-	-	-	(302)	-	-	342	493
26	Tax Variance Account	2,396	-	-	-	-	(2,396)	-	-	0	1,198
27	Customer Service Variance Account	(15,374)	-	-	-	-	3,075	-	-	(12,299)	(13,837)
28	Pension & OPEB Funding	(181,671)	-	9,636	-	9,636	-	-	-	(172,035)	(176,853)
29	US GAAP Pension & OPEB Funded Status	136,103	-	(9,300)	-	(9,300)	-	-	-	126,803	131,453

UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION (Continued)
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars	Forecast Balance 12/31/2013	Opening Bal. Transfer / Adjustment	Gross Additions	Less-Taxes	Net Additions	Amortization Expense	Recoveries Rider	Recoveries Tax on Rider	Balance 12/31/2014	Mid-Year Average 2014
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	<u>Application Costs Deferral Accounts</u>										
2	2014-2018 PBR Requirements	\$ -	\$ 438	\$ 1,000	\$ (260)	\$ 740	\$ (236)	\$ -	\$ -	\$ 942	\$ 690
3	NGV for Transportation Application	36	-	-	-	-	(36)	-	-	(0)	18
4	Long Term Resource Plan Application	(90)	-	36	(9)	26	76	-	-	12	(39)
5	AES Inquiry Cost	518	-	-	-	-	(132)	-	-	387	453
6	Generic Cost of Capital Application	-	1,354	-	-	-	(677)	-	-	677	1,016
7	Amalgamation and Rate Design Application Costs	-	1,219	-	-	-	(407)	-	-	812	1,016
8	Rate Schedule 16 Application Cost	-	126	-	-	-	(126)	-	-	-	63
9											
10	<u>Other Deferral Accounts</u>										
11	2010-2011 Customer Service O&M and COS	18,806	-	-	-	-	(2,877)	-	-	15,930	17,368
12	Gas Asset Records Project	(75)	-	1,277	(332)	945	(152)	-	-	718	322
13	BC OneCall Project	174	-	712	(185)	527	(135)	-	-	566	370
14	Gains and Losses on Asset Disposition	34,749	-	5,981	-	5,981	(1,806)	-	-	38,924	36,837
15	Negative Salvage Provision/Cost	(9,500)	-	12,486	-	12,486	(17,313)	-	-	(14,326)	(11,913)
16	TESDA Overhead Allocation Variance	-	-	-	-	-	-	-	-	-	-
17											
18	<u>Residual Deferred Accounts</u>										
19	Depreciation Variance	(2,293)	-	-	-	-	2,293	-	-	-	(1,147)
20	SCP Tax Reassessment	(32)	-	-	-	-	32	-	-	-	(16)
21	BFI Costs and Recoveries	(39)	39	-	-	-	-	-	-	-	-
22	Fuelling Stations Variance Account	-	159	-	-	-	(53)	-	-	106	133
23	2011 CNG and LNG Service Costs and Recoveries	(34)	-	-	-	-	34	-	-	-	(17)
24	Olympics Security Costs Deferral	-	-	-	-	-	-	-	-	-	-
25	IFRS Conversion Costs	-	-	-	-	-	-	-	-	-	-
26	2009 ROE & Cost of Capital Application	328	-	-	-	-	(328)	-	-	-	164
27	2012-2013 Revenue Requirement Application	205	-	-	-	-	(205)	-	-	(0)	103
28	CCE CPCN Application	94	-	-	-	-	(94)	-	-	-	47
29	Deferred Removal Costs	(131)	-	-	-	-	131	-	-	-	(66)
30	US GAAP Conversion Costs	(853)	-	-	-	-	853	-	-	-	(427)
31	US GAAP Transitional Costs	1,425	-	-	-	-	(1,425)	-	-	-	713
32	Earnings Sharing Mechanism	84	(84)	-	-	-	-	-	-	-	-
33	OH&M Recoveries from NGT	-	(70)	-	-	-	70	-	-	-	(35)
34	Tilbury Property Purchase (Subdividable Land)	-	(220)	-	-	-	220	-	-	-	(110)
35	Residual Delivery Rate Riders	-	61	-	-	-	(61)	-	-	-	31
36											
37	Total Deferred Charges for Rate Base	\$ (20,025)	\$ 26,339	\$ 59,888	\$ (10,681)	\$ 49,207	\$ (29,284)	\$ 23,410	\$ (6,087)	\$ 43,561	\$ 24,937
38											
39	Cross Reference						- Section E-FORMULA, Sch 22			- Section E-FORMULA, Sch 30	

NEGATIVE SALVAGE CONTINUITY
FOR THE YEAR ENDING DECEMBER 31, 2013
(\$000s)

Line No.	Account	Mid-year GPIS for Depreciation	Annual Salvage Rate %	2013 DEPRECIATION				Ending	
				Provision (Cr.)	Adjustments	Removal Costs	Proceeds on Disposal	12/31/2012	12/31/2013
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	MANUFACTURED GAS / LOCAL STORAGE								
2	442-00 Structures & Improvements (Tilbury)	\$ 4,960	0.36%	\$ 18	\$ -	\$ -	\$ -	\$ -	\$ 18
3	443-00 Gas Holders - Storage (Tilbury)	16,499	0.40%	66	-	-	-	-	66
4	449-00 Local Storage Equipment (Tilbury)	25,028	0.37%	99	-	(2)	-	-	97
5	TOTAL MANUFACTURED	46,487		183	-	(2)	-	-	181
6	TRANSMISSION PLANT								
7	462-00 Compressor Structures	16,319	0.18%	27	-	(1)	-	-	26
8	463-00 Measuring Structures	5,952	0.18%	10	-	-	-	-	10
9	464-00 Other Structures & Improvements	6,189	0.14%	8	-	(15)	-	-	(7)
10	465-00 Mains	809,157	0.14%	1,175	-	(122)	-	-	1,053
11	466-00 Compressor Equipment	111,830	0.28%	333	-	(2)	-	-	331
12	467-00 Measuring & Regulating Equipment	31,406	0.18%	51	-	(103)	-	-	(52)
13	468-00 Communication Structures & Equipment	346	0.96%	3	-	-	-	-	3
14	TOTAL TRANSMISSION	981,198		1,607	-	(243)	-	-	1,364
15									
16	DISTRIBUTION PLANT								
17	472-00 Structures & Improvements	18,628	0.16%	27	-	(2)	-	-	25
18	473-00 Services	773,727	1.24%	8,982	-	(9,753)	-	-	(771)
19	473-00 Services - LILO	-	0.00%	-	-	-	-	-	-
20	474-00 House Regulators & Meter Installations	174,844	0.75%	1,188	-	(3,009)	-	-	(1,821)
21	477-00 Meters/Regulators Installations	31,537	0.75%	173	-	-	-	-	173
22	475-00 Mains	961,019	0.33%	3,107	-	(497)	-	-	2,610
23	475-00 Mains - LILO	-	0.00%	-	-	-	-	-	-
24	476-00 Compressor Equipment	1,110	11.43%	165	-	-	-	-	165
25	477-00 Measuring & Regulating Equipment	91,625	0.52%	468	-	(48)	-	-	420
26	477-10 Measuring & Regulating Equipment - Byron Creek	163	0.00%	-	-	-	-	-	-
27	478-10 Meters	208,651	0.50%	1,031	-	169	-	-	1,200
28	TOTAL DISTRIBUTION	2,261,302		15,141	-	(13,152)	-	-	1,989
29									
30	BIO GAS								
31	475-20 Bio Gas Mains – Private Land	41	0.33%	1	-	-	-	-	1
32	478-30 Bio Gas Meters	9	0.50%	-	-	-	-	-	-
33	474-10 Bio Gas Reg & Meter Installations	22	0.00%	-	-	-	-	-	-
34	TOTAL BIO-GAS	72		2	-	-	-	-	2
35									
36	TOTALS	\$ 3,289,059		\$ 16,933	\$ -	\$ (13,398)	\$ -	\$ -	\$ 3,535
37									
38	Cross Reference		-FORMULA, Sch 35					- Section E-FORMULA, Sch 48	

NEGATIVE SALVAGE CONTINUITY
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Account	GPIS for Depreciation (2)	Annual Salvage Rate % (3)	2014 DEPRECIATION				Ending	
				Provision (Cr.) (4)	Open Bal Transfers (5)	Removal Costs (6)	Proceeds on Disposal (7)	12/31/2013 (8)	12/31/2014 (9)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	MANUFACTURED GAS / LOCAL STORAGE								
2	442-00 Structures & Improvements (Tilbury)	\$ 4,960	0.36%	\$ 18	\$ -	\$ -	\$ -	\$ 18	\$ 36
3	443-00 Gas Holders - Storage (Tilbury)	16,499	0.40%	66	-	-	-	66	132
4	449-00 Local Storage Equipment (Tilbury)	25,042	0.37%	93	-	-	-	97	190
5	TOTAL MANUFACTURED	46,501		177	-	-	-	181	358
6	TRANSMISSION PLANT								
7	462-00 Compressor Structures	16,338	0.18%	29	-	-	-	26	55
8	463-00 Measuring Structures	6,392	0.18%	12	-	-	-	10	22
9	464-00 Other Structures & Improvements	6,355	0.14%	9	-	-	-	(7)	2
10	465-00 Mains	818,802	0.14%	1,146	-	-	-	1,053	2,199
11	466-00 Compressor Equipment	111,849	0.28%	313	-	-	-	331	644
12	467-00 Measuring & Regulating Equipment	32,563	0.18%	59	-	-	-	(52)	7
13	468-00 Communication Structures & Equipment	346	0.96%	3	-	-	-	3	6
14	TOTAL TRANSMISSION	992,645		1,571	-	-	-	1,364	2,935
15									
16	DISTRIBUTION PLANT								
17	472-00 Structures & Improvements	19,036	0.16%	30	-	-	-	25	55
18	473-00 Services	789,108	1.24%	9,289	-	(8,928)	-	(771)	(410)
19	473-00 Services - LILO	-	0.00%	-	-	-	-	-	-
20	474-00 House Regulators & Meter Installations	174,745	0.75%	1,190	-	(2,713)	-	(1,821)	(3,344)
21	477-00 Meters/Regulators Installations	44,202	0.75%	332	-	-	-	173	505
22	475-00 Mains	974,764	0.33%	3,104	-	(845)	-	2,610	4,869
23	475-00 Mains - LILO	-	0.00%	-	-	-	-	-	-
24	476-00 Compressor Equipment	1,110	11.43%	127	-	-	-	165	292
25	477-00 Measuring & Regulating Equipment	94,656	0.52%	492	-	-	-	420	912
26	477-10 Measuring & Regulating Equipment - Byron Creek	163	0.00%	-	-	-	-	-	-
27	478-10 Meters	210,285	0.50%	1,001	-	-	-	1,200	2,201
28	TOTAL DISTRIBUTION	2,308,069		15,565	-	(12,486)	-	1,989	5,068
29									
30	BIO GAS								
31	475-20 Bio Gas Mains – Private Land	41	0.33%	-	-	-	-	1	1
32	478-30 Bio Gas Meters	10	0.50%	-	-	-	-	-	-
33	474-10 Bio Gas Reg & Meter Installations	22	0.00%	-	-	-	-	-	-
34	TOTAL BIO-GAS	73		-	-	-	-	2	2
35									
36	TOTALS	\$ 3,347,288		\$ 17,313	\$ -	\$ (12,486)	\$ -	\$ 3,535	\$ 8,362
37									
38	Cross Reference		-FORMULA, Sch 38					- Section E-FORMULA, Sch 50	

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

Line No.	Particulars	2012 ACTUAL	2013 APPROVED	2013 PROJECTED		Change	Cross Reference
				Existing 2013 Rates	Revised Rates		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
						(Column (5) - Column (3))	
1	Cash Working Capital						
2	Cash Required for						
3	Operating Expenses	\$ 9,202	\$ 7,121	\$ 8,216	\$ 8,216	\$ 1,095	- Section E-FORMULA, Sch 55
4							
5							
6	Less - Funds Available:						
7							
8	Reserve for Bad Debts	(6,282)	(4,588)	(5,760)	(5,760)	(1,172)	
9							
10	Withholdings From Employees	(4,819)	(5,163)	(4,359)	(4,359)	804	
11							
12	Subtotal	<u>(1,899)</u>	<u>(2,630)</u>	<u>(1,903)</u>	<u>(1,903)</u>	<u>727</u>	- Section E-FORMULA, Sch 29
13							
14	Other Working Capital Items						
15	Construction Advances	(439)	(620)	-	-	620	
16	Transmission Line Pack Gas	3,924	3,566	2,846	2,846	(720)	
17	Gas in Storage	97,294	97,242	78,766	78,766	(18,476)	
18	Inventory - Materials & Supplies	637	1,434	1,509	1,509	75	
19							
20	Subtotal	<u>101,416</u>	<u>101,622</u>	<u>83,121</u>	<u>83,121</u>	<u>(18,501)</u>	- Section E-FORMULA, Sch 29
21							
22	Total	<u>\$ 99,517</u>	<u>\$ 98,992</u>	<u>\$ 81,218</u>	<u>\$ 81,218</u>	<u>\$ (17,774)</u>	

FORTISBC ENERGY INC.

Evidentiary Update - February 21, 2014

Section E
FORMULA
Schedule 54WORKING CAPITAL ALLOWANCE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars (1)	2013 PROJECTED (2)	2014		Change (5)	Cross Reference (6)
			Existing 2013 Rates (3)	Revised Rates (4)		
1	Cash Working Capital					
2	Cash Required for					
3	Operating Expenses	\$ 8,216	\$ 9,336	\$ 9,613	\$ 1,397	- Section E-FORMULA, Sch 55
4						
5						
6	Less - Funds Available:					
7						
8	Reserve for Bad Debts	(5,760)	(5,459)	(5,459)	301	
9						
10	Withholdings From Employees	(4,359)	(4,489)	(4,489)	(130)	
11						
12	Subtotal	<u>(1,903)</u>	<u>(612)</u>	<u>(335)</u>	<u>1,568</u>	- Section E-FORMULA, Sch 30
13						
14	Other Working Capital Items					
15	Construction Advances	-	-	-	-	
16	Transmission Line Pack Gas	2,846	2,662	2,662	(184)	
17	Gas in Storage	78,766	74,841	74,841	(3,925)	
18	Inventory - Materials & Supplies	1,509	1,536	1,536	27	
19						
20	Subtotal	<u>83,121</u>	<u>79,039</u>	<u>79,039</u>	<u>(4,082)</u>	- Section E-FORMULA, Sch 30
21						
22	Total	<u>\$ 81,218</u>	<u>\$ 78,427</u>	<u>\$ 78,704</u>	<u>\$ (2,514)</u>	

CASH WORKING CAPITAL
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000s)

Line No.	Particulars	2013			2014			Cross Reference
		Days	Expenses	Cash Working Capital	Days	Expenses	Cash Working Capital	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	CASH WORKING CAPITAL							
2								
3	Revenue Lag Days	39.0			39.0			- Section E-FORMULA, Sch 56
4	Expense Lead Days	35.9			35.5			- Section E-FORMULA, Sch 57
5								
6	Net Lead/(Lag) Days	3.1	\$ 967,311	\$ 8,216	3.5	\$ 973,594	\$ 9,336	- Section E-FORMULA, Sch 53
7								- Section E-FORMULA, Sch 54
8								
9								
10	CASH WORKING CAPITAL, REVISED RATES							
11								
12	Revenue Lag Days	39.0			39.0			- Section E-FORMULA, Sch 56
13	Expense Lead Days	35.9			35.4			- Section E-FORMULA, Sch 57
14								
15	Net Lead/(Lag) Days	3.1	\$ 967,312	\$ 8,216	3.6	\$ 974,629	\$ 9,613	- Section E-FORMULA, Sch 53
16								- Section E-FORMULA, Sch 54
17								
18								
19	CASH WORKING CAPITAL CHANGE			\$ -			\$ 277	
20								
21								
22								
23	Cash working capital = Col. 2 x Col. 3 / 365 days							

CASH WORKING CAPITAL
LAG TIME FROM DATE OF PAYMENT TO RECEIPT OF CASH
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000s)

Line No.	Particulars (1)	2013			2014			Cross Reference (8)
		Revenue At 2013 Rates (2)	Lag Days Service to Collection (3)	Dollar Days (4)	Revenue At 2013 Rates (5)	Lag Days Service to Collection (6)	Dollar Days (7)	
1	REVENUE							
2								
3	Gas Sales and Transportation Service Revenue							
4	Residential and Commercial	\$ 1,000,861	38.3	\$ 38,376,423	\$ 991,092	38.3	\$ 38,002,583	- Section E-FORMULA, Sch 10
5	Industrials & Others: Rates 4, 5, 7, 23, 25 and 27	75,110	45.1	3,386,250	76,903	45.1	3,467,282	
6	NGV Fuel - Stations	461	41.7	19,233	461	41.7	19,233	
7								
8	Rate 16, 46, 22, Burrard, FEVI (Oth Rev), SCP (Oth Rev)	55,792	42.9	2,390,757	55,359	42.7	2,364,396	
9								
10	Total Gas Sales	1,132,225	39.0	44,172,663	1,123,815	39.0	43,853,494	
11	Other Revenues							
12								
13	Late Payment Charges	2,109	38.3	80,767	2,089	38.3	79,993	- Section E-FORMULA, Sch 12-13
14	Returned Cheque Charges	79	38.5	3,041	79	38.5	3,041	- Section E-FORMULA, Sch 12-13
15	Connection Charges	2,622	38.3	100,411	2,636	38.3	100,970	- Section E-FORMULA, Sch 12-13
16	Other Utility Income	1,118	38.3	42,835	1,625	39.1	63,568	- Section E-FORMULA, Sch 12-13
17								
18								
19	Total Revenue	\$ 1,138,153	39.0	\$ 44,399,717	\$ 1,130,244	39.0	\$ 44,101,066	
20								
21								
22	REVENUE, REVISED RATES							
23								
24	Gas Sales and Transportation Service Revenue							
25	Residential and Commercial	\$ 1,000,861	38.3	\$ 38,376,423	\$ 994,237	38.3	\$ 38,123,189	- Section E-FORMULA, Sch 10
26	Industrials & Others: Rates 4, 5, 7, 23, 25 and 27	75,110	45.1	3,386,250	77,315	45.1	3,485,886	
27	NGV Fuel - Stations	461	41.7	19,233	463	41.7	19,316	
28								
29	Rate 16, 46, 22, Burrard, FEVI (Oth Rev), SCP (Oth Rev)	55,792	42.9	2,390,757	55,511	42.7	2,371,228	
30								
31	Total Gas Sales	1,132,225	39.0	44,172,663	1,127,526	39.0	43,999,619	
32								
33	Other Revenues							
34	Late Payment Charges	2,109	38.3	80,767	2,089	38.3	79,993	- Section E-FORMULA, Sch 12-13
35	Returned Cheque Charges	79	38.5	3,041	79	38.5	3,041	- Section E-FORMULA, Sch 12-13
36	Connection Charges	2,622	38.3	100,411	2,636	38.3	100,970	- Section E-FORMULA, Sch 12-13
37	Other Utility Income	1,118	38.3	42,835	1,625	39.1	63,568	- Section E-FORMULA, Sch 12-13
38								
39								
40	Total Revenue	\$ 1,138,153	39.0	\$ 44,399,717	\$ 1,133,955	39.0	\$ 44,247,191	

CASH WORKING CAPITAL
LEAD TIME IN PAYMENT OF EXPENSES
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000s)

Line No.	Particulars	2013			2014			Cross Reference
		Amount	Lead Days Expense to Payment	Dollar Days	Amount	Lead Days Expense to Payment	Dollar Days	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	EXPENSES							
2								
3	Operating And Maintenance							- Section E-FORMULA, Sch 3
4	Expenses	\$ 196,170	25.5	\$ 5,002,335	\$ 200,684	25.5	\$ 5,117,442	- Section E-FORMULA, Sch 4
5	Gas Purchases (excl Royalty Credits)	505,614	40.2	20,325,683	496,151	40.2	19,945,270	
6								
7	Taxes Other Than Income							- Section E-FORMULA, Sch 19
8	Property Taxes	47,698	2.0	95,396	48,797	2.0	97,594	- Section E-FORMULA, Sch 20
9	Franchise Fees	8,048	420.3	3,382,574	7,927	420.3	3,331,718	
10	Carbon Tax	169,709	29.1	4,938,525	169,966	29.1	4,946,021	
11	HST - Net	6,565	38.8	254,735			-	
12	PST Component of HST (REC)	(2,326)	33.8	(78,624)			-	
13	GST - Net	7,257	38.8	281,553	9,604	38.8	372,650	
14	PST - Net	3,252	37.1	120,641	4,067	37.1	150,869	
15	Income Tax	25,325	15.2	384,940	36,398	15.2	553,250	- Section E-FORMULA, Sch 23
16								- Section E-FORMULA, Sch 24
17	Total Expenses	<u>\$ 967,312</u>	<u>35.9</u>	<u>\$ 34,707,758</u>	<u>\$ 973,594</u>	<u>35.5</u>	<u>\$ 34,514,814</u>	
18								
19								
20	EXPENSES, REVISED RATES							
21								
22	Operating And Maintenance							- Section E-FORMULA, Sch 3
23	Expenses	\$ 196,170	25.5	\$ 5,002,335	\$ 200,684	25.5	\$ 5,117,442	- Section E-FORMULA, Sch 4
24	Gas Purchases (excl Royalty Credits)	505,614	40.2	20,325,683	496,151	40.2	19,945,270	
25								
26	Taxes Other Than Income							- Section E-FORMULA, Sch 19
27	Property Taxes	47,698	2.0	95,396	48,797	2.0	97,594	- Section E-FORMULA, Sch 20
28	Franchise Fees	8,048	420.3	3,382,574	7,954	420.3	3,343,067	
29	Carbon Tax	169,709	29.1	4,938,525	169,966	29.1	4,946,021	
30	HST - Net	6,565	38.8	254,735			-	
31	PST Component of HST (REC)	(2,326)	33.8	(78,624)			-	
32	GST - Net	7,257	38.8	281,553	9,636	38.8	373,891	
33	PST - Net	3,252	37.1	120,641	4,078	37.1	151,294	
34	Income Tax	25,324	15.2	384,925	37,362	15.2	567,902	- Section E-FORMULA, Sch 23
35								- Section E-FORMULA, Sch 24
36	Total Expenses	<u>\$ 967,311</u>	<u>35.9</u>	<u>\$ 34,707,743</u>	<u>\$ 974,629</u>	<u>35.4</u>	<u>\$ 34,542,481</u>	
37								

* January to March 2013 is computed at 25% of 2013 Approved cash outflows.

** April to December 2013 is computed at 75% of 2013 Projected cash outflows.

DEFERRED INCOME TAX LIABILITY / ASSET
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000s)

Line No.	Particulars	2012 ACTUAL	2013 APPROVED	2013 PROJECTED	2014 FORECAST	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)
1	Total DIT Liability- After Tax	(210,925)	(215,501)	(216,513)	(216,167)	
2						
3	Tax Gross Up	(70,308)	(71,834)	(72,171)	(72,056)	
4						
5	DIT Liability/Asset - End of Year	(281,233)	(287,335)	(288,683)	(288,222)	
6						
7	DIT Liability/Asset - Opening Balance	(282,624)	(277,382)	(281,233)	(288,683)	
8						
9	DIT Liability/Asset - Mid Year	(281,929)	(282,359)	(284,958)	(288,453)	
10						
11	Cross Reference			- Section E-FORMULA, Sch 29		
12				- Section E-FORMULA, Sch 30		
13						
14	Note: * Excludes Land, Software CIAC, and WIP.					

FORTISBC ENERGY INC.

Evidentiary Update - February 21, 2014

Section E
FORMULA
Schedule 59

RETURN ON CAPITAL
FOR THE YEAR ENDING DECEMBER 31, 2013
(\$000s)

Line No.	Particulars	----- Capitalization ----- Amount		%	Average Embedded Cost	Cost Component	Earned Return	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	2013 RATES							
2	Long-Term Debt		\$ 1,576,778	58.64%	6.87%	4.03%	\$ 108,279	- Section E-FORMULA, Sch 61
3	Unfunded Debt		76,918	2.86%	3.50%	0.10%	2,692	
4	Common Equity		<u>1,035,240</u>	<u>38.50%</u>	<u>9.52%</u>	<u>3.66%</u>	<u>98,605</u>	
5								
6			<u>\$ 2,688,936</u>	<u>100.00%</u>		<u>7.79%</u>	<u>\$ 209,575</u>	- Section E-FORMULA, Sch 29
7								
8								
9								
10	2013 REVISED RATES - PROJECTED							
11	Long-Term Debt		\$ 1,576,778	58.64%	6.87%	4.03%	\$ 108,279	- Section E-FORMULA, Sch 61
12	Unfunded Debt	\$ 76,918						
13	Adjustment, Revised Rates	-	76,918	2.86%	3.50%	0.10%	2,692	
14	Common Equity		<u>1,035,240</u>	<u>38.50%</u>	<u>9.52%</u>	<u>3.66%</u>	<u>98,605</u>	- Section E-FORMULA, Sch 3
15								- Section E-FORMULA, Sch 29
16			<u>\$ 2,688,936</u>	<u>100.00%</u>		<u>7.79%</u>	<u>\$ 209,575</u>	

FORTISBC ENERGY INC.

Evidentiary Update - February 21, 2014

Section E
FORMULA
Schedule 60

RETURN ON CAPITAL
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars	----- Capitalization -----		%	Average Embedded Cost	Cost Component	Earned Return	Cross Reference
	(1)	(2)	Amount (3)	(4)	(5)	(6)	(7)	(8)
1	2014 AT 2013 RATES							
2	Long-Term Debt		\$ 1,575,067	56.71%	6.83%	3.87%	\$ 107,610	- Section E-FORMULA, Sch 62
3	Unfunded Debt		133,056	4.79%	1.75%	0.08%	2,328	
4	Common Equity		<u>1,069,312</u>	<u>38.50%</u>	8.49%	<u>3.28%</u>	<u>90,831</u>	
5								
6			<u>\$ 2,777,435</u>	<u>100.00%</u>		<u>7.23%</u>	<u>\$ 200,769</u>	- Section E-FORMULA, Sch 30
7								
8								
9								
10	2014 REVISED RATES							
11	Long-Term Debt		\$ 1,575,067	56.70%	6.83%	3.87%	\$ 107,610	- Section E-FORMULA, Sch 62
12	Unfunded Debt	\$ 133,056						
13	Adjustment, Revised Rates	170	133,226	4.80%	1.75%	0.08%	2,331	
14	Common Equity		<u>1,069,419</u>	<u>38.50%</u>	8.75%	<u>3.37%</u>	<u>93,574</u>	- Section E-FORMULA, Sch 4
15								- Section E-FORMULA, Sch 30
16			<u>\$ 2,777,712</u>	<u>100.00%</u>		<u>7.33%</u>	<u>\$ 203,515</u>	

FORTISBC ENERGY INC.

G-44-12 (May 1, 2012)

Section E
FORMULA
Schedule 61

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

*** APPROVED ***

Line No.	Particulars	Issue Date	Maturity Date	Coupon Rate	Principal Amount of Issue	Issue Expense	Net Proceeds of Issue	Effective Interest Cost	Average Principal Outstanding	Annual Cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Series A Purchase Money Mortgage	3-Dec-1990	30-Sep-2015	11.800%	\$ 58,943	\$ 855	\$ 74,100 *	12.054%	\$ 74,955	\$ 9,035
2	Series B Purchase Money Mortgage	30-Nov-1991	30-Nov-2016	10.300%	157,274	2,228	155,882 *	10.461%	158,110	16,540
3										
4	Medium Term Note - Series 11	21-Sep-1999	21-Sep-2029	6.950%	150,000	2,290	147,710	7.073%	150,000	10,610
5	2004 Long Term Debt Issue - Series 18	29-Apr-2004	1-May-2034	6.500%	150,000	1,915	148,085	6.598%	150,000	9,897
6	2005 Long Term Debt Issue - Series 19	25-Feb-2005	25-Feb-2035	5.900%	150,000	1,663	148,337	5.980%	150,000	8,970
7	2006 Long Term Debt Issue - Series 21	25-Sep-2006	25-Sep-2036	5.550%	120,000	784	119,216	5.595%	120,000	6,714
8	2007 Medium Term Debt Issue - Series 22	2-Oct-2007	2-Oct-2037	6.000%	250,000	2,303	247,697	6.067%	250,000	15,168
9	2008 Medium Term Debt Issue - Series 23	13-May-2008	13-May-2038	5.800%	250,000	2,412	247,588	5.869%	250,000	14,673
10	2009 Med.Term Debt Issue- Series 24	24-Feb-2009	24-Feb-2039	6.550%	100,000	1,000	99,000	6.627%	100,000	6,627
11										
12	2011 Medium Term Debt Issue - Series 25	1-Oct-2011	1-Oct-2021	4.500%	100,000	1,000	99,000	4.626%	100,000	4,626
13										
14	LILO Obligations - Kelowna							6.445%	21,892	1,411
15	LILO Obligations - Nelson							7.872%	3,519	277
16	LILO Obligations - Vernon							9.153%	10,466	958
17	LILO Obligations - Prince George							8.067%	27,085	2,185
18	LILO Obligations - Creston							7.218%	2,577	186
19										
20	Vehicle Lease Obligation							5.685%	13,510	768
21										
22	Sub-Total								\$ 1,582,114	\$ 108,645
23	Less: Fort Nelson Division Portion of Long Term Debt								5,336	366
24	Total								<u>\$ 1,576,778</u>	<u>\$ 108,279</u>
25										
26	*Includes adjustment of \$16,012 for BC Hydro Premium (Series A).							Average Embedded Cost		<u>6.87%</u>
27	**Includes adjustment of \$836 for BC Hydro Premium (Series B).									
28	Cross Reference									

- Section E-FORMULA, Sch 59

FORTISBC ENERGY INC.

Evidentiary Update - February 21, 2014

Section E
FORMULA
Schedule 62

EMBEDDED COST OF LONG-TERM DEBT
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars	Issue Date	Maturity Date	Coupon Rate	Principal Amount of Issue	Issue Expense	Net Proceeds of Issue	Effective Interest Cost	Average Principal Outstanding	Annual Cost	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
1	Series A Purchase Money Mortgage	3-Dec-1990	30-Sep-2015	11.800%	\$ 58,943	\$ 855	\$ 74,100	*	12.054%	\$ 74,955	\$ 9,035
2	Series B Purchase Money Mortgage	30-Nov-1991	30-Nov-2016	10.300%	157,274	2,228	158,429	**	10.461%	160,657	16,806
3											
4	Medium Term Note - Series 11	21-Sep-1999	21-Sep-2029	6.950%	150,000	2,290	147,710		7.073%	150,000	10,610
5	2004 Long Term Debt Issue - Series 18	29-Apr-2004	1-May-2034	6.500%	150,000	1,915	148,085		6.598%	150,000	9,897
6	2005 Long Term Debt Issue - Series 19	25-Feb-2005	25-Feb-2035	5.900%	150,000	1,663	148,337		5.980%	150,000	8,970
7	2006 Long Term Debt Issue - Series 21	25-Sep-2006	25-Sep-2036	5.550%	120,000	784	119,216		5.595%	120,000	6,714
8	2007 Medium Term Debt Issue - Series 22	2-Oct-2007	2-Oct-2037	6.000%	250,000	2,303	247,697		6.067%	250,000	15,168
9	2008 Medium Term Debt Issue - Series 23	13-May-2008	13-May-2038	5.800%	250,000	2,412	247,588		5.869%	250,000	14,673
10	2009 Med.Term Debt Issue- Series 24	24-Feb-2009	24-Feb-2039	6.550%	100,000	1,234	98,766		6.645%	100,000	6,645
11	2011 Medium Term Debt Issue - Series 25	9-Dec-2011	9-Dec-2041	4.250%	100,000	1,410	98,590		4.334%	100,000	4,334
12											
13	LIFO Obligations - Kelowna							6.469%	20,963		1,356
14	LIFO Obligations - Nelson							7.983%	3,382		270
15	LIFO Obligations - Vernon							9.276%	10,037		931
16	LIFO Obligations - Prince George							8.182%	26,057		2,132
17	LIFO Obligations - Creston							7.330%	2,483		182
18											
19	Vehicle Lease Obligation							2.115%	11,868		251
20											
21	Sub-Total								\$ 1,580,402	\$	107,974
22	Less: Fort Nelson Division Portion of Long Term Debt								5,335		364
23	Total								\$ 1,575,067	\$	107,610
24											
25	*Includes adjustment of \$16,012 for BC Hydro Premium (Series A).							Average Embedded Cost			6.83%
26	**Includes adjustment of \$3,383 for BC Hydro Premium (Series B).										
27	Cross Reference										

- Section E-FORMULA, Sch 60

- Section E-FORMULA, Sch 60

APPENDIX B2
FEVI FINANCIAL SCHEDULES

SUMMARY OF RATE CHANGE REQUIRED
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars (1)	2014					Change (7)	Cross Reference (8)
		2013 PROJECTED (2)	Non-Bypass Sales (3)	Transportation (4)	Bypass and Special Rates (5)	Total (6)		
1	RATE CHANGE REQUIRED							
2								
3	Gas Sales and Transportation Revenue,							
4	At Prior Year's Rates	\$ 189,187	\$ 163,648	\$ 3,843	\$ 19,626	\$ 187,117	\$ (2,070)	- Section D-FORECAST, Sch 8
5								
6								
7	Total Revenue	189,187	163,648	3,843	19,626	187,117	(2,070)	
8								
9	Less - Cost of Gas	(68,540)	(65,837)	-	-	(65,837)	2,703	- Section D-FORECAST, Sch 9
10								
11	Gross Margin	<u>\$ 120,647</u>	<u>\$ 97,811</u>	<u>\$ 3,843</u>	<u>\$ 19,626</u>	<u>\$ 121,280</u>	<u>\$ 633</u>	
12								
13	Revenue Deficiency (Surplus)	<u>\$ 5,932</u>	<u>\$ 4,656</u>	<u>\$ 183</u>	<u>\$ -</u>	<u>\$ 4,839</u>	<u>\$ (1,093)</u>	- Section D-FORECAST, Sch 1
14								
15	Revenue Deficiency (Surplus) as a % of Gross Margin	<u>4.92%</u>	<u>4.76%</u>	<u>4.76%</u>	<u>0.00%</u>	<u>3.99%</u>		
16								
17	Revenue Deficiency (Surplus) as a % of Total Revenue	<u>3.14%</u>	<u>2.85%</u>	<u>4.76%</u>	<u>0.00%</u>	<u>2.59%</u>		
18								

FORTISBC ENERGY (Vancouver Island) INC.

G-65-14 July 4, 2014

Section D
FORECAST
Schedule 3

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

Line No.	Particulars	2012 ACTUAL	2013 APPROVED	2013 PROJECTED	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)
					(Column (4) - Column (3))	
1	ENERGY VOLUMES (TJ)					
2	Sales	11,489	11,860	11,207	(653)	- Section D-FORECAST, Sch 5
3	Transportation	9,060	22,395	22,468	73	- Section D-FORECAST, Sch 5
4		<u>20,549</u>	<u>34,255</u>	<u>33,675</u>	<u>(580)</u>	
5						
6	Average Rate per GJ					
7	Sales	\$ 13.558	\$ 15.191	\$ 15.317	\$ 0.126	
8	Transportation	\$ 2.672	\$ 0.885	\$ 1.044	\$ 0.159	
9	Average	\$ 8.759	\$ 5.838	\$ 5.794	\$ (0.044)	
10						
11	UTILITY REVENUE					
12	Sales - Existing Rates	\$ 170,369	\$ 175,913	\$ 165,941	\$ (9,972)	- Section D-FORECAST, Sch 7
13	Transportation - Existing Rates	24,203	19,814	23,246	3,432	- Section D-FORECAST, Sch 7
14						
15	FEVI Revenue (Surplus) / Deficit	<u>(14,593)</u>	<u>4,255</u>	<u>5,932</u>	<u>1,677</u>	
16	Total Revenue	<u>179,979</u>	<u>199,982</u>	<u>195,119</u>	<u>(4,863)</u>	
17						
18	Cost of Gas Sold (Including Gas Lost)	67,174	70,924	68,540	(2,384)	- Section D-FORECAST, Sch 9
19	Royalty Credit	1,361	-	-	-	
20	GCVA Amortization	(7,535)	-	1,567	1,567	
21	GCVA Additions	(2,089)	-	(1,188)	(1,188)	
22						
23	Gross Margin	<u>121,069</u>	<u>129,058</u>	<u>126,200</u>	<u>(2,858)</u>	
24						
25	Operation and Maintenance	31,042	31,118	30,628	(490)	- Section D-FORECAST, Sch 14
26	Transportation Costs	3,784	3,948	3,972	24	
27	Property and Sundry Taxes	10,714	10,263	11,108	845	- Section D-FORECAST, Sch 18
28	Depreciation and Amortization	34,612	35,779	36,341	562	- Section D-FORECAST, Sch 20
29	Other Operating Revenue	<u>(18,867)</u>	<u>(18,675)</u>	<u>(18,659)</u>	<u>16</u>	- Section D-FORECAST, Sch 12
30	Sub-total	<u>61,284</u>	<u>62,433</u>	<u>63,390</u>	<u>957</u>	
31	Utility Income Before Income Taxes	59,784	66,625	62,810	(3,815)	
32						
33	Income Taxes	5,004	7,084	8,675	1,591	- Section D-FORECAST, Sch 22
34						
35	EARNED RETURN	<u>\$ 54,781</u>	<u>\$ 59,541</u>	<u>\$ 54,135</u>	<u>\$ (5,406)</u>	- Section D-FORECAST, Sch 57
36						
37						
38	UTILITY RATE BASE	<u>\$ 778,698</u>	<u>\$ 808,112</u>	<u>\$ 804,250</u>	<u>\$ (3,862)</u>	- Section D-FORECAST, Sch 28
39						
40	RATE OF RETURN ON UTILITY RATE BASE	<u>7.03%</u>	<u>7.37%</u>	<u>6.73%</u>	<u>-0.64%</u>	- Section D-FORECAST, Sch 57

UTILITY INCOME AND EARNED RETURN
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars (1)	2014 FORECAST					Cross Reference (7)
		2013 PROJECTED (2)	Existing 2013 Rates (3)	Revised Revenue (4)	Total (5)	Change (6)	
1	ENERGY VOLUMES (TJ)						
2	Sales	11,207	10,993	-	10,993	(214)	- Section D-FORECAST, Sch 6
3	Transportation	22,468	22,564	-	22,564	96	- Section D-FORECAST, Sch 6
4		<u>33,675</u>	<u>33,557</u>	<u>-</u>	<u>33,557</u>	<u>(118)</u>	
5							
6	Average Rate per GJ						
7	Sales	\$ 15,317	\$ 14,887	\$ -	\$ 15,310	\$ (0.007)	
8	Transportation	\$ 1,044	\$ 1,040	\$ -	\$ 1,048	\$ 0.004	
9	Average	\$ 5.794	\$ 5.576	\$ -	\$ 5.720	\$ (0.074)	
10							
11	UTILITY REVENUE						
12	Sales - Existing Rates	\$ 165,941	\$ 163,648	\$ -	\$ 163,648	\$ (2,293)	- Section D-FORECAST, Sch 8
13	Transportation - Existing Rates	23,246	23,469	-	23,469	223	- Section D-FORECAST, Sch 8
14							
15	FEVI Revenue (Surplus) / Deficit	<u>5,932</u>	<u>-</u>	<u>4,839</u>	<u>4,839</u>	<u>(1,093)</u>	- Section D-FORECAST, Sch 10
16	Total Revenue	<u>195,119</u>	<u>187,117</u>	<u>4,839</u>	<u>191,956</u>	<u>(3,163)</u>	
17							
18	Cost of Gas Sold (Including Gas Lost)	68,540	65,837	-	65,837	(2,703)	- Section D-FORECAST, Sch 9
19	Royalty Credit	-	-	-	-	-	
20	GCVA Amortization	1,567	882	-	882	(685)	
21	GCVA Additions	(1,188)	-	-	-	1,188	
22							
23	Gross Margin	<u>126,200</u>	<u>120,398</u>	<u>4,839</u>	<u>125,237</u>	<u>(963)</u>	
24							
25	Operation and Maintenance	30,628	30,653	-	30,653	25	- Section D-FORECAST, Sch 14
26	Transportation Costs	3,972	3,845	-	3,845	(127)	
27	Property and Sundry Taxes	11,108	11,389	-	11,389	281	- Section D-FORECAST, Sch 19
28	Depreciation and Amortization	36,341	34,561	-	34,561	(1,780)	- Section D-FORECAST, Sch 21
29	Other Operating Revenue	(18,659)	(18,821)	-	(18,821)	(162)	- Section D-FORECAST, Sch 13
30	Sub-total	<u>63,390</u>	<u>61,627</u>	<u>-</u>	<u>61,627</u>	<u>(1,763)</u>	
31	Utility Income Before Income Taxes	62,810	58,771	4,839	63,610	800	
32							
33	Income Taxes	8,675	7,350	1,258	8,608	(67)	- Section D-FORECAST, Sch 23
34							
35	EARNED RETURN	<u>\$ 54,135</u>	<u>\$ 51,421</u>	<u>\$ 3,581</u>	<u>\$ 55,002</u>	<u>\$ 867</u>	- Section D-FORECAST, Sch 58
36							
37							
38	UTILITY RATE BASE	<u>\$ 804,250</u>	<u>\$ 814,864</u>	<u>\$ 57</u>	<u>\$ 814,921</u>	<u>\$ 10,671</u>	- Section D-FORECAST, Sch 29
39							
40	RATE OF RETURN ON UTILITY RATE BASE	<u>6.73%</u>	<u>6.31%</u>		<u>6.75%</u>	<u>0.02%</u>	- Section D-FORECAST, Sch 58

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

Line No.	Particulars	2013 Projected Terajoules					Cross Reference	
		2012 ACTUAL	2013 APPROVED	Non-Bypass Sales & Transp	Bypass and Special Rates	Total		Change
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
							(Column (6) - Column (3))	
1	SALES							
2	RGS	4,596.3	4,528.0	4,434.2	-	4,434.2	(93.8)	
3	AGS	1,209.5	1,196.7	1,215.9		1,215.9	19.2	
4	SCS 1	489.8	598.2	527.3		527.3	(70.9)	
5	SCS 2	498.7	517.0	465.2		465.2	(51.8)	
6	LCS 1	1,261.1	1,504.1	1,292.0		1,292.0	(212.1)	
7	LCS 2	1,304.6	1,365.5	1,246.6		1,246.6	(118.9)	
8	LCS 3	1,935.8	1,977.5	1,847.3		1,847.3	(130.2)	
9	Residential & Commercial	11,295.7	11,687.0	11,028.5	-	11,028.5	(658.5)	
10								
11	ILF	80.3	112.2	89.8		89.8	(22.4)	
12	HLF	113.3	61.1	88.4		88.4	27.3	
13	Total Sales	11,489.2	11,860.3	11,206.7	-	11,206.7	(653.6)	- Section D-FORECAST, Sch 3
14								
15	TRANSPORTATION SERVICE							
16	LCS13	70.0	-	535.7		535.7	535.7	
17	BC Hydro and ICP	589.8	16,425.6		14,600.0	14,600.0	(1,825.6)	
18	VIGJV	7,268.4	2,919.6		4,380.0	4,380.0	1,460.4	
19	FEW	724.9	2,665.0		2,555.0	2,555.0	(110.0)	
20	Squamish	406.5	384.6		397.4	397.4	12.8	
21	Total Transportation Service	9,059.6	22,394.8	535.7	21,932.4	22,468.1	73.3	- Section D-FORECAST, Sch 3
22								
23	TOTAL SALES AND TRANSPORTATION SERVICES	20,548.8	34,255.0	11,742.4	21,932.4	33,674.8	(580.3)	- Section D-FORECAST, Sch 3
24								

GAS SALES AND TRANSPORTATION VOLUMES
FOR THE YEAR ENDING DECEMBER 31, 2014

Line No.	Particulars	2014 Forecast Terajoules					Cross Reference
		2013 PROJECTED	Non-Bypass Sales & Transp	Bypass and Special Rates	Total	Change	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	SALES						
2	RGS	4,434.2	4,305.7	-	4,305.7	(128.5)	
3	AGS	1,215.9	1,234.0		1,234.0	18.1	
4	SCS 1	527.3	514.2		514.2	(13.1)	
5	SCS 2	465.2	468.4		468.4	3.2	
6	LCS 1	1,292.0	1,280.4		1,280.4	(11.6)	
7	LCS 2	1,246.6	1,249.6		1,249.6	3.0	
8	LCS 3	1,847.3	1,761.6		1,761.6	(85.7)	
9	Residential & Commercial	11,028.5	10,813.9	-	10,813.9	(214.6)	
10							
11	ILF	89.8	90.7		90.7	0.9	
12	HLF	88.4	88.4		88.4	-	
13	Total Sales	11,206.7	10,993.0	-	10,993.0	(213.7)	- Section D-FORECAST, Sch 4
14							
15	TRANSPORTATION SERVICE						
16	LCS13	535.7	569.5		569.5	33.8	
17	BC Hydro and ICP	14,600.0		14,600.0	14,600.0	-	
18	VIGJV	4,380.0		4,380.0	4,380.0	-	
19	FEW	2,555.0		2,616.9	2,616.9	61.9	
20	Squamish	397.4		397.4	397.4	-	
21	Total Transportation Service	22,468.1	569.5	21,994.3	22,563.8	95.7	- Section D-FORECAST, Sch 4
22							
23	TOTAL SALES AND TRANSPORTATION SERVICES	33,674.8	11,562.5	21,994.3	33,556.8	(118.0)	- Section D-FORECAST, Sch 4
24							- Section D-FORECAST, Sch 11

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

Line No.	Particulars	2012 ACTUAL	2013 APPROVED	2013 Gas Sales Revenue At Existing 2013 Rates			Change	Cross Reference
				Non-Bypass Sales & Transp	Bypass and Special Rates	Total		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
							(Column (6) - Column (3))	
1	SALES							
2	RGS	\$ 77,589	\$ 76,657	\$ 74,857	\$ -	\$ 74,857	\$ (1,800)	
3	AGS	15,616	15,281	15,536		15,536	255	
4	SCS 1	8,917	10,664	9,428		9,428	(1,236)	
5	SCS 2	8,837	9,029	8,151		8,151	(878)	
6	LCS 1	17,940	20,971	18,053		18,053	(2,918)	
7	LCS 2	16,741	17,200	15,670		15,670	(1,530)	
8	LCS 3	22,711	24,093	22,532		22,532	(1,561)	
9	Residential & Commercial	168,350	173,895	164,227	-	164,227	(9,668)	
10								
11	ILF	761	1,281	931	-	931	(350)	
12	HLF	1,258	737	783		783	46	
13	Total Sales	170,369	175,913	165,941	-	165,941	(9,972)	- Section D-FORECAST, Sch 3
14								
15	Transportation Service							
16	LCS13	455	-	3,620		3,620	3,620	
17	BC Hydro and ICP	13,882	14,093		12,527	12,527	(1,566)	
18	VIGJV	6,922	2,764		4,175	4,175	1,411	
19	FEW	2,518	2,553		2,507	2,507	(46)	
20	Squamish	427	404		417	417	13	
21	Total Transportation Service	24,203	19,814	3,620	19,626	23,246	3,432	- Section D-FORECAST, Sch 3
22								
23	TOTAL SALES AND TRANSPORTATION SERVICES	\$ 194,572	\$ 195,727	\$ 169,561	\$ 19,626	\$ 189,187	\$ (6,540)	

REVENUE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars (1)	2014 Gas Sales Revenue At Existing 2013 Rates				Change (6)	Reference (7)
		2013 PROJECTED (2)	Non-Bypass Sales & Transp (3)	Bypass and Special Rates (4)	Total (5)		
1	SALES						
2	RGS	\$ 74,857	\$ 73,435	\$ -	\$ 73,435	\$ (1,422)	
3	AGS	15,536	15,760		15,760	224	
4	SCS 1	9,428	9,248		9,248	(180)	
5	SCS 2	8,151	8,242		8,242	91	
6	LCS 1	18,053	17,966		17,966	(87)	
7	LCS 2	15,670	15,834		15,834	164	
8	LCS 3	22,532	21,440		21,440	(1,092)	
9	Residential & Commercial	164,227	161,925	-	161,925	(2,302)	
10							
11	ILF	931	940	-	940	9	
12	HLF	783	783		783	-	
13	Total Sales	165,941	163,648	-	163,648	(2,293)	- Section D-FORECAST, Sch 4
14							
15	Transportation Service						
16	LCS13	3,620	3,843		3,843	223	
17	BC Hydro and ICP	12,527		12,527	12,527	-	
18	VIGJV	4,175		4,175	4,175	-	
19	FEW	2,507		2,507	2,507	-	
20	Squamish	417		417	417	-	
21	Total Transportation Service	23,246	3,843	19,626	23,469	223	- Section D-FORECAST, Sch 4
22							
23	TOTAL SALES AND TRANSPORTATION SERVICES	\$ 189,187	\$ 167,491	\$ 19,626	\$ 187,117	\$ (2,070)	- Section D-FORECAST, Sch 4 - Section D-FORECAST, Sch 11

COST OF GAS
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000s)

FORECAST
Schedule 9

Line No.	Particulars (1)	2013 Projected Gas Costs			2014 Forecast Gas Costs		
		Non-Bypass Sales & Transp (2)	Bypass and Special Rates (3)	Total (4)	Non-Bypass Sales & Transp (5)	Bypass and Special Rates (6)	Total (7)
1	SALES						
2	RGS	27,049	\$ -	\$ 27,049	\$ 25,760	\$ -	\$ 25,760
3	AGS	7,484		7,484	7,383		7,383
4	SCS 1	3,203		3,203	3,076		3,076
5	SCS 2	2,850		2,850	2,803		2,803
6	LCS 1	7,911		7,911	7,664		7,664
7	LCS 2	7,646		7,646	7,478		7,478
8	LCS 3	11,186		11,186	10,534		10,534
9	Residential & Commercial	67,329	-	67,329	64,698	-	64,698
10							
11	ILF	630		630	585		585
12	HLF	581		581	554		554
13	Total Sales	68,540	-	68,540	65,837	-	65,837
14							
15	TRANSPORTATION SERVICE						
16	LCS13	-		-	-		-
17	BC Hydro and ICP		-	-		-	-
18	VIGJV		-	-		-	-
19	FEW		-	-		-	-
20	Squamish		-	-		-	-
21	Total Transportation Service	-	-	-	-	-	-
22	TOTAL SALES AND TRANSPORTATION SERVICES	\$ 68,540	\$ -	\$ 68,540	\$ 65,837	\$ -	\$ 65,837
23							
24	Cross Reference		- Section D-FORECAST, Sch 3		- Section D-FORECAST, Sch 4		

REVENUE UNDER EXISTING 2013 RATES AND REVISED 2014 RATES (Non-Bypass)
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars	Terajoules (2)	Revenue -- At Existing 2013 Rates --		Gross Margin -- At Existing 2013 Rates --		Effective Increase / (Decrease) 4.76% of Margin		Average Number of Customers (9)	Revenue	
			Average \$/GJ (3)	Revenue (\$000s) (4)	Average \$/GJ (5)	Margin (\$000s) (6)	\$/GJ (7)	Revenue (\$000s) (8)		Average \$/GJ (10)	Revenue (\$000s) (11)
1	NON-BYPASS										
2	Sales										
3	RGS	4,305.7	\$ 17.055	\$ 73,435	\$ 11.073	\$ 47,675	\$ 0.527	\$ 2,269	94,740	\$ 17.582	\$ 75,704
4	AGS	1,234.0	12.771	15,760	6.788	8,377	0.323	399	1,023	13.094	16,159
5	SCS 1	514.2	17.985	9,248	12.003	6,172	0.572	294	4,907	18.557	9,542
6	SCS 2	468.4	17.596	8,242	11.614	5,440	0.553	259	1,384	18.149	8,501
7	LCS 1	1,280.4	14.032	17,966	8.046	10,302	0.383	490	1,255	14.415	18,456
8	LCS 2	1,249.6	12.671	15,834	6.687	8,356	0.319	398	433	12.990	16,232
9	LCS 3	1,761.6	12.171	21,440	6.191	10,906	0.295	519	114	12.466	21,959
10	Residential & Commercial	10,813.9		161,925		97,228		4,628	103,856		166,553
11											
12	ILF	90.7	10.364	940	3.914	355	0.187	17	8	10.551	957
13	HLF	88.4	8.857	783	2.590	229	0.124	11	5	8.981	794
14	Total Sales	10,993.0		163,648		97,812		4,656	103,869		168,304
15											
16	TRANSPORTATION SERVICE										
17	LCS13	569.5	6.748	3,843	6.748	3,843	0.321	183	33	7.069	4,026
18	Total Transportation Service	569.5		3,843		3,843		183	33		4,026
19											
20	Total Non-Bypass Sales & Transportation Service	11,562.5		\$ 167,491		\$ 101,655		\$ 4,839	103,902		\$ 172,330
21											
22	Cross Reference		- Section D-FORECAST, Sch 6	- Section D-FORECAST, Sch 8				- Section D-FORECAST, Sch 4			

REVENUE UNDER EXISTING 2013 RATES AND REVISED 2014 RATES (Bypass)
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars	Terajoules (2)	Revenue -- At Existing 2013 Rates --		Gross Margin -- At Existing 2013 Rates --		Increase / (Decrease) 4.76% of Margin		Average Number of Customers (9)	Revenue	
			Average \$/GJ (3)	Revenue (\$000) (4)	Average \$/GJ (5)	Margin (\$000s) (6)	\$/GJ (7)	Revenue (\$000) (8)		Average \$/GJ (10)	Revenue (\$000) (11)
1	BYPASS AND SPECIAL RATES										
2	Bypass and Special Rates Transportation Service										
3	BC Hydro and ICP	14,600.0	0.858	12,527	0.858	12,527	-	-	1	0.858	12,527
4	VIGJV	4,380.0	0.953	4,175	0.953	4,175	-	-	1	0.953	4,175
5	FEW	2,616.9	0.958	2,507	0.958	2,507	-	-	1	0.958	2,507
6	Squamish	397.4	1.049	417	1.049	417	-	-	1	1.049	417
7	Total Bypass and Spec. Rates T-Svc	<u>21,994.3</u>		<u>19,626</u>		<u>19,626</u>		<u>-</u>	<u>4</u>		<u>19,626</u>
8											
9	TOTAL NON-BYPASS AND BYPASS SALES AND										
10	TRANSPORTATION SERVICE	<u>33,556.8</u>		<u>\$ 187,117</u>		<u>\$ 121,281</u>		<u>\$ 4,839</u>	<u>103,906</u>		<u>\$ 191,956</u>
11											
12	Cross Reference	- Section D-FORECAST, Sch 6		- Section D-FORECAST, Sch 8				- Section D-FORECAST, Sch 2			

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

Line No.	Particulars	2012 ACTUAL	2013 APPROVED	2013 PROJECTED	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)
				(Column (4) - Column (3))		
1	Other Utility Revenue					
2						
3	Late Payment Charge	\$ 447	\$ 224	\$ 224	\$ -	- Section D-FORECAST, Sch 54
4						
5	Connection Charge	328	409	393	(16)	- Section D-FORECAST, Sch 54
6						
7	NSF Returned Cheque Charges	7	3	3	-	- Section D-FORECAST, Sch 54
8						
9	Other Recoveries	36	-	-	-	- Section D-FORECAST, Sch 54
10						
11	CNG Compression Revenue	-	-	-	-	
12						
13	Total Other Utility Revenue	818	636	620	(16)	
14						
15	Miscellaneous Revenue					
16						
17	FEVI LNG Costs tsf'd to Commodity	2,102	2,102	2,102	-	- Section D-FORECAST, Sch 54
18						
19	NGT Overhead and Marketing Recovery	-	-	-	-	- Section D-FORECAST, Sch 54
20						
21	Langford Operations CNG Pump Charges	-	-	-	-	- Section D-FORECAST, Sch 54
22						
23	LNG Mitigation Revenue from FEI	15,947	15,937	15,937	-	- Section D-FORECAST, Sch 54
24						
25						
26	Total Miscellaneous	18,049	18,039	18,039	-	
27						
28	Total Other Operating Revenue	<u>\$ 18,867</u>	<u>\$ 18,675</u>	<u>\$ 18,659</u>	<u>\$ (16)</u>	- Section D-FORECAST, Sch 3

OTHER OPERATING REVENUE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars (1)	2013 PROJECTED (2)	2014 (3)	Change (4)	Cross Reference (5)
1	Other Utility Revenue				
2					
3	Late Payment Charge	\$ 224	\$ 226	\$ 2	- Section D-FORECAST, Sch 54
4					
5	Connection Charge	393	400	7	- Section D-FORECAST, Sch 54
6					
7	NSF Returned Cheque Charges	3	3	-	- Section D-FORECAST, Sch 54
8					
9	Other Recoveries	-	-	-	- Section D-FORECAST, Sch 54
10					
11	CNG Compression Revenue	-	153	153	
12					
13	Total Other Utility Revenue	620	782	162	
14					
15	Miscellaneous Revenue				
16					
17	FEVI LNG Costs tsf'd to Commodity	2,102	2,103	1	- Section D-FORECAST, Sch 54
18					
19	NGT Overhead and Marketing Recovery	-	-	-	- Section D-FORECAST, Sch 54
20					
21	Langford Operations CNG Pump Charges	-	-	-	- Section D-FORECAST, Sch 54
22					
23	LNG Mitigation Revenue from FEI	15,937	15,936	(1)	- Section D-FORECAST, Sch 54
24					
25					
26	Total Miscellaneous	18,039	18,039	-	
27					
28	Total Other Operating Revenue	<u>\$ 18,659</u>	<u>\$ 18,821</u>	<u>\$ 162</u>	- Section D-FORECAST, Sch 4

OPERATION & MAINTENANCE EXPENSES - RESOURCE VIEW
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000)

Line No.	Particulars	2012 ACTUAL	2013 APPROVED	2013 PROJECTED	2014 FORECAST	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)
1	M&E Costs	\$ 3,338	\$ 4,077	\$ 3,737	\$ 3,411	
2	COPE Costs	153	109	135	160	
3	IBEW Costs	6,144	6,200	6,034	7,232	
4						
5	Labour Costs	9,635	10,386	9,906	10,803	
6						
7	Vehicle Costs	614	786	716	760	
8	Employee Expenses	334	611	549	555	
9	Materials and Supplies	1,257	1,099	983	1,029	
10	Computer Costs	227	181	181	183	
11	Fees and Administration Costs	19,004	19,391	20,399	20,542	
12	Contractor Costs	1,196	3,363	2,570	2,353	
13	Facilities	2,449	1,654	1,684	1,821	
14	Recoveries & Revenue	(859)	(1,287)	(1,294)	(1,247)	
15						
16	Non-Labour Costs	24,222	25,798	25,788	25,996	
17						
18						
19	Total Gross O&M Expenses	33,857	36,184	35,694	36,799	
20						
21	O&M Difference from Allowed	2,238	-	-	-	
22	Less: Capitalized Overhead	(5,053)	(5,066)	(5,066)	(4,990)	
23						
24	Total O&M Expenses	\$ 31,042	\$ 31,118	\$ 30,628	\$ 31,809	
25						
26	Cross Reference					- Section D-FORECAST, Sch 3
27						- Section D-FORECAST, Sch 4

OPERATION & MAINTENANCE EXPENSES - ACTIVITY VIEW
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000)

Line No.	Particulars	BCUC Reference	2012 ACTUAL	2013 APPROVED	2013 PROJECTED	2014 FORECAST	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Distribution Supervision	110-11	\$ 1,513	\$ 1,997	\$ 1,798	\$ 2,006	
2	Distribution Supervision Total	110-10	1,513	1,997	1,798	2,006	
3							
4	Operation Centre - Distribution	110-21	69	99	100	73	
5	Preventative Maintenance - Distribution	110-22	146	221	214	245	
6	Operations - Distribution	110-23	1,016	1,290	1,152	1,254	
7	Emergency Management - Distribution	110-24	1,092	932	942	1,224	
8	Field Training - Distribution	110-25	222	539	303	344	
9	Meter Exchange - Distribution	110-26	210	213	246	257	
10	Distribution Operations Total	110-20	2,755	3,294	2,957	3,397	
11							
12	Corrective - Distribution	110-31	628	869	878	775	
13	Distribution Maintenance Total	110-30	628	869	878	775	
14							
15	Account Services - Distribution	110-41	157	148	134	170	
16	Bad Debt Management - Distribution	110-42	110	88	32	135	
17	Distribution Meter to Cash Total	110-40	267	236	166	305	
18							
19	Distribution Total	110	5,163	6,396	5,799	6,483	
20							
21	Transmission Supervision	120-11	556	562	470	528	
22	Transmission Supervision Total	120-10	556	562	470	528	
23							
24	Pipeline / Right of Way Operations	120-21	1,111	1,275	1,206	1,322	
25	Compression Operations	120-22	1,097	805	801	887	
26	Measurement Control Operations	120-23	495	770	751	844	
27	Transmission Operations Total	120-20	2,703	2,850	2,758	3,053	
28							
29	Pipeline / Right of Way - Maintenance	120-31	165	534	478	488	
30	Compression - Maintenance	120-32	278	851	848	927	
31	Measurement Control Operations	120-33	110	179	156	168	
32	Transmission Maintenance Total	120-30	553	1,564	1,482	1,583	
33							
34	Transmission Total	120	3,812	4,976	4,710	5,164	
35							
36	LNG Operations	130-11	2,503	1,738	1,746	1,989	
37	LNG Operations Total	130-10	2,503	1,738	1,746	1,989	
38							
39	LNG Plant Maintenance	130-21	-	349	325	370	
40	LNG Plant Maintenance Total	130-20	-	349	325	370	
41							
42	LNG Plant Total	130	2,503	2,087	2,071	2,359	
43							
44	Operations Total	100	11,478	13,459	12,580	14,006	
45							
46	Customer Service Supervision	210-11	59	-	-	-	
47	Customer Assistance	210-12	1,243	1,184	1,184	1,539	
48	Customer Billing	210-13	1,558	1,526	1,526	1,413	
49	Meter Reading	210-14	1,816	2,245	2,246	1,222	
50	Credit & Collections	210-15	522	485	487	496	
51	Customer Operations	210-16	99	159	79	80	
52	Customer Service Total	210-10	5,297	5,599	5,522	4,750	
53							
54	Customer Service Total	210	5,297	5,599	5,522	4,750	
55							
56	Customer Service Total	200	5,297	5,599	5,522	4,750	

OPERATION & MAINTENANCE EXPENSES - ACTIVITY VIEW (Continued)
 FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
 (\$000)

Line No.	Particulars	BCUC Reference	2012 ACTUAL	2013 APPROVED	2013 PROJECTED	2014 FORECAST	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Energy Solutions & External Relations Supervision	310-11	\$ -	\$ -	\$ -	\$ -	
2	Energy Solutions	310-12	1,137	1,236	1,221	1,392	
3	Energy Efficiency	310-13	536	504	654	716	
4	Corporate Communications and External Relations	310-14	263	422	425	657	
5	Forecasting, Market & Business Development	310-15	-	-	-	44	
6	Energy Solutions & External Relations Total	310-10	1,936	2,162	2,300	2,809	
7							
8	Energy Solutions & External Relations Total	310	1,936	2,162	2,300	2,809	
9							
10	Energy Solutions & External Relations Total	300	1,936	2,162	2,300	2,809	
11							
12	Energy Supply & Resource Development	410-11	45	100	100	102	
13	Gas Control	410-12	-	-	-	-	
14	Energy Supply & Resource Development Total	410-10	45	100	100	102	
15							
16	Energy Supply & Resource Development Total	410	45	100	100	102	
17							
18	Information Technology Supervision	420-11	-	-	-	-	
19	Application Management	420-12	390	426	415	441	
20	Infrastructure Management	420-13	-	-	-	-	
21	Information Technology Total	420-10	390	426	415	441	
22							
23	Information Technology Total	420	390	426	415	441	
24							
25	System Planning	430-11	89	209	109	119	
26	Engineering	430-12	220	311	297	323	
27	Project Management	430-13	-	-	-	-	
28	Engineering Services & Project Management Total	430-10	309	520	406	442	
29							
30	Engineering Services & Project Management Total	430	309	520	406	442	
31							
32	Supply Chain	440-11	-	-	-	-	
33	Measurement	440-12	-	-	65	152	
34	Property Services	440-13	145	157	154	169	
35	Operations Support Total	440-10	145	157	219	321	
36							
37	Operations Support Total	440	145	157	219	321	
38							
39	Facilities Management	450-11	1,442	539	539	582	
40	Facilities Total	450-10	1,442	539	539	582	
41							
42	Facilities Total	450	1,442	539	539	582	
43							
44	Environment Health & Safety	460-11	-	-	-	-	
45	Environment Health & Safety Total	460-10	-	-	-	-	
46							
47	Environment Health & Safety Total	460	-	-	-	-	
48							
49							
50	Business Services Total	400	2,331	1,742	1,679	1,888	

OPERATION & MAINTENANCE EXPENSES - ACTIVITY VIEW (Continued)
 FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
 (\$000)

Line No.	Particulars	BCUC Reference	2012 ACTUAL	2013 APPROVED	2013 PROJECTED	2014 FORECAST	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Financial & Regulatory Services	510-11	\$ 461	\$ 472	\$ 460	\$ 463	
2	Financial & Regulatory Services Total	510-10	461	472	460	463	
3							
4	Financial & Regulatory Services Total	510	461	472	460	463	
5							
6	Human Resources	520-11	-	-	-	-	
7	Human Resources Total	520-10	-	-	-	-	
8							
9	Human Resources Total	520	-	-	-	-	
10							
11	Legal	530-11	(56)	49	49	50	
12	Internal Audit	530-12	-	-	-	-	
13	Risk Management/Insurance	530-13	1,015	1,065	1,065	1,250	
14	Governance	530-10	959	1,114	1,114	1,300	
15							
16	Governance Total	530	959	1,114	1,114	1,300	
17							
18	Administration & General	540-11	115	592	592	379	
19	Shared Services Agreement	540-12	10,205	10,192	10,595	11,204	
20	Retiree Benefits	540-16	1,075	852	852	-	
21	Corporate Total	540-10	11,395	11,636	12,039	11,583	
22							
23	Corporate Total	540	11,395	11,636	12,039	11,583	
24							
25	Corporate Services Total	500	12,815	13,222	13,613	13,346	
26							
27	Total Gross O&M Expenses		33,857	36,184	35,694	36,799	
28	O&M Difference from Allowed		2,238	-	-	-	
29	Less: Capitalized Overhead		(5,053)	(5,066)	(5,066)	(4,990)	
30							
31	Total O&M Expenses		\$ 31,042	\$ 31,118	\$ 30,628	\$ 31,809	
32							
33	Cross Reference						- Section D-FORECAST, Sch 3
34							- Section D-FORECAST, Sch 4

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

G-65-14 July 4, 2014 Section D
FORECAST
Schedule 18

Line No.	Particulars	2012 ACTUAL (2)	2013 APPROVED (3)	2013		Change (6) (Column (5) - Column (3))	Cross Reference (7)
				Total Expenses (4)	2013 Rates, Total Expenses (5)		
1	Property Taxes						
2							
3	1% in Lieu of General Municipal Tax	\$ 1,641	\$ 1,549	\$ 1,632	\$ 1,632	\$ 83	
4							
5	General, School and Other	<u>9,073</u>	<u>8,714</u>	<u>9,476</u>	<u>9,476</u>	<u>762</u>	
6							
7		10,714	10,263	11,108	11,108	845	
8							
9	Add / Less: Deferred Property Taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
10							
11	Total	<u>\$ 10,714</u>	<u>\$ 10,263</u>	<u>\$ 11,108</u>	<u>\$ 11,108</u>	<u>\$ 845</u>	- Section D-FORECAST, Sch 3

FORTISBC ENERGY (Vancouver Island) INC.

G-65-14 July 4, 2014

Section D
FORECAST
Schedule 19

PROPERTY AND SUNDRY TAXES
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars (1)	2014			Change (5)	Cross Reference (6)
		2013 PROJECTED (2)	Total Expenses (3)	2013 Rates, Total Expenses (4)		
1	Property Taxes					
2						
3	1% in Lieu of General Municipal Tax	\$ 1,632	\$ 1,673	\$ 1,673	\$ 41	
4						
5	General, School and Other	<u>9,476</u>	<u>9,716</u>	<u>9,716</u>	<u>240</u>	
6						
7		11,108	11,389	11,389	281	
8						
9	Add / Less: Deferred Property Taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
10						
11	Total	<u>\$ 11,108</u>	<u>\$ 11,389</u>	<u>\$ 11,389</u>	<u>\$ 281</u>	- Section D-FORECAST, Sch 4

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

Line No.	Particulars	2012 ACTUAL	2013 APPROVED	2013 PROJECTED	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)
				(Column (4) - Column (3))		
1	<u>Depreciation & Removal Provision</u>					
2						
3	Depreciation Expense	\$ 32,672	\$ 34,474	\$ 33,660	\$ (814)	- Section D-FORECAST, Sch 39
4						
5	Less: Amortization of Contributions in Aid of Construction	<u>(4,224)</u>	<u>(4,192)</u>	<u>(4,202)</u>	<u>(10)</u>	- Section D-FORECAST, Sch 43
6		<u>28,448</u>	<u>30,282</u>	<u>29,458</u>	<u>(824)</u>	- Section D-FORECAST, Sch 24
7						
8	<u>Amortization Expense</u>					
9						
10	Amortization of Deferred Charges	\$ (1,372)	\$ 5,497	\$ 8,450	\$ 2,953	- Section D-FORECAST, Sch 46
11	Less: GCVA Amortization	<u>7,535</u>	<u>-</u>	<u>(1,567)</u>	<u>(1,567)</u>	
12		<u>6,163</u>	<u>5,497</u>	<u>6,883</u>	<u>1,386</u>	
13						
14	TOTAL	<u>34,612</u>	<u>35,779</u>	<u>36,341</u>	<u>\$ 562</u>	- Section D-FORECAST, Sch 3

DEPRECIATION AND AMORTIZATION EXPENSES
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars (1)	2013 PROJECTED (2)	2014 (3)	Change (4)	Cross Reference (5)
1	<u>Depreciation & Removal Provision</u>				
2					
3	Depreciation Expense	\$ 33,660	\$ 33,694	\$ 34	- Section D-FORECAST, Sch 42
4					
5	Less: Amortization of Contributions in Aid of Construction	<u>(4,202)</u>	<u>(4,211)</u>	<u>(9)</u>	- Section D-FORECAST, Sch 44
6		<u>29,458</u>	<u>29,483</u>	<u>25</u>	- Section D-FORECAST, Sch 25
7					
8	<u>Amortization Expense</u>				
9					
10	Amortization of Deferred Charges	\$ 8,450	\$ 5,960	\$ (2,490)	- Section D-FORECAST, Sch 48
11	Less: GCVA Amortization	<u>(1,567)</u>	<u>(882)</u>	<u>685</u>	
12		<u>6,883</u>	<u>5,078</u>	<u>(1,805)</u>	
13					
14	TOTAL	<u>\$ 36,341</u>	<u>34,561</u>	<u>\$ (1,780)</u>	- Section D-FORECAST, Sch 4

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

Line No.	Particulars	2013						Cross Reference
		2012 ACTUAL	2013 APPROVED	Existing Rates	Revised Revenue	Total	Change	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
							(Column (6) - Column (3))	
1	CALCULATION OF INCOME TAXES							
2	EARNED RETURN	\$ 54,781	\$ 59,541	\$ 49,686	\$ 4,449	\$ 54,135	\$ (5,406)	- Section D-FORECAST, Sch 3
3	Deduct - Interest on Debt	(23,633)	(27,216)	(23,262)	-	(23,262)	3,954	- Section D-FORECAST, Sch 57
4	Net Additions (Deductions)	(16,839)	(11,072)	(4,848)	-	(4,848)	6,224	- Section D-FORECAST, Sch 24
5	Accounting Income After Tax	<u>14,308</u>	<u>21,253</u>	<u>21,576</u>	<u>\$ 4,449</u>	<u>26,025</u>	<u>4,772</u>	
6								
7	Current Income Tax Rate	25.00%	25.00%	25.00%	25.00%	25.00%	0.00%	
8	1 - Current Income Tax Rate	75.00%	75.00%	75.00%	75.00%	75.00%	0.00%	
9								
10	Taxable Income	<u>\$ 19,078</u>	<u>\$ 28,337</u>	<u>\$ 28,768</u>	<u>\$ 5,932</u>	<u>\$ 34,700</u>	<u>\$ 6,363</u>	
11								
12								
13	Income Tax - Current	\$ 4,770	\$ 7,084	\$ 7,192	\$ 1,483	\$ 8,675	\$ 1,591	
14	Previous Year Adjustment	234	-		-		-	
15								
16	Total Income Tax	<u>\$ 5,004</u>	<u>\$ 7,084</u>	<u>\$ 7,192</u>	<u>\$ 1,483</u>	<u>\$ 8,675</u>	<u>\$ 1,591</u>	- Section D-FORECAST, Sch 3

INCOME TAXES
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

		2014					
Line No.	Particulars	2013 PROJECTED	Existing Rates	Revised Revenue	Total	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	CALCULATION OF INCOME TAXES						
2	EARNED RETURN	\$ 54,135	\$ 51,421	\$ 3,581	\$ 55,002	\$ 867	- Section D-FORECAST, Sch 4
3	Deduct - Interest on Debt	(23,262)	(23,718)	(1)	(23,719)	(457)	- Section D-FORECAST, Sch 58
4	Net Additions (Deductions)	(4,848)	(6,784)	-	(6,784)	(1,936)	- Section D-FORECAST, Sch 25
5	Accounting Income After Tax	26,025	20,919	\$ 3,580	24,499	(1,526)	
6							
7	Current Income Tax Rate	25.00%	26.00%	26.00%	26.00%	1.00%	
8	1 - Current Income Tax Rate	75.00%	74.00%	74.00%	74.00%	-1.00%	
9							
10	Taxable Income	34,700	\$ 28,269	\$ 4,838	\$ 33,107	\$ (1,593)	
11							
12							
13	Income Tax - Current	\$ 8,675	\$ 7,350	\$ 1,258	\$ 8,608	\$ (67)	
14	Previous Year Adjustment	-	-	-	-	-	
15							
16	Total Income Tax	\$ 8,675	\$ 7,350	\$ 1,258	\$ 8,608	\$ (67)	- Section D-FORECAST, Sch 4

ADJUSTMENTS TO TAXABLE INCOME
FOR THE YEAR ENDING DECEMBER 31, 2013
(\$000s)

Line No.	Particulars	2012 ACTUAL (2)	2013 APPROVED (3)	2013 PROJECTED (4)	Change (5)	Cross Reference (6)
	(1)					
				(Column (4) - Column (3))		
1	Addbacks:					
2	Non-tax Deductible Expenses	\$ 71	\$ 60	70	\$ 10	
3	Depreciation	28,448	30,282	29,458	(824)	- Section D-FORECAST, Sch 20
4	Amortization of Debt Issue Expenses	240	174	421	247	
5	Pension Expense	1,724	1,539	1,539	-	
6	OPEB Expense	616	620	620	-	
7	Variance in O&M expenses - Actual vs. Allowed	2,238	-	-	-	
8	Bad Debt Provision	116	-	-	-	
9						
10	Deductions:					
11	Amortization of Deferred Charges	(1,372)	5,497	8,450	2,953	- Section D-FORECAST, Sch 20
12	Capital Cost Allowance	(40,055)	(42,112)	(38,047)	4,065	- Section D-FORECAST, Sch 26
13	Cumulative Eligible Capital Allowance	(359)	(315)	(349)	(34)	
14	Debt Issue Costs	(696)	(290)	(363)	(73)	
15	Pension Contributions	(2,667)	(2,319)	(2,384)	(65)	
16	OPEB Contributions	(322)	(303)	(303)	-	
17	Overheads Capitalized Expensed for Tax Purposes	(3,249)	(3,257)	(3,257)	-	
18	Removal Costs	(760)	(648)	(703)	(55)	
19	Major Inspection Costs	(554)	-	-	-	
20	AFUDC Capitalized	(259)	-	-	-	
21						
22	TOTAL	<u>(16,839)</u>	<u>(11,072)</u>	<u>\$ (4,848)</u>	<u>\$ 6,224</u>	- Section D-FORECAST, Sch 22

ADJUSTMENTS TO TAXABLE INCOME
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars	2013 PROJECTED	2014	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)
1	Addbacks:				
2	Non-tax Deductible Expenses	\$ 70	70	\$ -	
3	Depreciation	29,458	29,483	25	- Section D-FORECAST, Sch 21
4	Amortization of Debt Issue Expenses	421	174	(247)	
5	Pension Expense	1,539	2,680	1,141	
6	OPEB Expense	620	1,004	384	
7	Variance in O&M expenses - Actual vs. Allowed	-	-	-	
8	Bad Debt Provision	-	-	-	
9					
10	Deductions:				
11	Amortization of Deferred Charges	8,450	5,960	(2,490)	- Section D-FORECAST, Sch 21
12	Capital Cost Allowance	(38,047)	(37,694)	353	- Section D-FORECAST, Sch 27
13	Cumulative Eligible Capital Allowance	(349)	(324)	25	
14	Debt Issue Costs	(363)	(316)	47	
15	Pension Contributions	(2,384)	(3,321)	(937)	
16	OPEB Contributions	(303)	(314)	(11)	
17	Overheads Capitalized Expensed for Tax Purposes	(3,257)	(3,208)	49	
18	Removal Costs	(703)	(978)	(275)	
19	Major Inspection Costs	-	-	-	
20	AFUDC Capitalized	-	-	-	
21					
22	TOTAL	\$ (4,848)	\$ (6,784)	\$ (1,936)	- Section D-FORECAST, Sch 23

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

FORECAST
Schedule 26

Line No.	Class	CCA Rate	12/31/2012 UCC Balance	Adjustments	2013 Net Additions	2013 CCA	12/31/2013 UCC Balance
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	1	4%	\$ 261,570	\$ -	\$ -	\$ (10,463)	\$ 251,107
2	1(b)	6%	19,012	-	367	(1,152)	18,227
3	2	6%	5,911	-	-	(355)	5,556
4	3	5%	123	-	-	(6)	117
5	6	10%	4	-	-	-	4
6	7	15%	15,547	-	1,171	(2,420)	14,298
7	8	20%	5,551	-	176	(1,128)	4,599
8	10	30%	1,502	-	4,030	(1,055)	4,477
9	12	100%	1,002	-	1,440	(1,722)	720
10	13	manual	501	-	145	(178)	468
11	14	manual	250	-	-	(25)	225
12	17	8%	1,540	-	-	(123)	1,417
13	38	30%	277	-	160	(107)	330
14	45	45%	21	-	-	(9)	12
15	47	8%	142,041	-	952	(11,401)	131,592
16	49	8%	35,117	-	1,596	(2,873)	33,840
17	50	55%	644	-	960	(618)	986
18	51	6%	65,194	-	16,671	(4,412)	77,453
19		0%	-	-	-	-	-
20		Total	<u>\$ 555,807</u>	<u>\$ -</u>	<u>\$ 27,668</u>	<u>\$ (38,047)</u>	<u>\$ 545,428</u>
21							
22	Cross Reference				- Section D-FORECAST, Sch 24		

CAPITAL COST ALLOWANCE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Class	CCA Rate	12/31/2013 UCC Balance	Adjustments	2014 Net Additions	2014 CCA	12/31/2014 UCC Balance
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	1	4%	\$ 251,107	\$ -	\$ -	\$ (10,044)	\$ 241,063
2	1(b)	6%	18,227	-	329	(1,104)	17,452
3	2	6%	5,556	-	-	(333)	5,223
4	3	5%	117	-	-	(6)	111
5	6	10%	4	-	-	-	4
6	7	15%	14,298	-	4,512	(2,483)	16,327
7	8	20%	4,599	-	1,335	(1,053)	4,881
8	10	30%	4,477	-	1,316	(1,540)	4,253
9	12	100%	720	-	1,333	(1,387)	666
10	13	manual	468	-	200	(178)	490
11	14	manual	225	-	-	(23)	202
12	17	8%	1,417	-	-	(113)	1,304
13	38	30%	330	-	100	(114)	316
14	45	45%	12	-	-	(5)	7
15	47	8%	131,592	-	1,421	(10,584)	122,429
16	49	8%	33,840	-	1,705	(2,775)	32,770
17	50	55%	986	-	889	(787)	1,088
18	51	6%	77,453	-	17,264	(5,165)	89,552
19		0%	-	-	-	-	-
20		Total	<u>\$ 545,428</u>	<u>\$ -</u>	<u>\$ 30,404</u>	<u>\$ (37,694)</u>	<u>\$ 538,138</u>
21							
22	Cross Reference				- Section D-FORECAST, Sch 25		

FORTISBC ENERGY (Vancouver Island) INC.

G-65-14 July 4, 2014

Section D
FORECAST
Schedule 28

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

Line No.	Particulars	2012 ACTUAL	2013 APPROVED	2013 PROJECTED		Revised Rates	Change	Cross Reference
				Existing 2013 Rates	Adjustments			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
							(Column (6) - Column (3))	
1	Gas Plant in Service, Beginning	\$ 1,252,736	\$ 1,307,722	\$ 1,295,320	\$ -	\$ 1,295,320	\$ (12,402)	- Section D-FORECAST, Sch 33
2	Opening Balance Adjustment	-	-	-	-	-	-	
3	Gas Plant in Service, Ending	1,295,320	1,334,659	1,318,586	-	1,318,586	(16,073)	- Section D-FORECAST, Sch 33
4								
5	Accumulated Depreciation Beginning - Plant	\$ (294,008)	\$ (315,930)	\$ (314,835)	\$ -	\$ (314,835)	\$ 1,095	- Section D-FORECAST, Sch 39
6	Opening Balance Adjustment	9,407	-	-	-	-	-	
7	Accumulated Depreciation Ending - Plant	(314,833)	(343,682)	(340,900)	-	(340,900)	2,782	- Section D-FORECAST, Sch 39
8								
9	CIAC, Beginning	\$ (276,650)	\$ (254,592)	\$ (254,980)	\$ -	\$ (254,980)	\$ (388)	- Section D-FORECAST, Sch 43
10	Opening Balance Adjustment	2,484	-	-	-	-	-	
11	CIAC, Ending	(254,980)	(250,900)	(251,702)	-	(251,702)	(802)	- Section D-FORECAST, Sch 43
12								
13	Accumulated Amortization Beginning - CIAC	\$ 59,227	\$ 63,325	\$ 63,326	\$ -	\$ 63,326	\$ 1	- Section D-FORECAST, Sch 43
14	Opening Balance Adjustment	(124)	-	-	-	-	-	
15	Accumulated Amortization Ending - CIAC	63,326	67,517	67,528	-	67,528	11	- Section D-FORECAST, Sch 43
16								
17	Net Plant in Service, Mid-Year	<u>\$ 770,952</u>	<u>\$ 804,060</u>	<u>\$ 791,172</u>	<u>\$ -</u>	<u>\$ 791,172</u>	<u>\$ (12,888)</u>	
18								
19	Adjustment to 13-Month Average	1,787	-	-	-	-	-	
20	Work in Progress, No AFUDC	3,337	2,285	5,508	-	5,508	3,223	
21	Unamortized Deferred Charges	(8,614)	(6,566)	(5,804)	-	(5,804)	762	- Section D-FORECAST, Sch 46
22	Cash Working Capital	467	556	139	100	239	(317)	- Section D-FORECAST, Sch 51
23	Other Working Capital	10,768	7,777	13,135	-	13,135	5,358	- Section D-FORECAST, Sch 51
24	Deferred Income Taxes Regulatory Asset	76,762	76,663	84,435	-	84,435	7,772	- Section D-FORECAST, Sch 56
25	Deferred Income Taxes Regulatory Liability	(76,762)	(76,663)	(84,435)	-	(84,435)	(7,772)	- Section D-FORECAST, Sch 56
26	Utility Rate Base	<u><u>\$ 778,698</u></u>	<u><u>\$ 808,112</u></u>	<u><u>\$ 804,150</u></u>	<u><u>\$ 100</u></u>	<u><u>\$ 804,250</u></u>	<u><u>\$ (3,862)</u></u>	- Section D-FORECAST, Sch 57
27								- Section D-FORECAST, Sch 3

UTILITY RATE BASE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars	2014 FORECAST					Cross Reference
		2013 PROJECTED	Existing 2013 Rates	Adjustments	Revised Rates	Change	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Gas Plant in Service, Beginning	\$ 1,295,320	\$ 1,318,586	\$ -	\$ 1,318,586	\$ 23,266	- Section D-FORECAST, Sch 36
2	Opening Balance Adjustment	-	-	-	-	-	
3	Gas Plant in Service, Ending	1,318,586	1,348,198	-	1,348,198	29,612	- Section D-FORECAST, Sch 36
4							
5	Accumulated Depreciation Beginning - Plant	\$ (314,835)	\$ (340,900)	\$ -	\$ (340,900)	\$ (26,065)	- Section D-FORECAST, Sch 42
6	Opening Balance Adjustment	-	-	-	-	-	
7	Accumulated Depreciation Ending - Plant	(340,900)	(370,499)	-	(370,499)	(29,599)	- Section D-FORECAST, Sch 42
8							
9	CIAC, Beginning	\$ (254,980)	\$ (251,702)	\$ -	\$ (251,702)	\$ 3,278	- Section D-FORECAST, Sch 44
10	Opening Balance Adjustment	-	-	-	-	-	
11	CIAC, Ending	(251,702)	(242,555)	-	(242,555)	9,147	- Section D-FORECAST, Sch 44
12							
13	Accumulated Amortization Beginning - CIAC	\$ 63,326	\$ 67,528	\$ -	\$ 67,528	\$ 4,202	- Section D-FORECAST, Sch 44
14	Opening Balance Adjustment	-	-	-	-	-	
15	Accumulated Amortization Ending - CIAC	67,528	71,739	-	71,739	4,211	- Section D-FORECAST, Sch 44
16							
17	Net Plant in Service, Mid-Year	<u>\$ 791,172</u>	<u>\$ 800,198</u>	<u>\$ -</u>	<u>\$ 800,198</u>	<u>\$ 9,026</u>	
18							
19	Adjustment to 13-Month Average	-	-	-	-	-	
20	Work in Progress, No AFUDC	5,508	5,508	-	5,508	-	
21	Unamortized Deferred Charges	(5,804)	(5,476)	-	(5,476)	328	- Section D-FORECAST, Sch 48
22	Cash Working Capital	239	346	57	403	164	- Section D-FORECAST, Sch 52
23	Other Working Capital	13,135	14,288	-	14,288	1,153	- Section D-FORECAST, Sch 52
24	Deferred Income Taxes Regulatory Asset	84,435	89,725	-	89,725	5,290	- Section D-FORECAST, Sch 56
25	Deferred Income Taxes Regulatory Liability	(84,435)	(89,725)	-	(89,725)	(5,290)	- Section D-FORECAST, Sch 56
26	Utility Rate Base	<u>\$ 804,250</u>	<u>\$ 814,864</u>	<u>\$ 57</u>	<u>\$ 814,921</u>	<u>\$ 10,671</u>	- Section D-FORECAST, Sch 58
27							- Section D-FORECAST, Sch 4

FORTISBC ENERGY (Vancouver Island) INC.

G-65-14 July 4, 2014

Section D
FORECAST
Schedule 30

CAPITAL EXPENDITURES AND PLANT ADDITIONS
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000)

Line No.	Particulars (1)	2013 Projected (2)	2014 Forecast (3)	Cross Reference (4)
1	CAPITAL EXPENDITURES			
2				
3	<u>Regular Capital Expenditures</u>			
4				
5	Regular Capital Expenditures	\$ 26,990	\$ 30,020	
6				
7				
8	Total Regular Capital Expenditures	<u>\$ 26,990</u>	<u>\$ 30,020</u>	
9				
10				
11	RECONCILIATION OF CAPITAL EXPENDITURES TO PLANT ADDITIONS			
12				
13	<u>Regular Capital</u>			
14	Regular Capital Expenditures	\$ 26,990	\$ 30,020	
15	Add - Opening WIP	7,273	7,273	
16	Less - Closing WIP	(7,273)	(7,273)	
17	Add - AFUDC	129	187	
18	Add - Overhead Capitalized	<u>5,066</u>	<u>4,991</u>	
19				
20	TOTAL REGULAR CAPITAL ADDITIONS TO GAS PLANT IN SERVICE	<u>\$ 32,185</u>	<u>\$ 35,198</u>	
21				
22	TOTAL CPCN ADDITIONS	<u>\$ -</u>	<u>\$ -</u>	
23				
24	TOTAL PLANT ADDITIONS	<u>\$ 32,185</u>	<u>\$ 35,198</u>	
25				
26	Cross Reference	- Section D-FORECAST, Sch 33		
27		- Section D-FORECAST, Sch 36		

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

FORECAST
Schedule 31

Line No.	Particulars	Balance 12/31/2012	CPCN'S	2013 Additions	2013 AFUDC	2013 CapOH	Retirements	Transfers/ Recovery	Balance 12/31/2013	Mid-year GPIS for Depreciation
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	INTANGIBLE PLANT									
2	117-00 Utility Plant Acquisition Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	175-00 Unamortized Conversion Expense	-	-	-	-	-	-	-	-	-
4	178-00 Organization Expense	-	-	-	-	-	-	-	-	-
5	179-01 Other Deferred Charges	-	-	-	-	-	-	-	-	-
6	401-00 Franchise and Consents	190	-	-	-	-	-	-	190	190
7	402-00 Utility Plant Acquisition Adjustment	-	-	-	-	-	-	-	-	-
8	402-00 Other Intangible Plant	1,219	-	-	-	-	-	-	1,219	1,219
9	431-00 Mfg'd Gas Land Rights	-	-	-	-	-	-	-	-	-
10	461-00 Transmission Land Rights	7,508	-	287	-	-	-	-	7,795	7,652
11	461-13 IP Land Rights Whistler	24	-	-	-	-	-	-	24	24
12	471-00 Distribution Land Rights	1,866	-	-	-	-	-	-	1,866	1,866
13	461-02 Land Rights - Mt. Hayes	610	-	-	-	-	-	-	610	610
14	402-01 Application Software - 12.5%	21,324	-	720	14	-	(2,743)	-	19,315	20,320
15	402-02 Application Software - 20%	3,698	-	720	13	-	(1,271)	-	3,160	3,429
16	TOTAL INTANGIBLE	36,439	-	1,727	27	-	(4,014)	-	34,179	35,309
17										
18	MANUFACTURED GAS / LOCAL STORAGE									
19	430-00 Manufact'd Gas - Land	-	-	-	-	-	-	-	-	-
20	431-00 Manufact'd Gas - Land Rights	-	-	-	-	-	-	-	-	-
21	432-00 Manufact'd Gas - Struct. & Improvements	-	-	-	-	-	-	-	-	-
22	433-00 Manufact'd Gas - Equipment	-	-	-	-	-	-	-	-	-
23	434-00 Manufact'd Gas - Gas Holders	-	-	-	-	-	-	-	-	-
24	436-00 Manufact'd Gas - Compressor Equipment	-	-	-	-	-	-	-	-	-
25	437-00 Manufact'd Gas - Measuring & Regulating Equipme	-	-	-	-	-	-	-	-	-
26	443-00 Gas Holders - Storage (non-Tilbury, non-Mt. Hayes)	-	-	-	-	-	-	-	-	-
27	440-00 Land in Fee Simple (Mount Hayes)	1,083	-	-	-	-	-	-	1,083	1,083
28	442-00 Structures & Improvements (Mount Hayes)	17,261	-	-	-	-	-	-	17,261	17,261
29	443-00 Gas Holders - Storage (Mount Hayes)	60,112	-	869	18	-	-	-	60,999	60,556
30	446-00 Compressor Equipment (Mount Hayes)	-	-	-	-	-	-	-	-	-
31	447-00 Measuring & Regulating Equipment (Mount Hayes)	-	-	-	-	-	-	-	-	-
32	448-00 Purification Equipment (Mount Hayes)	-	-	-	-	-	-	-	-	-
33	448-10 Piping (Mount Hayes)	11,488	-	-	-	-	-	-	11,488	11,488
34	448-20 Pre-treatment (Mount Hayes)	28,714	-	-	-	-	-	-	28,714	28,714
35	448-30 Liquefaction Equipment (Mount Hayes)	28,714	-	-	-	-	-	-	28,714	28,714
36	448-40 Send out Equipment (Mount Hayes)	22,960	-	-	-	-	-	-	22,960	22,960
37	448-50 Sub-station and Electric (Mount Hayes)	21,644	-	-	-	-	-	-	21,644	21,644
38	448-60 Control Room (Mount Hayes)	5,900	-	-	-	-	-	-	5,900	5,900
39	449-00 Local Storage Equipment (Mount Hayes)	33	-	-	-	-	-	-	33	33
40	TOTAL MANUFACTURED	197,909	-	869	18	-	-	-	198,796	198,353

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

FORECAST
 Schedule 32

Line No.	Particulars	Balance 12/31/2012	CPCN'S	2013 Additions	2013 AFUDC	2013 CapOH	Retirements	Transfers/ Recovery	Balance 12/31/2013	Mid-year GPIS for Depreciation
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	TRANSMISSION PLANT									
2	460-00 Land in Fee Simple	\$ 3,198	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,198	\$ 3,198
3	461-00 Transmission Land Rights	-	-	-	-	-	-	-	-	-
4	461-02 Land Rights - Mt. Hayes	-	-	-	-	-	-	-	-	-
5	462-00 Compressor Structures	12,419	-	-	-	-	-	-	12,419	12,419
6	463-00 Measuring Structures	7,665	-	-	-	-	-	-	7,665	7,665
7	464-00 Other Structures & Improvements	130	-	-	-	-	-	-	130	130
8	465-00 Mains	323,783	-	1,457	37	415	(18)	-	325,674	324,729
9	465-00 Mains - INSPECTION	3,291	-	-	-	-	(110)	-	3,181	3,236
10	465-11 IP Transmission Pipeline - Whistler	42,173	-	-	-	-	-	-	42,173	42,173
11	465-30 Mt Hayes - Mains	6,299	-	-	-	-	-	-	6,299	6,299
12	466-00 Compressor Equipment	61,664	-	1,069	19	304	(75)	-	62,981	62,323
13	466-00 Compressor Equipment - OVERHAUL	5,452	-	-	-	-	(2,311)	-	3,141	4,297
14	467-00 Mt. Hayes - Measuring and Regulating Equipment	5,342	-	-	-	-	-	-	5,342	5,342
15	467-00 Measuring & Regulating Equipment	15,637	-	-	-	-	(19)	-	15,618	15,628
16	467-10 Telemetry	1,224	-	-	-	-	-	-	1,224	1,224
17	467-31 IP Intermediate Pressure Whistler	313	-	-	-	-	-	-	313	313
18	468-00 Communication Structures & Equipment	3,859	-	-	-	-	-	-	3,859	3,859
19	TOTAL TRANSMISSION	492,449	-	2,526	56	719	(2,533)	-	493,217	492,833
20										
21	DISTRIBUTION PLANT									
22	470-00 Land in Fee Simple	799	-	-	-	-	-	-	799	799
23	471-00 Distribution Land Rights	-	-	-	-	-	-	-	-	-
24	472-00 Structures & Improvements	2,479	-	-	-	-	(72)	-	2,407	2,443
25	473-00 Services	187,388	-	5,654	-	1,611	(301)	-	194,352	190,870
26	474-00 House Regulators & Meter Installations	24,177	-	807	-	230	(444)	-	24,770	24,474
27	477-00 Meters/Regulators Installations	1,048	-	-	-	-	-	-	1,048	1,048
28	475-00 Mains	287,453	-	8,292	-	2,363	(439)	-	297,669	292,561
29	476-00 Compressor Equipment	-	-	-	-	-	-	-	-	-
30	477-00 Measuring & Regulating Equipment	9,029	-	502	5	143	(221)	-	9,458	9,244
31	477-00 Telemetry	-	-	-	-	-	-	-	-	-
32	478-10 Meters	14,218	-	807	-	-	-	-	15,025	14,622
33	478-20 Instruments	-	-	-	-	-	-	-	-	-
34	479-00 Other Distribution Equipment	-	-	-	-	-	-	-	-	-
35	TOTAL DISTRIBUTION	526,591	-	16,062	5	4,347	(1,477)	-	545,528	536,060

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

FORECAST
 Schedule 33

Line No.	Particulars	Balance 12/31/2012	CPCN'S	2013 Additions	2013 AFUDC	2013 CapOH	Retirements	Transfers/ Recovery	Balance 12/31/2013	Mid-year GPIS for Depreciation
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Natural Gas for Transportation									
2	476-10 NG Transportation CNG Dispensing Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	476-30 NG Transportation CNG Foundations	-	-	-	-	-	-	-	-	-
4	476-60 NG Transportation CNG Dehydrator	-	-	-	-	-	-	-	-	-
5	TOTAL NG FOR TRANSPORTATION	-	-	-	-	-	-	-	-	-
6										
7	GENERAL PLANT & EQUIPMENT									
8	480-00 Land in Fee Simple	7,144	-	-	-	-	-	-	7,144	7,144
9	481-00 Land Rights	-	-	-	-	-	-	-	-	-
10	482-00 Structures & Improvements	-	-	-	-	-	-	-	-	-
11	- Frame Buildings	5,299	-	-	-	-	-	-	5,299	5,299
12	- Masonry Buildings	9,368	-	335	7	-	-	-	9,710	9,539
13	- Leasehold Improvement	597	-	145	-	-	(71)	-	671	634
14	Office Equipment & Furniture	-	-	-	-	-	-	-	-	-
15	483-30 GP Office Equipment	340	-	120	-	-	(55)	-	405	373
16	483-40 GP Furniture	1,058	-	10	-	-	-	-	1,068	1,063
17	483-10 GP Computer Hardware	3,190	-	960	16	-	(300)	-	3,866	3,528
18	483-20 GP Computer Software	404	-	-	-	-	-	-	404	404
19	483-21 GP Computer Software	-	-	-	-	-	-	-	-	-
20	483-22 GP Computer Software	51	-	-	-	-	-	-	51	51
21	484-00 Vehicles	5,034	-	4,030	-	-	-	-	9,064	7,049
22	484-00 Vehicles - Leased	-	-	-	-	-	-	-	-	-
23	485-10 Heavy Work Equipment	550	-	40	-	-	-	-	590	570
24	485-20 Heavy Mobile Equipment	1,181	-	160	-	-	-	-	1,341	1,261
25	486-00 Small Tools & Equipment	7,090	-	6	-	-	(370)	-	6,726	6,908
26	487-00 Equipment on Customer's Premises	-	-	-	-	-	-	-	-	-
27	- VRA Compressor Installation Costs	-	-	-	-	-	-	-	-	-
28	488-00 Communications Equipment	-	-	-	-	-	-	-	-	-
29	- Telephone	626	-	-	-	-	(99)	-	527	577
30	- Radio	-	-	-	-	-	-	-	-	-
31	489-00 Other General Equipment	-	-	-	-	-	-	-	-	-
32	TOTAL GENERAL	41,932	-	5,806	23	-	(895)	-	46,866	44,399
33										
34	UNCLASSIFIED PLANT									
35	499-00 Plant Suspense	-	-	-	-	-	-	-	-	-
36	TOTAL UNCLASSIFIED	-	-	-	-	-	-	-	-	-
37										
38	TOTAL CAPITAL	\$ 1,295,320	\$ -	\$ 26,990	\$ 129	\$ 5,066	\$ (8,919)	\$ -	\$ 1,318,586	\$ 1,306,953
39		- Section D-FORECAST, Sch 28								
40	Cross Reference	- Section D-FORECAST, Sch 30								
41		- Section D-FORECAST, Sch 30								

GAS PLANT IN SERVICE CONTINUITY SCHEDULE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

FORECAST
Schedule 34

Line No.	Particulars (1)	Balance 12/31/2013 (2)	CPCN'S (3)	2014 Additions (4)	2014 AFUDC (5)	2014 CapOH (6)	Retirements (7)	Transfers/ Recovery (8)	Balance 12/31/2014 (9)
1	INTANGIBLE PLANT								
2	117-00 Utility Plant Acquisition Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	175-00 Unamortized Conversion Expense	-	-	-	-	-	-	-	-
4	178-00 Organization Expense	-	-	-	-	-	-	-	-
5	179-01 Other Deferred Charges	-	-	-	-	-	-	-	-
6	401-00 Franchise and Consents	190	-	-	-	-	-	-	190
7	402-00 Utility Plant Acquisition Adjustment	-	-	-	-	-	-	-	-
8	402-00 Other Intangible Plant	1,219	-	-	-	-	-	-	1,219
9	431-00 Mfg'd Gas Land Rights	-	-	-	-	-	-	-	-
10	461-00 Transmission Land Rights	7,795	-	440	-	-	-	-	8,235
11	461-13 IP Land Rights Whistler	24	-	-	-	-	-	-	24
12	471-00 Distribution Land Rights	1,866	-	-	-	-	-	-	1,866
13	461-02 Land Rights - Mt. Hayes	610	-	-	-	-	-	-	610
14	402-01 Application Software - 12.5%	19,315	-	667	13	-	(594)	-	19,401
15	402-02 Application Software - 20%	3,160	-	667	12	-	(331)	-	3,508
16	TOTAL INTANGIBLE	34,179	-	1,774	25	-	(925)	-	35,053
17									
18	MANUFACTURED GAS / LOCAL STORAGE								
19	430-00 Manufact'd Gas - Land	-	-	-	-	-	-	-	-
20	431-00 Manufact'd Gas - Land Rights	-	-	-	-	-	-	-	-
21	432-00 Manufact'd Gas - Struct. & Improvements	-	-	-	-	-	-	-	-
22	433-00 Manufact'd Gas - Equipment	-	-	-	-	-	-	-	-
23	434-00 Manufact'd Gas - Gas Holders	-	-	-	-	-	-	-	-
24	436-00 Manufact'd Gas - Compressor Equipment	-	-	-	-	-	-	-	-
25	437-00 Manufact'd Gas - Measuring & Regulating Equipment	-	-	-	-	-	-	-	-
26	443-00 Gas Holders - Storage (non-Tilbury, non-Mt. Hayes)	-	-	-	-	-	-	-	-
27	440-00 Land in Fee Simple (Mount Hayes)	1,083	-	-	-	-	-	-	1,083
28	442-00 Structures & Improvements (Mount Hayes)	17,261	-	-	-	-	-	-	17,261
29	443-00 Gas Holders - Storage (Mount Hayes)	60,999	-	1,321	27	-	-	-	62,347
30	446-00 Compressor Equipment (Mount Hayes)	-	-	-	-	-	-	-	-
31	447-00 Measuring & Regulating Equipment (Mount Hayes)	-	-	-	-	-	-	-	-
32	448-00 Purification Equipment (Mount Hayes)	-	-	-	-	-	-	-	-
33	448-10 Piping (Mount Hayes)	11,488	-	-	-	-	-	-	11,488
34	448-20 Pre-treatment (Mount Hayes)	28,714	-	-	-	-	-	-	28,714
35	448-30 Liquefaction Equipment (Mount Hayes)	28,714	-	-	-	-	-	-	28,714
36	448-40 Send out Equipment (Mount Hayes)	22,960	-	-	-	-	-	-	22,960
37	448-50 Sub-station and Electric (Mount Hayes)	21,644	-	-	-	-	-	-	21,644
38	448-60 Control Room (Mount Hayes)	5,900	-	-	-	-	-	-	5,900
39	449-00 Local Storage Equipment (Mount Hayes)	33	-	-	-	-	-	-	33
40	TOTAL MANUFACTURED	198,796	-	1,321	27	-	-	-	200,144

GAS PLANT IN SERVICE CONTINUITY SCHEDULE (Continued)
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

FORECAST
Schedule 35

Line No.	Particulars	Balance 12/31/2013	CPCN'S	2014 Additions	2014 AFUDC	2014 CapOH	Retirements	Transfers/ Recovery	Balance 12/31/2014
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	TRANSMISSION PLANT								
2	460-00 Land in Fee Simple	\$ 3,198	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,198
3	461-00 Transmission Land Rights	-	-	-	-	-	-	-	-
4	461-02 Land Rights - Mt. Hayes	-	-	-	-	-	-	-	-
5	462-00 Compressor Structures	12,419	-	-	-	-	-	-	12,419
6	463-00 Measuring Structures	7,665	-	-	-	-	-	-	7,665
7	464-00 Other Structures & Improvements	130	-	-	-	-	-	-	130
8	465-00 Mains	325,674	-	1,585	40	362	(18)	-	327,643
9	465-00 Mains - INSPECTION	3,181	-	-	-	-	-	-	3,181
10	465-11 IP Transmission Pipeline - Whistler	42,173	-	-	-	-	-	-	42,173
11	465-30 Mt Hayes - Mains	6,299	-	-	-	-	-	-	6,299
12	466-00 Compressor Equipment	62,981	-	4,195	74	958	(75)	-	68,133
13	466-00 Compressor Equipment - OVERHAUL	3,141	-	-	-	-	(1,571)	-	1,570
14	467-00 Mt. Hayes - Measuring and Regulating Equipment	5,342	-	-	-	-	-	-	5,342
15	467-00 Measuring & Regulating Equipment	15,618	-	-	-	-	(19)	-	15,599
16	467-10 Telemetry	1,224	-	-	-	-	-	-	1,224
17	467-31 IP Intermediate Pressure Whistler	313	-	-	-	-	-	-	313
18	468-00 Communication Structures & Equipment	3,859	-	-	-	-	-	-	3,859
19	TOTAL TRANSMISSION	493,217	-	5,780	114	1,320	(1,683)	-	498,748
20									
21	DISTRIBUTION PLANT								
22	470-00 Land in Fee Simple	799	-	-	-	-	-	-	799
23	471-00 Distribution Land Rights	-	-	-	-	-	-	-	-
24	472-00 Structures & Improvements	2,407	-	-	-	-	(72)	-	2,335
25	473-00 Services	194,352	-	6,802	-	1,553	(301)	-	202,406
26	474-00 House Regulators & Meter Installations	24,770	-	829	-	189	(751)	-	25,037
27	477-00 Meters/Regulators Installations	1,048	-	-	-	-	-	-	1,048
28	475-00 Mains	297,669	-	7,515	-	1,717	(398)	-	306,503
29	476-00 Compressor Equipment	-	-	-	-	-	-	-	-
30	477-00 Measuring & Regulating Equipment	9,458	-	927	-	212	(221)	-	10,376
31	477-00 Telemetry	-	-	-	-	-	-	-	-
32	478-10 Meters	15,025	-	829	-	-	-	-	15,854
33	478-20 Instruments	-	-	-	-	-	-	-	-
34	479-00 Other Distribution Equipment	-	-	-	-	-	-	-	-
35	TOTAL DISTRIBUTION	545,528	-	16,902	-	3,671	(1,743)	-	564,358

GAS PLANT IN SERVICE CONTINUITY SCHEDULE (Continued)
 FOR THE YEAR ENDING DECEMBER 31, 2014
 (\$000s)

FORECAST
 Schedule 36

Line No.	Particulars	Balance 12/31/2013	CPCN'S	2014 Additions	2014 AFUDC	2014 CapOH	Retirements	Transfers/ Recovery	Balance 12/31/2014
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Natural Gas for Transportation								
2	476-10 NG Transportation CNG Dispensing Equipment	\$ -	\$ -	\$ 999	\$ -	\$ -	\$ -	\$ -	\$ 999
3	476-30 NG Transportation CNG Foundations	-	-	97	-	-	-	-	97
4	476-60 NG Transportation CNG Dehydrator	-	-	50	-	-	-	-	50
5	TOTAL NG FOR TRANSPORTATION	-	-	1,146	-	-	-	-	1,146
6									
7	GENERAL PLANT & EQUIPMENT								
8	480-00 Land in Fee Simple	7,144	-	-	-	-	-	-	7,144
9	481-00 Land Rights	-	-	-	-	-	-	-	-
10	482-00 Structures & Improvements	-	-	-	-	-	-	-	-
11	- Frame Buildings	5,299	-	-	-	-	-	-	5,299
12	- Masonry Buildings	9,710	-	306	6	-	-	-	10,022
13	- Leasehold Improvement	671	-	200	-	-	(3)	-	868
14	Office Equipment & Furniture	-	-	-	-	-	-	-	-
15	483-30 GP Office Equipment	405	-	120	-	-	(17)	-	508
16	483-40 GP Furniture	1,068	-	10	-	-	-	-	1,078
17	483-10 GP Computer Hardware	3,866	-	889	15	-	(679)	-	4,091
18	483-20 GP Computer Software	404	-	-	-	-	(163)	-	241
19	483-21 GP Computer Software	-	-	-	-	-	-	-	-
20	483-22 GP Computer Software	51	-	-	-	-	-	-	51
21	484-00 Vehicles	9,064	-	1,316	-	-	-	-	10,380
22	484-00 Vehicles - Leased	-	-	-	-	-	-	-	-
23	485-10 Heavy Work Equipment	590	-	150	-	-	-	-	740
24	485-20 Heavy Mobile Equipment	1,341	-	100	-	-	-	-	1,441
25	486-00 Small Tools & Equipment	6,726	-	6	-	-	(304)	-	6,428
26	487-00 Equipment on Customer's Premises	-	-	-	-	-	-	-	-
27	- VRA Compressor Installation Costs	-	-	-	-	-	-	-	-
28	488-00 Communications Equipment	-	-	-	-	-	-	-	-
29	- Telephone	527	-	-	-	-	(69)	-	458
30	- Radio	-	-	-	-	-	-	-	-
31	489-00 Other General Equipment	-	-	-	-	-	-	-	-
32	TOTAL GENERAL	46,866	-	3,097	21	-	(1,235)	-	48,749
33									
34	UNCLASSIFIED PLANT								
35	499-00 Plant Suspense	-	-	-	-	-	-	-	-
36	TOTAL UNCLASSIFIED	-	-	-	-	-	-	-	-
37									
38	TOTAL CAPITAL	\$ 1,318,586	\$ -	\$ 30,020	\$ 187	\$ 4,991	\$ (5,586)	\$ -	\$ 1,348,198
39									
40	Cross Reference								
41									

- Section D-FORECAST, Sch 29

- Section D-FORECAST, Sch 30

- Section D-FORECAST, Sch 29

- Section D-FORECAST, Sch 30

- Section D-FORECAST, Sch 30

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

Line No.	Account	Mid-year GPIS for Depreciation	Annual Depreciation Rate %	2013 DEPRECIATION			Accumulated	
				Provision (Cr.)	Adjustments	Retirements	12/31/2012	12/31/2013
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	INTANGIBLE PLANT							
2	117-00 Utility Plant Acquisition Adjustment	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -
3	175-00 Unamortized Conversion Expense	-	0.00%	-	-	-	-	-
4	178-00 Organization Expense	-	0.00%	-	-	-	-	-
5	179-01 Other Deferred Charges	-	0.00%	-	-	-	-	-
6	401-00 Franchise and Consents	190	3.07%	6	-	-	79	85
7	402-00 Utility Plant Acquisition Adjustment	-	0.00%	-	-	-	-	-
8	402-00 Other Intangible Plant	1,219	1.88%	23	-	-	643	666
9	431-00 Mfg'd Gas Land Rights	-	0.00%	-	-	-	-	-
10	461-00 Transmission Land Rights	7,652	0.00%	-	-	-	1,100	1,100
11	461-13 IP Land Rights Whistler	24	0.00%	-	-	-	-	-
12	471-00 Distribution Land Rights	1,866	0.00%	-	-	-	235	235
13	461-02 Land Rights - Mt. Hayes	610	0.00%	-	-	-	-	-
14	402-01 Application Software - 12.5%	20,320	12.50%	2,540	-	(2,743)	11,189	10,986
15	402-02 Application Software - 20%	3,429	20.00%	686	-	(1,271)	1,942	1,357
16	TOTAL INTANGIBLE	35,309		3,255	-	(4,014)	15,188	14,429
17								
18	MANUFACTURED GAS / LOCAL STORAGE							
19	430-00 Manufact'd Gas - Land	-	0.00%	-	-	-	-	-
20	431-00 Manufact'd Gas - Land Rights	-	0.00%	-	-	-	-	-
21	432-00 Manufact'd Gas - Struct. & Improvements	-	0.00%	-	-	-	-	-
22	433-00 Manufact'd Gas - Equipment	-	0.00%	-	-	-	-	-
23	434-00 Manufact'd Gas - Gas Holders	-	0.00%	-	-	-	-	-
24	436-00 Manufact'd Gas - Compressor Equipment	-	0.00%	-	-	-	-	-
25	437-00 Manufact'd Gas - Measuring & Regulating Equipment	-	0.00%	-	-	-	-	-
26	443-00 Gas Holders - Storage (non-Tilbury, non-Mt. Hayes)	-	0.00%	-	-	-	-	-
27	440-00 Land in Fee Simple (Mount Hayes)	1,083	0.00%	-	-	-	-	-
28	442-00 Structures & Improvements (Mount Hayes)	17,261	4.00%	690	-	-	1,092	1,782
29	443-00 Gas Holders - Storage (Mount Hayes)	60,556	1.67%	1,011	-	-	1,588	2,599
30	446-00 Compressor Equipment (Mount Hayes)	-	0.00%	-	-	-	-	-
31	447-00 Measuring & Regulating Equipment (Mount Hayes)	-	0.00%	-	-	-	-	-
32	448-00 Purification Equipment (Mount Hayes)	-	0.00%	-	-	-	-	-
33	448-10 Piping (Mount Hayes)	11,488	2.50%	287	-	-	454	741
34	448-20 Pre-treatment (Mount Hayes)	28,714	4.00%	1,149	-	-	1,817	2,966
35	448-30 Liquefaction Equipment (Mount Hayes)	28,714	2.50%	718	-	-	1,135	1,853
36	448-40 Send out Equipment (Mount Hayes)	22,960	2.50%	574	-	-	908	1,482
37	448-50 Sub-station and Electric (Mount Hayes)	21,644	2.50%	541	-	-	856	1,397
38	448-60 Control Room (Mount Hayes)	5,900	6.67%	394	-	-	622	1,016
39	449-00 Local Storage Equipment (Mount Hayes)	33	2.86%	1	-	-	2	3
40	TOTAL MANUFACTURED	198,353		5,365	-	-	8,474	13,839

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

Line No.	Account (1)	Mid-year GPIS for Depreciation (2)	Annual Depreciation Rate % (3)	2013 DEPRECIATION			Accumulated	
				Provision (Cr.) (4)	Adjust- ments (5)	Retirements (6)	12/31/2012 (7)	12/31/2013 (8)
1	TRANSMISSION PLANT							
2	460-00 Land in Fee Simple	\$ 3,198	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -
3	461-00 Transmission Land Rights	-	0.00%	-	-	-	-	-
4	461-02 Land Rights - Mt. Hayes	-	0.00%	-	-	-	-	-
5	462-00 Compressor Structures	12,419	3.56%	442	-	-	4,532	4,974
6	463-00 Measuring Structures	7,665	3.02%	231	-	-	3,012	3,243
7	464-00 Other Structures & Improvements	130	2.85%	4	-	-	28	32
8	465-00 Mains	324,729	1.55%	5,033	-	(8)	100,655	105,680
9	465-00 Mains - INSPECTION	3,236	14.29%	462	-	(110)	1,052	1,404
10	465-11 IP Transmission Pipeline - Whistler	42,173	1.43%	603	-	-	2,072	2,675
11	465-30 Mt Hayes - Mains	6,299	1.54%	97	-	-	210	307
12	466-00 Compressor Equipment	62,323	2.90%	1,807	-	(54)	20,288	22,041
13	466-00 Compressor Equipment - OVERHAUL	4,297	26.76%	1,150	-	(2,311)	3,465	2,304
14	467-00 Mt. Hayes - Measuring and Regulating Equipment	5,342	3.70%	198	-	-	385	583
15	467-00 Measuring & Regulating Equipment	15,628	4.30%	672	-	(8)	5,145	5,809
16	467-10 Telemetering	1,224	4.30%	53	-	-	54	107
17	467-31 IP Intermediate Pressure Whistler	313	4.00%	13	-	-	38	51
18	468-00 Communication Structures & Equipment	3,859	11.97%	462	-	-	2,776	3,238
19	TOTAL TRANSMISSION	492,833		11,227	-	(2,491)	143,712	152,448
20								
21	DISTRIBUTION PLANT							
22	470-00 Land in Fee Simple	799	0.00%	-	-	-	-	-
23	471-00 Distribution Land Rights	-	0.00%	-	-	-	-	-
24	472-00 Structures & Improvements	2,443	3.07%	75	-	(43)	1,067	1,099
25	473-00 Services	190,870	2.00%	3,817	-	(81)	40,837	44,573
26	474-00 House Regulators & Meter Installations	24,474	5.76%	1,410	-	(308)	8,367	9,469
27	477-00 Meters/Regulators Installations	1,048	4.55%	48	-	-	13	61
28	475-00 Mains	292,561	1.49%	4,359	-	(123)	77,538	81,774
29	476-00 Compressor Equipment	-	0.00%	-	-	-	-	-
30	477-00 Measuring & Regulating Equipment	9,244	4.35%	402	-	(171)	3,857	4,088
31	477-00 Telemetering	-	0.00%	-	-	-	-	-
32	478-10 Meters	14,622	6.35%	928	-	-	5,247	6,175
33	478-20 Instruments	-	0.00%	-	-	-	-	-
34	479-00 Other Distribution Equipment	-	0.00%	-	-	-	-	-
35	TOTAL DISTRIBUTION	536,060		11,039	-	(726)	136,926	147,239

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

FORECAST
 Schedule 39

Line No.	Account (1)	Mid-year GPIS for Depreciation (2)	Annual Depreciation Rate % (3)	2013 DEPRECIATION			Accumulated	
				Provision (Cr.) (4)	Adjust- ments (5)	Retirements (6)	12/31/2012 (7)	12/31/2013 (8)
1	Natural Gas for Transportation							
2	476-10 NG Transportation CNG Dispensing Equipment	\$ -	5.00%	\$ -	\$ -	\$ -	-	\$ -
3	476-30 NG Transportation CNG Foundations	-	5.00%	-	-	-	-	-
4	476-60 NG Transportation CNG Dehydrator	-	5.00%	-	-	-	-	-
5	TOTAL NG FOR TRANSPORTATION	-		-	-	-	-	-
6								
7	GENERAL PLANT & EQUIPMENT							
8	480-00 Land in Fee Simple	7,144	0.00%	-	-	-	-	-
9	481-00 Land Rights	-	0.00%	-	-	-	-	-
10	482-00 Structures & Improvements	-	0.00%	-	-	-	-	-
11	- Frame Buildings	5,299	6.44%	341	-	-	1,344	1,685
12	- Masonry Buildings	9,539	2.21%	211	-	-	155	366
13	- Leasehold Improvement	634	4.16%	26	-	(71)	147	102
14	Office Equipment & Furniture	-	0.00%	-	-	-	-	-
15	483-30 GP Office Equipment	373	6.67%	25	-	(48)	167	144
16	483-40 GP Furniture	1,063	5.00%	53	-	-	77	130
17	483-10 GP Computer Hardware	3,528	20.00%	706	-	(276)	1,189	1,619
18	483-20 GP Computer Software	404	12.50%	50	-	-	200	250
19	483-21 GP Computer Software	-	20.00%	-	-	-	-	-
20	483-22 GP Computer Software	51	20.00%	10	-	-	34	44
21	484-00 Vehicles	7,049	17.72%	1,249	-	-	2,793	4,042
22	484-00 Vehicles - Leased	-	0.00%	-	-	-	-	-
23	485-10 Heavy Work Equipment	570	5.91%	34	-	-	171	205
24	485-20 Heavy Mobile Equipment	1,261	14.75%	186	-	-	403	589
25	486-00 Small Tools & Equipment	6,908	5.00%	345	-	(370)	3,480	3,455
26	487-00 Equipment on Customer's Premises	-	0.00%	-	-	-	-	-
27	- VRA Compressor Installation Costs	-	0.00%	-	-	-	-	-
28	488-00 Communications Equipment	-	0.00%	-	-	-	-	-
29	- Telephone	577	6.67%	38	-	(99)	375	314
30	- Radio	-	0.00%	-	-	-	-	-
31	489-00 Other General Equipment	-	0.00%	-	-	-	-	-
32	TOTAL GENERAL	44,399		3,274	-	(864)	10,535	12,945
33								
34	UNCLASSIFIED PLANT							
35	499-00 Plant Suspense	-	0.00%	-	-	-	-	-
36	TOTAL UNCLASSIFIED	-		-	-	-	-	-
37								
38	TOTALS	\$ 1,306,953		\$ 34,160	\$ -	\$ (8,095)	\$ 314,835	\$ 340,900
39								
40	Less: Vehicle Depreciation Allocated To Capital Projects			(500)				
41	Net Depreciation Expense			<u>\$ 33,660</u>				
42								
43	Cross Reference			- Section D-FORECAST, Sch 33	- Section D-FORECAST, Sch 20	- Section D-FORECAST, Sch 28		

DEPRECIATION AND AMORTIZATION CONTINUITY SCHEDULE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Account	GPIS for Depreciation (2)	Annual Depreciation Rate % (3)	2014 DEPRECIATION			Accumulated	
				Provision (Cr.) (4)	Adjust- ments (5)	Retirements (6)	12/31/2013 (7)	12/31/2014 (8)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	INTANGIBLE PLANT							
2	117-00 Utility Plant Acquisition Adjustment	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -
3	175-00 Unamortized Conversion Expense	-	0.00%	-	-	-	-	-
4	178-00 Organization Expense	-	0.00%	-	-	-	-	-
5	179-01 Other Deferred Charges	-	0.00%	-	-	-	-	-
6	401-00 Franchise and Consents	190	3.07%	6	-	-	85	91
7	402-00 Utility Plant Acquisition Adjustment	-	0.00%	-	-	-	-	-
8	402-00 Other Intangible Plant	1,219	1.88%	23	-	-	666	689
9	431-00 Mfg'd Gas Land Rights	-	0.00%	-	-	-	-	-
10	461-00 Transmission Land Rights	7,795	0.00%	-	-	-	1,100	1,100
11	461-13 IP Land Rights Whistler	24	0.00%	-	-	-	-	-
12	471-00 Distribution Land Rights	1,866	0.00%	-	-	-	235	235
13	461-02 Land Rights - Mt. Hayes	610	0.00%	-	-	-	-	-
14	402-01 Application Software - 12.5%	19,315	12.50%	2,414	-	(594)	10,986	12,806
15	402-02 Application Software - 20%	3,160	20.00%	632	-	(331)	1,357	1,658
16	TOTAL INTANGIBLE	34,179		3,075	-	(925)	14,429	16,579
17								
18	MANUFACTURED GAS / LOCAL STORAGE							
19	430-00 Manufact'd Gas - Land	-	0.00%	-	-	-	-	-
20	431-00 Manufact'd Gas - Land Rights	-	0.00%	-	-	-	-	-
21	432-00 Manufact'd Gas - Struct. & Improvements	-	0.00%	-	-	-	-	-
22	433-00 Manufact'd Gas - Equipment	-	0.00%	-	-	-	-	-
23	434-00 Manufact'd Gas - Gas Holders	-	0.00%	-	-	-	-	-
24	436-00 Manufact'd Gas - Compressor Equipment	-	0.00%	-	-	-	-	-
25	437-00 Manufact'd Gas - Measuring & Regulating Equipment	-	0.00%	-	-	-	-	-
26	443-00 Gas Holders - Storage (non-Tilbury, non-Mt. Hayes)	-	0.00%	-	-	-	-	-
27	440-00 Land in Fee Simple (Mount Hayes)	1,083	0.00%	-	-	-	-	-
28	442-00 Structures & Improvements (Mount Hayes)	17,261	4.00%	690	-	-	1,782	2,472
29	443-00 Gas Holders - Storage (Mount Hayes)	60,999	1.67%	1,019	-	-	2,599	3,618
30	446-00 Compressor Equipment (Mount Hayes)	-	0.00%	-	-	-	-	-
31	447-00 Measuring & Regulating Equipment (Mount Hayes)	-	0.00%	-	-	-	-	-
32	448-00 Purification Equipment (Mount Hayes)	-	0.00%	-	-	-	-	-
33	448-10 Piping (Mount Hayes)	11,488	2.50%	287	-	-	741	1,028
34	448-20 Pre-treatment (Mount Hayes)	28,714	4.00%	1,149	-	-	2,966	4,115
35	448-30 Liquefaction Equipment (Mount Hayes)	28,714	2.50%	718	-	-	1,853	2,571
36	448-40 Send out Equipment (Mount Hayes)	22,960	2.50%	574	-	-	1,482	2,056
37	448-50 Sub-station and Electric (Mount Hayes)	21,644	2.50%	541	-	-	1,397	1,938
38	448-60 Control Room (Mount Hayes)	5,900	6.67%	394	-	-	1,016	1,410
39	449-00 Local Storage Equipment (Mount Hayes)	33	2.86%	1	-	-	3	4
40	TOTAL MANUFACTURED	198,796		5,373	-	-	13,839	19,212

DEPRECIATION AND AMORTIZATION CONTINUITY SCHEDULE (Continued)
 FOR THE YEAR ENDING DECEMBER 31, 2014
 (\$000s)

FORECAST
 Schedule 41

Line No.	Account	GPIS for Depreciation (2)	Annual Depreciation Rate % (3)	2014 DEPRECIATION			Accumulated	
				Provision (Cr.) (4)	Adjust- ments (5)	Retirements (6)	12/31/2013 (7)	12/31/2014 (8)
1	TRANSMISSION PLANT							
2	460-00 Land in Fee Simple	\$ 3,198	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -
3	461-00 Transmission Land Rights	-	0.00%	-	-	-	-	-
4	461-02 Land Rights - Mt. Hayes	-	0.00%	-	-	-	-	-
5	462-00 Compressor Structures	12,419	3.56%	442	-	-	4,974	5,416
6	463-00 Measuring Structures	7,665	3.02%	231	-	-	3,243	3,474
7	464-00 Other Structures & Improvements	130	2.85%	4	-	-	32	36
8	465-00 Mains	325,674	1.55%	5,048	-	(8)	105,680	110,720
9	465-00 Mains - INSPECTION	3,181	14.29%	455	-	-	1,404	1,859
10	465-11 IP Transmission Pipeline - Whistler	42,173	1.43%	603	-	-	2,675	3,278
11	465-30 Mt Hayes - Mains	6,299	1.54%	97	-	-	307	404
12	466-00 Compressor Equipment	62,981	2.90%	1,826	-	(54)	22,041	23,813
13	466-00 Compressor Equipment - OVERHAUL	3,141	26.76%	841	-	(1,571)	2,304	1,574
14	467-00 Mt. Hayes - Measuring and Regulating Equipment	5,342	3.70%	198	-	-	583	781
15	467-00 Measuring & Regulating Equipment	15,618	4.30%	672	-	(8)	5,809	6,473
16	467-10 Telemetry	1,224	4.30%	53	-	-	107	160
17	467-31 IP Intermediate Pressure Whistler	313	4.00%	13	-	-	51	64
18	468-00 Communication Structures & Equipment	3,859	11.97%	462	-	-	3,238	3,700
19	TOTAL TRANSMISSION	493,217		10,945	-	(1,641)	152,448	161,752
20								
21	DISTRIBUTION PLANT							
22	470-00 Land in Fee Simple	799	0.00%	-	-	-	-	-
23	471-00 Distribution Land Rights	-	0.00%	-	-	-	-	-
24	472-00 Structures & Improvements	2,407	3.07%	74	-	(43)	1,099	1,130
25	473-00 Services	194,352	2.00%	3,887	-	(81)	44,573	48,379
26	474-00 House Regulators & Meter Installations	24,770	5.76%	1,427	-	(536)	9,469	10,360
27	477-00 Meters/Regulators Installations	1,048	4.55%	48	-	-	61	109
28	475-00 Mains	297,669	1.49%	4,435	-	(107)	81,774	86,102
29	476-00 Compressor Equipment	-	0.00%	-	-	-	-	-
30	477-00 Measuring & Regulating Equipment	9,458	4.35%	411	-	(171)	4,088	4,328
31	477-00 Telemetry	-	0.00%	-	-	-	-	-
32	478-10 Meters	15,025	6.35%	954	-	-	6,175	7,129
33	478-20 Instruments	-	0.00%	-	-	-	-	-
34	479-00 Other Distribution Equipment	-	0.00%	-	-	-	-	-
35	TOTAL DISTRIBUTION	545,528		11,236	-	(938)	147,239	157,537

DEPRECIATION AND AMORTIZATION CONTINUITY SCHEDULE (Continued)
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

FORECAST
Schedule 42

Line No.	Account (1)	GPIS for Depreciation (2)	Annual Depreciation Rate % (3)	2014 DEPRECIATION			Accumulated	
				Provision (Cr.) (4)	Adjust- ments (5)	Retirements (6)	12/31/2013 (7)	12/31/2014 (8)
1	Natural Gas for Transportation							
2	476-10 NG Transportation CNG Dispensing Equipment	\$ -	5.00%	\$ -	\$ -	\$ -	\$ -	\$ -
3	476-30 NG Transportation CNG Foundations	-	5.00%	-	-	-	-	-
4	476-60 NG Transportation CNG Dehydrator	-	5.00%	-	-	-	-	-
5	TOTAL NG FOR TRANSPORTATION	-		-	-	-	-	-
6								
7	GENERAL PLANT & EQUIPMENT							
8	480-00 Land in Fee Simple	7,144	0.00%	-	-	-	-	-
9	481-00 Land Rights	-	0.00%	-	-	-	-	-
10	482-00 Structures & Improvements	-	0.00%	-	-	-	-	-
11	- Frame Buildings	5,299	6.44%	341	-	-	1,685	2,026
12	- Masonry Buildings	9,710	2.21%	215	-	-	366	581
13	- Leasehold Improvement	671	4.16%	28	-	(3)	102	127
14	Office Equipment & Furniture	-	0.00%	-	-	-	-	-
15	483-30 GP Office Equipment	405	6.67%	27	-	(15)	144	156
16	483-40 GP Furniture	1,068	5.00%	53	-	-	130	183
17	483-10 GP Computer Hardware	3,866	20.00%	773	-	(679)	1,619	1,713
18	483-20 GP Computer Software	404	12.50%	50	-	(163)	250	137
19	483-21 GP Computer Software	-	20.00%	-	-	-	-	-
20	483-22 GP Computer Software	51	20.00%	10	-	-	44	54
21	484-00 Vehicles	9,064	17.72%	1,606	-	-	4,042	5,648
22	484-00 Vehicles - Leased	-	0.00%	-	-	-	-	-
23	485-10 Heavy Work Equipment	590	5.91%	35	-	-	205	240
24	485-20 Heavy Mobile Equipment	1,341	14.75%	198	-	-	589	787
25	486-00 Small Tools & Equipment	6,726	5.00%	336	-	(304)	3,455	3,487
26	487-00 Equipment on Customer's Premises	-	0.00%	-	-	-	-	-
27	- VRA Compressor Installation Costs	-	0.00%	-	-	-	-	-
28	488-00 Communications Equipment	-	0.00%	-	-	-	-	-
29	- Telephone	527	6.67%	35	-	(69)	314	280
30	- Radio	-	0.00%	-	-	-	-	-
31	489-00 Other General Equipment	-	0.00%	-	-	-	-	-
32	TOTAL GENERAL	46,866		3,707	-	(1,233)	12,945	15,419
33								
34	UNCLASSIFIED PLANT							
35	499-00 Plant Suspense	-	0.00%	-	-	-	-	-
36	TOTAL UNCLASSIFIED	-		-	-	-	-	-
37								
38	TOTALS	\$ 1,318,586		\$ 34,336	\$ -	\$ (4,737)	\$ 340,900	\$ 370,499
39								
40	Less: Vehicle Depreciation Allocated To Capital Projects			(642)				
41	Net Depreciation Expense			\$ 33,694				
42								
43	Cross Reference		- Section D-FORECAST, Sch 36		- Section D-FORECAST, Sch 21		- Section D-FORECAST, Sch 29	

FORTISBC ENERGY (Vancouver Island) INC.

G-65-14 July 4, 2014

Section D
FORECAST
Schedule 43

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

Line No.	Particulars (1)	Balance 12/31/2012 (2)	Adjustment (3)	2013 PROJECTED		Balance 12/31/2013 (6)	Cross Reference (7)
				Additions (4)	Retirements (5)		
1	CIAC						
2							
3	Distribution Contributions	\$ 98,280	\$ -	\$ 845	\$ -	\$ 99,125	
4							
5	Transmission Contributions	113,027	-	-	-	113,027	
6							
7	FEW Contribution for Whistler Pipeline	14,550	-	-	-	14,550	
8	Government Loans Contribution	29,123	-	-	(4,123)	25,000	
9							
10	TOTAL Contributions	254,980	-	845	(4,123)	251,702	- Section D-FORECAST, Sch 28
11							
12							
13							
14	Amortization						
15							
16	Distribution Contributions	(27,143)	-	(1,859)	-	(29,002)	
17							
18	Transmission Contributions	(35,454)	-	(2,117)	-	(37,571)	
19							
20	FEW Contribution for Whistler Pipeline	(729)	-	(226)	-	(955)	
21	Government Loans Contribution	-	-	-	-	-	
22							
23	TOTAL CIAC Amortization	(63,326)	-	(4,202)	-	(67,528)	- Section D-FORECAST, Sch 28
24							
25	NET CONTRIBUTIONS	<u>\$ 191,654</u>	<u>\$ -</u>	<u>\$ (3,357)</u>	<u>\$ (4,123)</u>	<u>\$ 184,174</u>	
26							
27							
28	Amortization Expense			<u>\$ (4,202)</u>			- Section D-FORECAST, Sch 20
29							
30							

FORTISBC ENERGY (Vancouver Island) INC.

G-65-14 July 4, 2014

Section D
FORECAST
Schedule 44

CONTRIBUTIONS IN AID OF CONSTRUCTION
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars (1)	Balance 12/31/2013 (2)	Adjustment (3)	2014 FORECAST		Balance 12/31/2014 (6)	Cross Reference (7)
				Additions (4)	Retirements (5)		
1	CIAC						
2							
3	Distribution Contributions	\$ 99,125	\$ -	\$ 853	\$ -	\$ 99,978	
4							
5	Transmission Contributions	113,027	-	-	-	113,027	
6							
7	FEW Contribution for Whistler Pipeline	14,550	-	-	-	14,550	
8	Government Loans Contribution	25,000	-	-	(10,000)	15,000	
9							
10	TOTAL Contributions	251,702	-	853	(10,000)	242,555	- Section D-FORECAST, Sch 29
11							
12							
13							
14	Amortization						
15							
16	Distribution Contributions	(29,002)	-	(1,908)	-	(30,910)	
17							
18	Transmission Contributions	(37,571)	-	(2,077)	-	(39,648)	
19							
20	FEW Contribution for Whistler Pipeline	(955)	-	(226)	-	(1,181)	
21	Government Loans Contribution	-	-	-	-	-	
22							
23	TOTAL CIAC Amortization	(67,528)	-	(4,211)	-	(71,739)	- Section D-FORECAST, Sch 29
24							
25	NET CONTRIBUTIONS	<u>\$ 184,174</u>	<u>\$ -</u>	<u>\$ (3,358)</u>	<u>\$ (10,000)</u>	<u>\$ 170,816</u>	
26							
27							
28	Amortization Expense			<u>\$ (4,211)</u>			- Section D-FORECAST, Sch 21
29							
30							

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

FORECAST
Schedule 45

Line No.	Particulars (1)	Balance	Opening	Gross	Less-	Net	Amortization	Recoveries		Balance	Mid-Year
		12/31/2012	Bal. Transfer / Adjustment	Additions	Taxes	Additions	Expense	Rider	Tax on Rider	12/31/2013	Average
		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	2013
1	<u>Margin Related Deferral Accounts</u>										
2	Gas Cost Variance Account (GCVA)	1,567	-	1,188	(306)	882	(1,567)	-	-	882	1,224
3											
4	<u>Energy Policy Deferral Accounts</u>										
5	Energy Efficiency & Conservation (EEC)	4,742	-	1,500	(386)	1,114	(517)	-	-	5,339	5,041
6	NGV Conversion Grants	-	-	5	(1)	4	-	-	-	4	2
7	Emmissions Regulations	-	-	-	-	-	-	-	-	-	-
8	NGT Incentives	-	-	-	-	-	-	-	-	-	-
9	Fuelling Stations Variance Account	-	-	-	-	-	-	-	-	-	-
10											
11	<u>Non-Controllable Items Deferral Accounts</u>										
12	Insurance Variance	-	-	81	(21)	60	(60)	-	-	(0)	(0)
13	Pension & OPEB Variance	-	-	1,729	-	1,729	(1,729)	-	-	-	-
14	BCUC Levies Variance	-	-	(5)	1	(4)	4	-	-	0	0
15	Tax Variance Account	-	-	-	-	-	-	-	-	-	-
16	Customer Service Variance Account	(565)	-	(869)	224	(645)	-	-	-	(1,211)	(888)
17	Pension & OPEB Funding	(27,066)	-	2,169	-	2,169	-	-	-	(24,897)	(25,982)
18	US GAAP Pension & OPEB Funded Status	22,027	-	(1,448)	-	(1,448)	-	-	-	20,579	21,303

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

FORECAST
 Schedule 46

Line No.	Particulars	Balance 12/31/2012	Opening Bal. Transfer / Adjustment	Gross Additions	Less-Taxes	Net Additions	Amortization Expense	Recoveries Rider	Recoveries Tax on Rider	Balance 12/31/2013	Mid-Year Average 2013
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	<u>Application Costs Deferral Accounts</u>										
2	2014 Revenue Requirement Application	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Long Term Resource Plan Application	-	-	20	(5)	15	-	-	-	15	7
4	Generic Cost of Capital Application	-	-	-	-	-	-	-	-	-	-
5	Amalgamation and Rate Design Application Costs	-	-	-	-	-	-	-	-	-	-
6											
7	<u>Other Deferral Accounts</u>										
8	2010-2011 Customer Service O&M and COS	2,529	-	-	-	-	(337)	-	-	2,192	2,360
9	Gas Asset Records Project	23	-	109	(28)	81	(6)	-	-	98	61
10	BC OneCall Project	11	-	108	(28)	80	(3)	-	-	88	50
11	Gains and Losses on Asset Disposition	3,454	-	824	-	824	(168)	-	-	4,110	3,782
12	Negative Salvage Provision/Cost	(12,553)	-	703	-	703	(3,448)	-	-	(15,298)	(13,925)
13	PCEC Start Up Costs	1,008	-	-	-	-	(44)	-	-	964	986
14	US GAAP Transitional Costs	(282)	-	-	-	-	70	-	-	(211)	(246)
15											
16	<u>Residual Deferred Accounts</u>										
17	Olympics Security Costs Deferral	44	-	-	-	-	(44)	-	-	-	22
18	IFRS Conversion Costs	49	-	-	-	-	(49)	-	-	-	24
19	2009 ROE & Cost of Capital Application	29	-	-	-	-	(14)	-	-	15	22
20	2012-2013 Revenue Requirement Application	67	-	-	-	-	(55)	-	-	12	39
21	CCE CPCN Application	13	-	-	-	-	(7)	-	-	7	10
22	Deferred Removal Costs	431	-	-	-	-	(431)	-	-	-	216
23	US GAAP Conversion Costs	51	-	-	-	-	(42)	-	-	10	30
24	Vancouver Island HST Implementation	5	-	125	(13)	111	(5)	-	-	111	58
25	Victoria Regional Centre CPCN Application	(2)	-	-	-	-	2	-	-	-	(1)
26	2010-2011 Revenue Requirement Application	-	-	-	-	-	-	-	-	-	-
27											
28	Total Deferred Charges for Rate Base	\$ (4,416)	\$ -	\$ 6,239	\$ (564)	\$ 5,675	\$ (8,450)	\$ -	\$ -	\$ (7,191)	\$ (5,804)
29											
30	Cross Reference										

- Section D-FORECAST, Sch 20

- Section D-FORECAST, Sch 28

UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

FORECAST
Schedule 47

Line No.	Particulars	Forecast Balance 12/31/2013	Opening Bal. Transfer / Adjustment	Gross Additions	Less-Taxes	Net Additions	Amortization Expense	Recoveries		Balance 12/31/2014	Mid-Year Average 2014
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	<u>Margin Related Deferral Accounts</u>										
2	Gas Cost Variance Account (GCVA)	882	-	-	-	-	(882)	-	-	(0)	441
3											
4	<u>Energy Policy Deferral Accounts</u>										
5	Energy Efficiency & Conservation (EEC)	5,339	-	1,500	(390)	1,110	(628)	-	-	5,821	5,580
6	NGV Conversion Grants	4	-	5	(1)	4	(1)	-	-	7	5
7	Emmissions Regulations	-	-	-	-	-	-	-	-	-	-
8	NGT Incentives	-	1,727	710	(185)	526	(173)	-	-	2,080	1,903
9	Fuelling Stations Variance Account	-	-	23	(6)	17	-	-	-	17	8
10											
11	<u>Non-Controllable Items Deferral Accounts</u>										
12	Insurance Variance	(0)	-	-	-	-	-	-	-	(0)	(0)
13	Pension & OPEB Variance	-	-	-	-	-	-	-	-	-	-
14	BCUC Levies Variance	0	-	-	-	-	-	-	-	0	0
15	Tax Variance Account	-	-	-	-	-	-	-	-	-	-
16	Customer Service Variance Account	(1,211)	-	-	-	-	242	-	-	(968)	(1,089)
17	Pension & OPEB Funding	(24,897)	-	2,655	-	2,655	-	-	-	(22,242)	(23,570)
18	US GAAP Pension & OPEB Funded Status	20,579	-	(1,352)	-	(1,352)	-	-	-	19,227	19,903

UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION (Continued)
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

FORECAST
Schedule 48

Line No.	Particulars	Forecast Balance 12/31/2013	Opening Bal. Transfer / Adjustment	Gross Additions	Less-Taxes	Net Additions	Amortization Expense	Recoveries Rider	Tax on Rider	Balance 12/31/2014	Mid-Year Average 2014
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	<u>Application Costs Deferral Accounts</u>										
2	2014 Revenue Requirement Application	\$ -	\$ 100	\$ 15	\$ (4)	\$ 11	\$ (111)	\$ -	\$ -	\$ -	\$ 50
3	Long Term Resource Plan Application	15	-	4	(1)	3	(7)	-	-	10	13
4	Generic Cost of Capital Application	-	228	-	-	-	(114)	-	-	114	171
5	Amalgamation and Rate Design Application Costs	-	170	-	-	-	(57)	-	-	113	142
6											
7	<u>Other Deferral Accounts</u>										
8	2010-2011 Customer Service O&M and COS	2,192	-	-	-	-	(337)	-	-	1,855	2,023
9	Gas Asset Records Project	98	-	125	(33)	93	(22)	-	-	169	134
10	BC OneCall Project	88	-	65	(17)	48	(19)	-	-	118	103
11	Gains and Losses on Asset Disposition	4,110	-	848	-	848	(218)	-	-	4,740	4,425
12	Negative Salvage Provision/Cost	(15,298)	-	978	-	978	(3,505)	-	-	(17,825)	(16,562)
13	PCEC Start Up Costs	964	-	-	-	-	(44)	-	-	920	942
14	US GAAP Transitional Costs	(211)	-	-	-	-	70	-	-	(141)	(176)
15											
16	<u>Residual Deferred Accounts</u>										
17	Olympics Security Costs Deferral	-	-	-	-	-	-	-	-	-	-
18	IFRS Conversion Costs	-	-	-	-	-	-	-	-	-	-
19	2009 ROE & Cost of Capital Application	15	-	-	-	-	(15)	-	-	(0)	7
20	2012-2013 Revenue Requirement Application	12	-	-	-	-	(12)	-	-	0	6
21	CCE CPCN Application	7	-	-	-	-	(7)	-	-	(0)	3
22	Deferred Removal Costs	-	-	-	-	-	-	-	-	-	-
23	US GAAP Conversion Costs	10	-	-	-	-	(10)	-	-	-	5
24	Vancouver Island HST Implementation	111	-	-	-	-	(111)	-	-	-	56
25	Victoria Regional Centre CPCN Application	-	-	-	-	-	-	-	-	-	-
26	2010-2011 Revenue Requirement Application	-	-	-	-	-	-	-	-	-	-
27											
28	Total Deferred Charges for Rate Base	\$ (7,191)	\$ 2,225	\$ 5,576	\$ (636)	\$ 4,940	\$ (5,960)	\$ -	\$ -	\$ (5,986)	\$ (5,476)
29											
30	Cross Reference										

- Section D-FORECAST, Sch 21

- Section D-FORECAST, Sch 29

NEGATIVE SALVAGE CONTINUITY
FOR THE YEAR ENDING DECEMBER 31, 2013
(\$000s)

[illegible]

FORECAST
Schedule 50[illegible]

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

Line No.	Particulars	2012 ACTUAL (2)	2013 APPROVED (3)	2013 PROJECTED		Change (6)	Cross Reference (7)
				Existing 2013 Rates (4)	2013 Rates (5)		
						(Column (5) - Column (3))	
1	Cash Working Capital						
2	Cash Required for						
3	Operating Expenses	\$ 2,146	\$ 2,032	\$ 1,868	\$ 1,968	\$ (64)	- Section D-FORECAST, Sch 53
4							
5							
6	Less - Funds Available:						
7							
8	Reserve for Bad Debts	(1,344)	(1,207)	(1,361)	(1,361)	(154)	
9							
10	Withholdings From Employees	(335)	(269)	(368)	(368)	(99)	
11							
12	Subtotal	<u>467</u>	<u>556</u>	<u>139</u>	<u>239</u>	<u>(317)</u>	- Section D-FORECAST, Sch 28
13							
14	Other Working Capital Items						
15	Construction Advances	-	-	-	-	-	
16	Transmission Line Pack Gas	485	679	694	694	15	
17	Gas in Storage	10,571	7,389	12,726	12,726	5,337	
18	Inventory - Materials & Supplies	-	-	-	-	-	
19	Refundable Contributions	(288)	(291)	(285)	(285)	6	
20							
21	Subtotal	<u>10,768</u>	<u>7,777</u>	<u>13,135</u>	<u>13,135</u>	<u>5,358</u>	- Section D-FORECAST, Sch 28
22							
23	Total	<u>\$ 11,235</u>	<u>\$ 8,333</u>	<u>\$ 13,274</u>	<u>\$ 13,374</u>	<u>\$ 5,041</u>	

WORKING CAPITAL ALLOWANCE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars (1)	2013 PROJECTED (2)	2014 FORECAST		Change (5)	Cross Reference (6)
			Existing 2013 Rates (3)	2013 Rates (4)		
1	Cash Working Capital					
2	Cash Required for					
3	Operating Expenses	\$ 1,968	\$ 1,945	\$ 2,002	\$ 34	- Section D-FORECAST, Sch 53
4						
5						
6	Less - Funds Available:					
7						
8	Reserve for Bad Debts	(1,361)	(1,220)	(1,220)	141	
9						
10	Withholdings From Employees	(368)	(379)	(379)	(11)	
11						
12	Subtotal	<u>239</u>	<u>346</u>	<u>403</u>	<u>164</u>	- Section D-FORECAST, Sch 29
13						
14	Other Working Capital Items					
15	Construction Advances	-	-	-	-	
16	Transmission Line Pack Gas	694	825	825	131	
17	Gas in Storage	12,726	13,748	13,748	1,022	
18	Inventory - Materials & Supplies	-	-	-	-	
19	Refundable Contributions	(285)	(285)	(285)	-	
20						
21	Subtotal	<u>13,135</u>	<u>14,288</u>	<u>14,288</u>	<u>1,153</u>	- Section D-FORECAST, Sch 29
22						
23	Total	<u>\$ 13,374</u>	<u>\$ 14,634</u>	<u>\$ 14,691</u>	<u>\$ 1,317</u>	

CASH WORKING CAPITAL
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000s)

Line No.	Particulars	2013			2014			Cross Reference
		Days	Expenses	Cash Working Capital	Days	Expenses	Cash Working Capital	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	CASH WORKING CAPITAL							
2								
3	Revenue Lag Days	38.6			38.6			- Section D-FORECAST, Sch 54
4	Expense Lead Days	33.8			33.5			- Section D-FORECAST, Sch 55
5								
6	Net Lead/(Lag) Days	4.8	\$ 142,082	\$ 1,868	5.1	\$ 139,198	\$ 1,945	- Section D-FORECAST, Sch 51
7								- Section D-FORECAST, Sch 52
8								
9								
10	CASH WORKING CAPITAL, REVISED RATES							
11								
12	Revenue Lag Days	38.6			38.6			- Section D-FORECAST, Sch 54
13	Expense Lead Days	33.6			33.4			- Section D-FORECAST, Sch 55
14								
15	Net Lead/(Lag) Days	5.0	\$ 143,655	\$ 1,968	5.2	\$ 140,554	\$ 2,002	- Section D-FORECAST, Sch 51
16								- Section D-FORECAST, Sch 52
17								
18								
19	CASH WORKING CAPITAL CHANGE			\$ 100			\$ 57	
20								
21								
22								
23	Cash working capital = Col. 2 x Col. 3 / 365 days							

CASH WORKING CAPITAL
LAG TIME FROM DATE OF PAYMENT TO RECEIPT OF CASH
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000s)

Line No.	Particulars (1)	2013			2014			Cross Reference (8)
		Revenue At 2013 Rates (2)	Lag Days Service to Collection (3)	Dollar Days (4)	Revenue At 2013 Rates (5)	Lag Days Service to Collection (6)	Dollar Days (7)	
1	REVENUE							
2								
3	Gas Sales and Transportation Service Revenue							
4	Residential and Commercial	\$ 164,227	38.7	\$ 6,355,578	\$ 161,926	38.7	\$ 6,266,517	- Section D-FORECAST, Sch 10
5	Industrials & Other Sales	1,714	38.6	66,108	1,723	38.6	66,441	
6	Transportation Service	23,245	38.4	892,614	23,468	38.4	901,178	
7								
8	Total Gas Sales	189,186	38.7	7,314,300	187,117	38.7	7,234,136	
9								
10	Other Revenues							
11	Late Payment Charges	224	38.4	8,595	226	38.2	8,640	- Section D-FORECAST, Sch 12, 13
12	Returned Cheque Charges	3	43.3	130	3	43.3	130	- Section D-FORECAST, Sch 12, 13
13	Connection Charges	393	38.3	15,044	400	38.3	15,320	- Section D-FORECAST, Sch 12, 13
14	Other Utility Income	18,039	38.3	690,894	18,192	38.3	696,761	- Section D-FORECAST, Sch 12, 13
15								
16								
17	Total Revenue	\$ 207,845	38.6	\$ 8,028,963	\$ 205,938	38.6	\$ 7,954,987	
18								
19								
20	REVENUE, REVISED RATES							
21								
22	Gas Sales and Transportation Service Revenue							
23	Residential and Commercial	\$ 169,916	38.7	\$ 6,575,742	\$ 166,554	38.7	\$ 6,445,621	- Section D-FORECAST, Sch 10
24	Industrials & Other Sales	1,744	38.6	67,266	1,751	38.6	67,521	
25	Transportation Service	23,458	38.4	900,793	23,651	38.4	908,205	
26								
27	Total Gas Sales	195,118	38.7	7,543,801	191,956	38.7	7,421,347	
28								
29	Other Revenues							
30	Late Payment Charges	224	38.4	8,595	226	38.2	8,640	- Section D-FORECAST, Sch 12, 13
31	Returned Cheque Charges	3	43.3	130	3	43.3	130	- Section D-FORECAST, Sch 12, 13
32	Connection Charges	393	38.3	15,044	400	38.3	15,320	- Section D-FORECAST, Sch 12, 13
33	Other Utility Income	18,039	38.3	690,894	18,192	38.3	696,761	- Section D-FORECAST, Sch 12, 13
34								
35								
36	Total Revenue	\$ 213,777	38.6	\$ 8,258,464	\$ 210,777	38.6	\$ 8,142,198	

CASH WORKING CAPITAL
LEAD TIME IN PAYMENT OF EXPENSES
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000s)

Line No.	Particulars	2013			2014			Cross Reference
		Amount	Lead Days Expense to Payment	Dollar Days	Amount	Lead Days Expense to Payment	Dollar Days	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	EXPENSES							
2								
3	Operating And Maintenance							- Section D-FORECAST, Sch 3
4	Expenses	\$ 30,628	35.8	\$ 1,096,482	\$ 30,653	35.8	\$ 1,097,377	- Section D-FORECAST, Sch 4
5	Transportation Costs	3,972	40.2	159,674	3,845	40.2	154,569	
6	Gas Purchases	68,540	40.2	2,755,308	65,837	40.2	2,646,647	
7								
8	Taxes Other Than Income							- Section D-FORECAST, Sch 18
9	Property Taxes	11,108	2.6	28,881	11,389	2.6	29,611	- Section D-FORECAST, Sch 19
10	Franchise Fees	-	0.0	-	-	0.0	-	
11	Carbon Tax	16,696	29.5	492,524	16,377	29.5	483,132	
12	HST - Net	1,433	39.8	57,042			-	
13	PST Component of HST (REC)	(330)	34.8	(11,497)			-	
14	GST - Net	1,697	39.8	67,547	2,240	39.8	89,141	
15	PST - Net	1,146	37.1	42,534	1,507	37.1	55,924	
16	Income Tax	7,192	15.2	109,318	7,350	15.2	111,720	- Section D-FORECAST, Sch 22
17								- Section D-FORECAST, Sch 23
18	Total Expenses	\$ 142,082	33.8	\$ 4,797,814	\$ 139,198	33.5	\$ 4,668,121	
19								
20								
21	EXPENSES, REVISED RATES							
22								
23	Operating And Maintenance							- Section D-FORECAST, Sch 3
24	Expenses	\$ 30,628	35.8	\$ 1,096,482	\$ 30,653	35.8	\$ 1,097,377	- Section D-FORECAST, Sch 4
25	Transportation Costs	3,972	40.2	159,674	3,845	40.2	154,569	
26	Gas Purchases	68,540	40.2	2,755,308	65,837	40.2	2,646,647	
27								
28	Taxes Other Than Income							- Section D-FORECAST, Sch 18
29	Property Taxes	11,108	2.6	28,881	11,389	2.6	29,611	- Section D-FORECAST, Sch 19
30	Franchise Fees	-	0.0	-	-	0.0	-	
31	Carbon Tax	16,696	29.5	492,524	16,377	29.5	483,132	
32	HST - Net	1,433	39.8	57,042			-	
33	PST Component of HST (REC)	(330)	34.8	(11,497)			-	
33	GST - Net	1,750	39.8	69,649	2,298	39.8	91,450	
34	PST - Net	1,183	37.1	43,876	1,547	37.1	57,403	
35	Income Tax	8,675	15.2	131,860	8,608	15.2	130,842	- Section D-FORECAST, Sch 22
36								- Section D-FORECAST, Sch 23
37	Total Expenses	\$ 143,655	33.6	\$ 4,823,800	\$ 140,554	33.4	\$ 4,691,031	

* January to March 2013 is computed at 25% of 2013 Approved cash outflows.

** April to December 2013 is computed at 75% of 2013 Projected cash outflows.

DEFERRED INCOME TAX LIABILITY / ASSET
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000s)

Line No.	Particulars	2012 ACTUAL	2013 APPROVED	2013 PROJECTED	2014 FORECAST	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)
1	Total DIT Liability- After Tax	(60,453)	(58,904)	(65,318)	(67,475)	
2						
3	Tax Gross Up	<u>(20,151)</u>	<u>(19,635)</u>	<u>(22,950)</u>	<u>(23,707)</u>	
4						
5	DIT Liability/Asset - End of Year	(80,603)	(78,539)	(88,268)	(91,183)	
6						
7	DIT Liability/Asset - Opening Balance	(72,922)	(74,788)	(80,603)	(88,268)	
8						
9	DIT Liability/Asset - Mid Year	<u>(76,762)</u>	<u>(76,663)</u>	<u>(84,435)</u>	<u>(89,725)</u>	
10						
11	Cross Reference			- Section D-FORECAST, Sch 28		
12					- Section D-FORECAST, Sch 29	
13						
14	Note: * Excludes Land, Software CIAC, and WIP.					

FORTISBC ENERGY (Vancouver Island) INC.

G-65-14 July 4, 2014

Section D
FORECAST
Schedule 57

RETURN ON CAPITAL
FOR THE YEAR ENDING DECEMBER 31, 2013
(\$000s)

Line No.	Particulars	----- Capitalization ----- Amount		%	Average Embedded Cost	Cost Component	Earned Return	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	2013 RATES							
2	Long-Term Debt		\$ 350,000	43.52%	5.87%	2.55%	\$ 20,551	- Section D-FORECAST, Sch 59
3	Unfunded Debt		120,428	14.98%	2.25%	0.34%	2,711	
4	Common Equity		<u>333,722</u>	<u>41.50%</u>	<u>7.92%</u>	<u>3.29%</u>	<u>26,424</u>	
5								
6			<u>\$ 804,150</u>	<u>100.00%</u>		<u>6.18%</u>	<u>\$ 49,686</u>	- Section D-FORECAST, Sch 28
7								
8								
9								
10	2013 COST OF SERVICE RATES - PROJECTED							
11	Long-Term Debt		\$ 350,000	43.52%	5.87%	2.55%	\$ 20,551	- Section D-FORECAST, Sch 59
12	Unfunded Debt	\$ 120,428			2.25%	0.34%	2,711	
13	Adjustment, Revised Rates	58	120,486	14.98%	2.25%	0.34%	30,873	
14	Common Equity		<u>333,764</u>	<u>41.50%</u>	<u>9.25%</u>	<u>3.84%</u>	<u>30,873</u>	- Section D-FORECAST, Sch 3
15								- Section D-FORECAST, Sch 28
16			<u>\$ 804,250</u>	<u>100.00%</u>		<u>6.73%</u>	<u>\$ 54,135</u>	

FORTISBC ENERGY (Vancouver Island) INC.

G-65-14 July 4, 2014

Section D
FORECAST
Schedule 58

RETURN ON CAPITAL
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars	----- Capitalization ----- Amount		%	Average Embedded Cost	Cost Component	Earned Return	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	2014 AT 2013 RATES							
2	Long-Term Debt		\$ 350,000	42.95%	5.87%	2.52%	\$ 20,551	- Section D-FORECAST, Sch 60
3	Unfunded Debt		126,695	15.55%	2.50%	0.39%	3,167	
4	Common Equity		338,169	41.50%	8.19%	3.40%	27,703	
5								
6			<u>\$ 814,864</u>	<u>100.00%</u>		<u>6.31%</u>	<u>\$ 51,421</u>	- Section D-FORECAST, Sch 29
7								
8								
9								
10	2014 COST OF SERVICE RATES - FORECAST							
11	Long-Term Debt		\$ 350,000	42.95%	5.87%	2.52%	\$ 20,551	- Section D-FORECAST, Sch 60
12	Unfunded Debt	\$ 126,695						
13	Adjustment, Revised Rates	34	126,729	15.55%	2.50%	0.39%	3,168	
14	Common Equity		338,192	41.50%	9.25%	3.84%	31,283	
15								- Section D-FORECAST, Sch 4
16			<u>\$ 814,921</u>	<u>100.00%</u>		<u>6.75%</u>	<u>\$ 55,002</u>	- Section D-FORECAST, Sch 29

FORTISBC ENERGY (Vancouver Island) INC.

G-65-14 July 4, 2014

Section D
FORECAST
Schedule 59

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

Line No.	Particulars	Issue Date	Maturity Date	Coupon Rate	Principal Amount of Issue	Issue Expense	Net Proceeds of Issue	Effective Interest Cost	Average Principal Outstanding	Annual Cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	FEVI L/T Debt Issue - 2008	16-Feb-2008	15-Feb-2038	6.050%	250,000	2,001	247,999	6.109%	250,000	15,273
2	FEVI L/T Debt Issue - 2010	6-Dec-2010	6-Dec-2040	5.200%	100,000	1,164	98,836	5.278%	100,000	5,278
3	FEVI PCEPA - 2013	1-Jan-2006	1-Jan-2013	4.131%	19,526	-	19,526	0.000%	-	-
4										
5										
6	Total								<u>\$ 350,000</u>	<u>\$ 20,551</u>
7										
8										
9								Average Embedded Cost		<u>5.87%</u>
10	Cross Reference									

- Section D-FORECAST, Sch 57

FORTISBC ENERGY (Vancouver Island) INC.

G-65-14 July 4, 2014

Section D
FORECAST
Schedule 60

EMBEDDED COST OF LONG-TERM DEBT
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars	Issue Date	Maturity Date	Coupon Rate	Principal Amount of Issue	Issue Expense	Net Proceeds of Issue	Effective Interest Cost	Average Principal Outstanding	Annual Cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	FEVI L/T Debt Issue - 2008	16-Feb-2008	15-Feb-2038	6.050%	250,000	2,001	247,999	6.109%	250,000	15,273
2	FEVI L/T Debt Issue - 2010	6-Dec-2010	6-Dec-2040	5.200%	100,000	1,164	98,836	5.278%	100,000	5,278
3										
4										
5										
6	Total								<u>\$ 350,000</u>	<u>\$ 20,551</u>
7										
8										
9								Average Embedded Cost		<u>5.87%</u>
10	Cross Reference									

- Section D-FORECAST, Sch 58

APPENDIX B3
FEW FINANCIAL SCHEDULES

Summary of Rate Change

G-47-14 March 26, 2014

Section E
FORMULA
Schedule 1

Line No.	Particulars	2014 (\$ Millions)	Cross Reference
1	(1)	(2)	(3)
2	<u>Volume/Revenue Related</u>		
3	Customer Growth and Use Rates	0.6	
4	Change in Other Revenue	(0.0)	0.6
5			
6	<u>O&M Changes</u>		
7	Gross O&M Increases	(0.2)	
8	Less: Capitalized Overhead	0.0	(0.1)
9			
10	<u>Depreciation Expense</u>		
11	Change in Depreciation Rates	(0.0)	
12	Tax Expense Impact of Depreciation Changes	(0.0)	
13	Depreciation from Net Additions	(0.0)	(0.0)
14			
15	<u>Amortization Expense</u>		
16	CIAC	0.0	
17	Deferral Accounts	(0.1)	(0.1)
18			
19	<u>Other</u>		
20	Property and Other Taxes	(0.0)	
21	Income Tax Rate Change	0.0	
22	Other Income Tax Changes	0.0	
23	Financing Rate Changes	(0.1)	
24	Financing Changes	(0.0)	
25	Rate Base Growth	(0.1)	(0.1)
26			
27	Revenue Deficiency (Surplus)		0.3 - Section E-FORMULA, Sch 2
28			

SUMMARY OF RATE CHANGE REQUIRED
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars (1)	2013 PROJECTED (2)	2014			Total (6)	Change (7)	Cross Reference (8)
			Non-Bypass Sales (3)	Transportation (4)	Bypass and Special Rates (5)			
1	RATE CHANGE REQUIRED							
2								
3	Gas Sales and Transportation Revenue,							
4	At Prior Year's Rates	\$ 10,296	\$ 10,371	\$ -	\$ -	\$ 10,371	\$ 75	- Section E-FORMULA, Sch 8
5								
6								
7	Total Revenue	10,296	10,371	-	-	10,371	75	
8								
9	Less - Cost of Gas	(2,660)	(2,727)	-	-	(2,727)	(67)	- Section E-FORMULA, Sch 9
10								
11	Gross Margin	\$ 7,636	\$ 7,644	\$ -	\$ -	\$ 7,644	\$ 8	
12								
13	Revenue Deficiency (Surplus)	\$ -	\$ 262	\$ -	\$ -	\$ 262	\$ 262	
14								
15	Revenue Deficiency (Surplus) as a % of Gross Margin	0.00%	3.43%	0.00%	0.00%	3.43%		
16								
17	Revenue Deficiency (Surplus) as a % of Total Revenue	0.00%	2.53%	0.00%	0.00%	2.53%		
18								

FORTISBC ENERGY (Whistler) INC.

G-47-14 March 26, 2014

Section E
FORMULA
Schedule 3

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

Line No.	Particulars	2012 ACTUAL	2013 APPROVED	2013 PROJECTED	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)
				(Column (4) - Column (3))		
1	ENERGY VOLUMES (TJ)					
2	Sales	686	709	648	(61)	- Section E-FORMULA, Sch 5
3						
4	Average Rate per GJ					
5	Sales	\$ 14.524	\$ 16.549	\$ 15.889	\$ (0.660)	
6						
7	UTILITY REVENUE					
8	Sales - Existing Rates	\$ 9,964	\$ 11,733	\$ 10,296	\$ (1,437)	- Section E-FORMULA, Sch 7
9	- Increase / (Decrease)	-	-	-	-	
10	RSAM Revenue	695	-	275	275	
11						
12	Total Revenue	<u>10,660</u>	<u>11,733</u>	<u>10,571</u>	<u>(1,162)</u>	
13						
14	Cost of Gas Sold (Including Gas Lost)	3,039	3,455	2,660	(795)	- Section E-FORMULA, Sch 9
15						
16	Gross Margin	<u>7,621</u>	<u>8,278</u>	<u>7,911</u>	<u>(367)</u>	
17						
18	Operation and Maintenance	545	779	590	(189)	- Section E-FORMULA, Sch 14
19	Transportation Costs	2,518	2,553	2,507	(46)	
20	Property and Sundry Taxes	236	244	244	-	- Section E-FORMULA, Sch 18
21	Depreciation and Amortization	1,245	1,502	1,502	-	- Section E-FORMULA, Sch 20
22	Other Operating Revenue	409	(16)	(16)	-	- Section E-FORMULA, Sch 12
23	Sub-total	<u>4,954</u>	<u>5,062</u>	<u>4,827</u>	<u>(235)</u>	
24	Utility Income Before Income Taxes	<u>2,667</u>	<u>3,216</u>	<u>3,084</u>	<u>(132)</u>	
25						
26	Income Taxes	351	459	424	(35)	- Section E-FORMULA, Sch 22
27						
28	EARNED RETURN	<u>\$ 2,316</u>	<u>\$ 2,757</u>	<u>2,660</u>	<u>\$ (97)</u>	- Section E-FORMULA, Sch 57
29						
30						
31	UTILITY RATE BASE	<u>\$ 41,723</u>	<u>\$ 40,067</u>	<u>\$ 40,158</u>	<u>\$ 91</u>	- Section E-FORMULA, Sch 28
32						
33	RATE OF RETURN ON UTILITY RATE BASE	<u>5.55%</u>	<u>6.88%</u>	<u>6.62%</u>	<u>-0.26%</u>	- Section E-FORMULA, Sch 57

FORTISBC ENERGY (Whistler) INC.

G-47-14 March 26, 2014

Section E
FORMULA
Schedule 4

UTILITY INCOME AND EARNED RETURN
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars (1)	2014 FORECAST					Cross Reference (7)
		2013 PROJECTED (2)	Existing 2013 Rates (3)	Revised Revenue (4)	Total (5)	Change (6)	
1	ENERGY VOLUMES (TJ)						
2	Sales	648	648	-	648	-	- Section E-FORMULA, Sch 6
3							
4	Average Rate per GJ						
5	Sales	\$ 15.889	\$ 16.005	\$ -	\$ 16.409	\$ 0.520	
6							
7	UTILITY REVENUE						
8	Sales - Existing Rates	\$ 10,296	\$ 10,371	\$ -	\$ 10,371	\$ 75	- Section E-FORMULA, Sch 8
9	- Increase / (Decrease)	-	-	262	262	262	- Section E-FORMULA, Sch 10
10	RSAM Revenue	275				(275)	
11							
12	Total Revenue	<u>10,571</u>	<u>10,371</u>	<u>262</u>	<u>10,633</u>	<u>62</u>	
13							
14	Cost of Gas Sold (Including Gas Lost)	2,660	2,727	-	2,727	67	- Section E-FORMULA, Sch 9
15							
16	Gross Margin	<u>7,911</u>	<u>7,644</u>	<u>262</u>	<u>7,906</u>	<u>(5)</u>	
17							
18	Operation and Maintenance	590	636	-	636	46	- Section E-FORMULA, Sch 14
19	Transportation Costs	2,507	2,507	-	2,507	-	
20	Property and Sundry Taxes	244	238	-	238	(6)	- Section E-FORMULA, Sch 19
21	Depreciation and Amortization	1,502	1,425	-	1,425	(77)	- Section E-FORMULA, Sch 21
22	Other Operating Revenue	(16)	(17)	-	(17)	(1)	- Section E-FORMULA, Sch 13
23	Sub-total	<u>4,827</u>	<u>4,789</u>	<u>-</u>	<u>4,789</u>	<u>(38)</u>	
24	Utility Income Before Income Taxes	3,084	2,855	262	3,117	33	
25							
26	Income Taxes	424	440	68	508	84	- Section E-FORMULA, Sch 23
27							
28	EARNED RETURN	<u>\$ 2,660</u>	<u>\$ 2,415</u>	<u>\$ 194</u>	<u>\$ 2,609</u>	<u>\$ (51)</u>	- Section E-FORMULA, Sch 58
29							
30							
31	UTILITY RATE BASE	<u>\$ 40,158</u>	<u>\$ 38,739</u>	<u>\$ 3</u>	<u>\$ 38,742</u>	<u>\$ (1,416)</u>	- Section E-FORMULA, Sch 29
32							
33	RATE OF RETURN ON UTILITY RATE BASE	<u>6.62%</u>	<u>6.23%</u>		<u>6.73%</u>	<u>0.11%</u>	- Section E-FORMULA, Sch 58

FORTISBC ENERGY (Whistler) INC.

G-47-14 March 26, 2014

Section E
FORMULA
Schedule 5

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

Line No.	Particulars	2013 Projected Terajoules						Cross Reference
		2012 ACTUAL	2013 APPROVED	Non-Bypass Sales & Transp	Bypass and Special Rates	Total	Change	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
						(Column (6) - Column (3))		
1	SALES							
2	SGS 1/2 RES	207.5	243.6	206.1	-	206.1	(37.5)	
3	SGS 1/2 COMM	53.4	85.2	51.8		51.8	(33.4)	
4	LGS 1	102.0	145.3	106.6		106.6	(38.7)	
5								
6	Residential & Commercial	362.9	474.1	364.5	-	364.5	(109.6)	
7								
8	LGS 2	130.3	115.7	120.7		120.7	5.0	
9	LGS 3	192.9	118.7	163.0		163.0	44.3	
10								
11	TOTAL SALES AND TRANSPORTATION SERVICES	686.1	709.0	648.2	-	648.2	(60.3)	- Section E-FORMULA, Sch 3
12								

FORTISBC ENERGY (Whistler) INC.

G-47-14 March 26, 2014

Section E
FORMULA
Schedule 6

GAS SALES AND TRANSPORTATION VOLUMES
FOR THE YEAR ENDING DECEMBER 31, 2014

Line No.	Particulars (1)	2014 Forecast Terajoules					Cross Reference (7)
		2013 PROJECTED (2)	Non-Bypass Sales & Transp (3)	Bypass and Special Rates (4)	Total (5)	Change (6)	
1	SALES						
2	SGS 1/2 RES	206.1	211.4	-	211.4	5.3	
3	SGS 1/2 COMM	51.8	55.0		55.0	3.2	
4	LGS 1	106.6	115.2		115.2	8.6	
5							
6	Residential & Commercial	364.5	381.6	-	381.6	17.1	
7							
8	LGS 2	120.7	118.4		118.4	(2.3)	
9	LGS 3	163.0	147.9		147.9	(15.1)	
10							
11	TOTAL SALES AND TRANSPORTATION SERVICES	648.2	647.9	-	647.9	(0.3)	- Section E-FORMULA, Sch 4
12							- Section E-FORMULA, Sch 11

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

Line No.	Particulars	2012 ACTUAL (1)	2013 APPROVED (3)	2013 Gas Sales Revenue At Existing 2013 Rates		Total (6)	Change (7)	Cross Reference (8)
				Non-Bypass Sales & Transp (4)	Bypass and Special Rates (5)			
							(Column (6) - Column (3))	
1	SALES							
2	SGS 1/2 RES	\$ 3,082	\$ 4,159	\$ 3,404	\$ -	\$ 3,404	\$ (755)	
3	SGS 1/2 COMM	773	1,401	819		819	(582)	
4	LGS 1	1,465	2,363	1,664		1,664	(699)	
5	Residential & Commercial	5,319	7,923	5,887	-	5,887	(2,036)	
6								
7	LGS 2	1,884	1,881	1,878	-	1,878	(3)	
8	LGS 3	2,760	1,929	2,531		2,531	602	
9		4,645	3,810	4,409	-	4,409	599	
10								
11	TOTAL SALES AND TRANSPORTATION SERVICES	\$ 9,964	\$ 11,733	\$ 10,296	\$ -	\$ 10,296	\$ (1,437)	- Section E-FORMULA, Sch 3

REVENUE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars	2014 Gas Sales Revenue At Existing 2013 Rates				Change	Reference
		2013 PROJECTED	Non-Bypass Sales & Transp	Bypass and Special Rates	Total		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	SALES						
2	SGS 1/2 RES	\$ 3,404	\$ 3,515	\$ -	\$ 3,515	\$ 111	
3	SGS 1/2 COMM	819	877		877	58	
4	LGS 1	1,664	1,808		1,808	144	
5	Residential & Commercial	5,887	6,200	-	6,200	313	
6							
7	LGS 2	1,878	1,855	-	1,855	(23)	
8	LGS 3	2,531	2,316		2,316	(215)	
9		4,409	4,171	-	4,171	(238)	
10							
11	TOTAL SALES AND TRANSPORTATION SERVICES	\$ 10,296	\$ 10,371	\$ -	\$ 10,371	\$ 75	- Section E-FORMULA, Sch 4 - Section E-FORMULA, Sch 11

COST OF GAS
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000s)

Line No.	Particulars	2013 Projected Gas Costs			2014 Forecast Gas Costs		
		Non-Bypass Sales & Transp	Bypass and Special Rates	Total	Non-Bypass Sales & Transp	Bypass and Special Rates	Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	SALES						
2	SGS 1/2 RES	845	\$ -	\$ 845	\$ 890	\$ -	\$ 890
3	SGS 1/2 COMM	212		212	231		231
4	LGS 1	438		438	485		485
5							
6	Residential & Commercial	1,495	-	1,495	1,606	-	1,606
7							
8	LGS 2	496		496	498		498
9	LGS 3	669		669	623		623
10							
11	TOTAL SALES AND TRANSPORTATION SERVICES	\$ 2,660	\$ -	\$ 2,660	\$ 2,727	\$ -	\$ 2,727
12							
13	Cross Reference		- Section E-FORMULA, Sch 3			- Section E-FORMULA, Sch 4	

REVENUE UNDER EXISTING 2013 RATES AND REVISED 2014 RATES (Non-Bypass)
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars	Terajoules	Revenue		Gross Margin		Effective Increase / (Decrease)		Average Number of Customers	Revenue	
			-- At Existing 2013 Rates --	-- At Existing 2013 Rates --	-- At Existing 2013 Rates --	-- At Existing 2013 Rates --	3.43%	of Margin		Average	Revenue
	(1)	(2)	Average \$/GJ	Revenue (\$000s)	Average \$/GJ	Margin (\$000s)	\$/GJ	Revenue (\$000s)	(9)	\$/GJ	Revenue (\$000s)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	NON-BYPASS										
2	Sales										
3	SGS 1/2 RES	211.4	\$ 16.627	\$ 3,515	\$ 12.417	\$ 2,625	\$ 0.402	\$ 85	2,329	\$ 17.029	\$ 3,600
4	SGS 1/2 COMM	55.0	15.945	877	11.745	646	0.400	22	195	16.345	899
5	LGS 1	115.2	15.694	1,808	11.493	1,324	0.408	47	82	16.102	1,855
6	Residential & Commercial	381.6		6,200		4,595		154	2,606		6,354
7											
8	LGS 2	118.4	15.667	1,855	11.461	1,357	0.405	48	50	16.072	1,903
9	LGS 3	147.9	15.659	2,316	11.447	1,693	0.406	60	24	16.065	2,376
10											
11	Total Non-Bypass Sales & Transportation Service	647.9		\$ 10,371		\$ 7,645		\$ 262	2,680		\$ 10,633
12											
13	Cross Reference		Section E-FORMULA, Sch 6	- Section E-FORMULA, Sch 8			- Section E-FORMULA, Sch 2				

REVENUE UNDER EXISTING 2013 RATES AND REVISED 2014 RATES (Bypass)
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars	Terajoules (2)	Revenue -- At Existing 2013 Rates --		Gross Margin -- At Existing 2013 Rates --		Increase / (Decrease) 3.43% of Margin		Average Number of Customers (9)	Revenue	
			Average \$/GJ (3)	Revenue (\$000) (4)	Average \$/GJ (5)	Margin (\$000s) (6)	\$/GJ (7)	Revenue (\$000) (8)		Average \$/GJ (10)	Revenue (\$000) (11)
1	BYPASS AND SPECIAL RATES										
2	Bypass And Special Rates										
3											
4	Total Bypass Sales and										
5	Transportation Service	-		-		-		-	-		-
6											
7	TOTAL NON-BYPASS AND BYPASS SALES AND										
8	TRANSPORTATION SERVICE	647.9		\$ 10,371		\$ 7,645		\$ 262	2,680		\$ 10,633
9											
10	Cross Reference		ection E-FORMULA, Sch 6	- Section E-FORMULA, Sch 8			- Section E-FORMULA, Sch 2				

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

Line No.	Particulars	2012 ACTUAL	2013 APPROVED	2013 PROJECTED	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)
				(Column (4) - Column (3))		
1	Other Utility Revenue					
2						
3	Late Payment Charge	\$ 14	\$ 11	\$ 11	\$ -	- Section E-FORMULA, Sch 54
4						
5	Connection Charge	10	4	4	-	- Section E-FORMULA, Sch 54
6						
7	NSF Returned Cheque Charges	1	-	-	-	- Section E-FORMULA, Sch 54
8						
9	Other Recoveries	(434)	1	1	-	- Section E-FORMULA, Sch 54
10						
11	Total Other Operating Revenue	<u>\$ (409)</u>	<u>\$ 16</u>	<u>\$ 16</u>	<u>\$ -</u>	- Section E-FORMULA, Sch 3

OTHER OPERATING REVENUE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars (1)	2013 PROJECTED (2)	2014 (3)	Change (4)	Cross Reference (5)
1	Other Utility Revenue				
2					
3	Late Payment Charge	\$ 11	\$ 12	\$ 1	- Section E-FORMULA, Sch 54
4					
5	Connection Charge	4	4	-	- Section E-FORMULA, Sch 54
6					
7	NSF Returned Cheque Charges	-	-	-	- Section E-FORMULA, Sch 54
8					
9	Other Recoveries	1	1	-	- Section E-FORMULA, Sch 54
10					
11	Total Other Operating Revenue	<u>\$ 16</u>	<u>\$ 17</u>	<u>\$ 1</u>	- Section E-FORMULA, Sch 4

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

Line No.	Particulars	2012 ACTUAL	2013 APPROVED	2013 PROJECTED	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)
				(Column (4) - Column (3))		
1	Other Utility Revenue					
2						
3	Late Payment Charge	\$ 14	\$ 11	\$ 11	\$ -	- Section E-FORMULA, Sch 54
4						
5	Connection Charge	10	4	4	-	- Section E-FORMULA, Sch 54
6						
7	NSF Returned Cheque Charges	1	-	-	-	- Section E-FORMULA, Sch 54
8						
9	Other Recoveries	(434)	1	1	-	- Section E-FORMULA, Sch 54
10						
11	Total Other Operating Revenue	<u>\$ (409)</u>	<u>\$ 16</u>	<u>\$ 16</u>	<u>\$ -</u>	- Section E-FORMULA, Sch 3

OPERATION & MAINTENANCE EXPENSES - RESOURCE VIEW
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000)

Line No.	Particulars	2013 PROJECTED (4)	2014 FORECAST (5)	Cross Reference (6)
	(1)			
1	M&E Costs	\$ 717	\$ 740	
2	COPE Costs	-	-	
3	COPE Customer Services Costs	-	-	
4	IBEW Costs	-	-	
5				
6	Labour Costs	717	740	
7				
8	Vehicle Costs	-	-	
9	Employee Expenses	-	-	
10	Materials and Supplies	-	-	
11	Computer Costs	-	-	
12	Fees and Administration Costs	-	-	
13	Contractor Costs	-	-	
14	Facilities	-	-	
15	Recoveries & Revenue	-	-	
16				
17	Non-Labour Costs	-	-	
18				
19				
20	Total Gross O&M Expenses	717	740	
21				
22	Less: Capitalized Overhead	(127)	(104)	
23				
24	Total O&M Expenses	\$ 590	\$ 636	
25				
26	Cross Reference	- Section E-FORMULA, Sch 3		
27		- Section E-FORMULA, Sch 4		

OPERATION & MAINTENANCE EXPENSES - ACTIVITY VIEW
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000)

Line No.	Particulars (1)	BCUC Reference (2)	2013 PROJECTED (5)	2014 FORECAST (6)	Cross Reference (7)
1	Distribution Supervision	110-11	\$ 717	\$ 740	
2	Distribution Supervision Total	110-10	717	740	
3					
4	Operation Centre - Distribution	110-21	-	-	
5	Preventative Maintenance - Distribution	110-22	-	-	
6	Operations - Distribution	110-23	-	-	
7	Emergency Management - Distribution	110-24	-	-	
8	Field Training - Distribution	110-25	-	-	
9	Meter Exchange - Distribution	110-26	-	-	
10	Distribution Operations Total	110-20	-	-	
11					
12	Corrective - Distribution	110-31	-	-	
13	Distribution Maintenance Total	110-30	-	-	
14					
15	Account Services - Distribution	110-41	-	-	
16	Bad Debt Management - Distribution	110-42	-	-	
17	Distribution Meter to Cash Total	110-40	-	-	
18					
19	Distribution Total	110	717	740	
20					
21	Transmission Supervision	120-11	-	-	
22	Transmission Supervision Total	120-10	-	-	
23					
24	Pipeline / Right of Way Operations	120-21	-	-	
25	Compression Operations	120-22	-	-	
26	Measurement Control Operations	120-23	-	-	
27	Transmission Operations Total	120-20	-	-	
28					
29	Pipeline / Right of Way - Maintenance	120-31	-	-	
30	Compression - Maintenance	120-32	-	-	
31	Measurement Control Operations	120-33	-	-	
32	Transmission Maintenance Total	120-30	-	-	
33					
34	Transmission Total	120	-	-	
35					
36	LNG Operations	130-11	-	-	
37	LNG Operations Total	130-10	-	-	
38					
39	LNG Plant Maintenance	130-21	-	-	
40	LNG Plant Maintenance Total	130-20	-	-	
41					
42	LNG Plant Total	130	-	-	
43					
44	Operations Total	100	717	740	
45					
46	Customer Service Supervision	210-11	-	-	
47	Customer Assistance	210-12	-	-	
48	Customer Billing	210-13	-	-	
49	Meter Reading	210-14	-	-	
50	Credit & Collections	210-15	-	-	
51	Customer Operations	210-16	-	-	
52	Customer Service Total	210-10	-	-	
53					
54	Customer Service Total	210	-	-	
55					
56	Customer Service Total	200	-	-	

OPERATION & MAINTENANCE EXPENSES - ACTIVITY VIEW (Continued)
 FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
 (\$000)

Line No.	Particulars	BCUC Reference	2013 PROJECTED	2014 FORECAST	Cross Reference
	(1)	(2)	(5)	(6)	(7)
1	Energy Solutions & External Relations Supervisic	310-11	\$ -	\$ -	
2	Energy Solutions	310-12	-	-	
3	Energy Efficiency	310-13	-	-	
4	Corporate Communications and External Relatio	310-14	-	-	
5	Forecasting, Market & Business Development	310-15	-	-	
6	Energy Solutions & External Relations Total	310-10	-	-	
7					
8	Energy Solutions & External Relations Total	310	-	-	
9					
10	Energy Solutions & External Relations Total	300	-	-	
11					
12	Energy Supply & Resource Development	410-11	-	-	
13	Gas Control	410-12	-	-	
14	Energy Supply & Resource Development Total	410-10	-	-	
15					
16	Energy Supply & Resource Development Tota	410	-	-	
17					
18	Information Technology Supervision	420-11	-	-	
19	Application Management	420-12	-	-	
20	Infrastructure Management	420-13	-	-	
21	Information Technology Total	420-10	-	-	
22					
23	Information Technology Total	420	-	-	
24					
25	System Planning	430-11	-	-	
26	Engineering	430-12	-	-	
27	Project Management	430-13	-	-	
28	Engineering Services & Project Management T	430-10	-	-	
29					
30	Engineering Services & Project Management	430	-	-	
31					
32	Supply Chain	440-11	-	-	
33	Measurement	440-12	-	-	
34	Property Services	440-13	-	-	
35	Operations Support Total	440-10	-	-	
36					
37	Operations Support Total	440	-	-	
38					
39	Facilities Management	450-11	-	-	
40	Facilities Total	450-10	-	-	
41					
42	Facilities Total	450	-	-	
43					
44	Environment Health & Safety	460-11	-	-	
45	Environment Health & Safety Total	460-10	-	-	
46					
47	Environment Health & Safety Total	460	-	-	
48					
49					
50	Business Services Total	400	-	-	

OPERATION & MAINTENANCE EXPENSES - ACTIVITY VIEW (Continued)
 FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
 (\$000)

Line No.	Particulars (1)	BCUC Reference (2)	2013 PROJECTED (5)	2014 FORECAST (6)	Cross Reference (7)
1	Financial & Regulatory Services	510-11	-	-	
2	Financial & Regulatory Services Total	510-10	-	-	
3					
4	Financial & Regulatory Services Total	510	-	-	
5					
6	Human Resources	520-11	-	-	
7	Human Resources Total	520-10	-	-	
8					
9	Human Resources Total	520	-	-	
10					
11	Legal	530-11	-	-	
12	Internal Audit	530-12	-	-	
13	Risk Management/Insurance	530-13	-	-	
14	Governance	530-10	-	-	
15					
16	Governance Total	530	-	-	
17					
18	Administration & General	540-11	-	-	
19	Shared Services Agreement	540-12	-	-	
20	Retiree Benefits	540-16	-	-	
21	Corporate Total	540-10	-	-	
22					
23	Corporate Total	540	-	-	
24					
25	Corporate Services Total	500	-	-	
26					
27	Total Gross O&M Expenses		717	740	
28					
29	Less: Capitalized Overhead		(127)	(104)	
30					
31	Total O&M Expenses		\$ 590	\$ 636	
32					
33	Cross Reference		- Section E-FORMULA, Sch 3		
34				- Section E-FORMULA, Sch 4	

FORTISBC ENERGY (Whistler) INC.

G-47-14 March 26, 2014

Section E
FORMULA
Schedule 18

PROPERTY AND SUNDRY TAXES
FOR THE YEAR ENDING DECEMBER 31, 2013
(\$000s)

Line No.	Particulars	2012 ACTUAL (2)	2013 APPROVED (3)	2013 PROJECTED		Change (6) (Column (5) - Column (3))	Cross Reference (7)
				Total Expenses (4)	2013 Rates, Total Expenses (5)		
1	Property Taxes						
2							
3	1% in Lieu of General Municipal Tax	\$ 116	\$ 120	\$ 115	\$ 115	\$ (5)	
4							
5	General, School and Other	106	124	129	129	5	
6							
7		222	244	244	244	-	
8							
9	Add / Less: Deferred Property Taxes	14	-	-	-	-	
10							
11	Total	<u>\$ 236</u>	<u>\$ 244</u>	<u>\$ 244</u>	<u>\$ 244</u>	<u>\$ -</u>	- Section E-FORMULA, Sch 3

FORTISBC ENERGY (Whistler) INC.

PROPERTY AND SUNDRY TAXES
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

G-47-14 March 26, 2014

Section E
FORMULA
Schedule 19

Line No.	Particulars (1)	2014			Change (5)	Cross Reference (6)
		2013 PROJECTED (2)	Total Expenses (3)	2013 Rates, Total Expenses (4)		
1	Property Taxes					
2						
3	1% in Lieu of General Municipal Tax	\$ 115	\$ 114	\$ 114	\$ (1)	
4						
5	General, School and Other	<u>129</u>	<u>124</u>	<u>124</u>	<u>(5)</u>	
6						
7		244	238	238	(6)	
8						
9	Add / Less: Deferred Property Taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
10						
11	Total	<u>\$ 244</u>	<u>\$ 238</u>	<u>\$ 238</u>	<u>\$ (6)</u>	- Section E-FORMULA, Sch 4

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

Line No.	Particulars (1)	2012 ACTUAL (2)	2013 APPROVED (3)	2013 PROJECTED (4)	Change (5)	Cross Reference (6)
						(Column (4) - Column (3))
1	<u>Depreciation & Removal Provision</u>					
2						
3	Depreciation Expense	\$ 423	\$ 440	\$ 440	\$ -	- Section E-FORMULA, Sch 39
4						
5	Less: Amortization of Contributions in Aid of Construction	<u>(5)</u>	<u>(5)</u>	<u>(5)</u>	<u>-</u>	- Section E-FORMULA, Sch 43
6		<u>418</u>	<u>435</u>	<u>435</u>	<u>-</u>	- Section E-FORMULA, Sch 24
7						
8	<u>Amortization Expense</u>					
9						
10	Amortization of Deferred Charges	<u>\$ 827</u>	<u>\$ 1,067</u>	<u>\$ 1,067</u>	<u>\$ -</u>	- Section E-FORMULA, Sch 46
11						
12	TOTAL	<u>1,245</u>	<u>1,502</u>	<u>1,502</u>	<u>\$ -</u>	- Section E-FORMULA, Sch 3

FORTISBC ENERGY (Whistler) INC.

G-47-14 March 26, 2014

Section E
FORMULA
Schedule 21

DEPRECIATION AND AMORTIZATION EXPENSES
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars (1)	2013 PROJECTED (2)	2014 (3)	Change (4)	Cross Reference (5)
1	<u>Depreciation & Removal Provision</u>				
2					
3	Depreciation Expense	\$ 440	\$ 429	\$ (11)	- Section E-FORMULA, Sch 42
4					
5	Less: Amortization of Contributions in Aid of Construction	(5)	(4)	1	- Section E-FORMULA, Sch 44
6		435	425	(10)	- Section E-FORMULA, Sch 25
7					
8	<u>Amortization Expense</u>				
9					
10	Amortization of Deferred Charges	\$ 1,067	\$ 1,000	\$ (67)	- Section E-FORMULA, Sch 48
11					
12	TOTAL	\$ 1,502	1,425	\$ (77)	- Section E-FORMULA, Sch 4

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

Line No.	Particulars (1)	2012 ACTUAL (2)	2013 APPROVED (3)	2013 PROJECTED		Total (6)	Change (7)	Cross Reference (8)
				Existing Rates (4)	Revised Revenue (5)			
							(Column (6) - Column (3))	
1	CALCULATION OF INCOME TAXES							
2	EARNED RETURN	\$ 2,316	\$ 2,757	\$ 2,660	\$ -	\$ 2,660	\$ (97)	- Section E-FORMULA, Sch 3
3	Deduct - Interest on Debt	(1,198)	(1,177)	(1,179)	-	(1,179)	(2)	- Section E-FORMULA, Sch 57
4	Net Additions (Deductions)	(64)	(204)	(209)	-	(209)	(5)	- Section E-FORMULA, Sch 24
5	Accounting Income After Tax	<u>\$ 1,054</u>	<u>\$ 1,376</u>	<u>\$ 1,272</u>	<u>\$ -</u>	<u>\$ 1,272</u>	<u>\$ (104)</u>	
6								
7	Current Income Tax Rate	25.00%	25.00%	25.00%	25.00%	25.00%	0.00%	
8	1 - Current Income Tax Rate	75.00%	75.00%	75.00%	75.00%	75.00%	0.00%	
9								
10	Taxable Income	<u>\$ 1,405</u>	<u>\$ 1,835</u>	<u>\$ 1,696</u>	<u>\$ -</u>	<u>\$ 1,696</u>	<u>\$ (139)</u>	
11								
12								
13	Income Tax - Current	\$ 351	\$ 459	\$ 424	\$ -	\$ 424	\$ (35)	
14								
15	Total Income Tax	<u>\$ 351</u>	<u>\$ 459</u>	<u>\$ 424</u>	<u>\$ -</u>	<u>\$ 424</u>	<u>\$ (35)</u>	- Section E-FORMULA, Sch 3

INCOME TAXES
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars (1)	2014				Change (6)	Cross Reference (7)
		2013 PROJECTED (2)	Existing Rates (3)	Revised Revenue (4)	Total (5)		
1	CALCULATION OF INCOME TAXES						
2	EARNED RETURN	\$ 2,660	\$ 2,415	\$ 194	\$ 2,609	\$ (51)	- Section E-FORMULA, Sch 4
3	Deduct - Interest on Debt	(1,179)	(1,082)	-	(1,082)	97	- Section E-FORMULA, Sch 58
4	Net Additions (Deductions)	(209)	(82)	-	(82)	127	- Section E-FORMULA, Sch 25
5	Accounting Income After Tax	<u>1,272</u>	<u>\$ 1,251</u>	<u>\$ 194</u>	<u>\$ 1,445</u>	<u>\$ 173</u>	
6							
7	Current Income Tax Rate	25.00%	26.00%	26.00%	26.00%	1.00%	
8	1 - Current Income Tax Rate	75.00%	74.00%	74.00%	74.00%	-1.00%	
9							
10	Taxable Income	<u>1,696</u>	<u>\$ 1,691</u>	<u>\$ 262</u>	<u>\$ 1,953</u>	<u>\$ 257</u>	
11							
12							
13	Income Tax - Current	\$ 424	\$ 440	\$ 68	\$ 508	\$ 84	
14							
15	Total Income Tax	<u>\$ 424</u>	<u>\$ 440</u>	<u>\$ 68</u>	<u>\$ 508</u>	<u>\$ 84</u>	- Section E-FORMULA, Sch 4

ADJUSTMENTS TO TAXABLE INCOME
FOR THE YEAR ENDING DECEMBER 31, 2013
(\$000s)

Line No.	Particulars	2012 ACTUAL (2)	2013 APPROVED (3)	2013 PROJECTED (4)	Change (5)	Cross Reference (6)
	(1)					
		(Column (4) - Column (3))				
1	Addbacks:					
2	Non-tax Deductible Expenses	\$ 1	\$ 2	2	\$ -	
3	Depreciation	418	435	435	-	- Section E-FORMULA, Sch 20
4	Pension Expense	-	-	-	-	
5	OPEB Expense	-	-	-	-	
6	Amortization of Decommissioning of Propane Assets	-	232	232	-	
7	Amortization of 75% Capital Contribution Costs	-	217	217	-	
8	Amortization of 75% Direct Appliance Conversion Costs	-	331	331	-	
9	Bad Debt Provision	10	-	-	-	
10	Cost of Service Impact of Pipeline Contribution Costs Variance	434	-	-	-	
11						
12	Deductions:					
13	Amortization of Deferred Charges	827	1,067	1,067	-	- Section E-FORMULA, Sch 20
14	Less: Amortization of Decommissioning of Propane Assets	-	(232)	(232)	-	
15	Less: Amortization of 75% Capital Contribution Costs	-	(217)	(217)	-	
16	Less: Amortization of 75% Direct Appliance Conversion Costs	-	(331)	(331)	-	
17	Capital Cost Allowance	(730)	(754)	(754)	-	- Section E-FORMULA, Sch 26
18	Cumulative Eligible Capital Allowance	(931)	(866)	(866)	-	- Section E-FORMULA, Sch 26
19	Pension Contributions	-	-	-	-	
20	OPEB Contributions	-	-	-	-	
21	Overheads Capitalized Expensed for Tax Purposes	(81)	(82)	(82)	-	
22	Removal Costs	(12)	(6)	(11)	(5)	
23	TOTAL	<u>(64)</u>	<u>(204)</u>	<u>\$ (209)</u>	<u>\$ (5)</u>	- Section E-FORMULA, Sch 22

FORTISBC ENERGY (Whistler) INC.

G-47-14 March 26, 2014

Section E
FORMULA
Schedule 25

ADJUSTMENTS TO TAXABLE INCOME
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars (1)	2013 PROJECTED (2)	2014 (3)	Change (4)	Cross Reference (5)
1	Addbacks:				
2	Non-tax Deductible Expenses	\$ 2	2	\$ -	
3	Depreciation	435	425	(10)	- Section E-FORMULA, Sch 21
4	Pension Expense	-	-	-	
5	OPEB Expense	-	-	-	
6	Amortization of Decommissioning of Propane Assets	232	235	4	
7	Amortization of 75% Capital Contribution Costs	217	217	-	
8	Amortization of 75% Direct Appliance Conversion Costs	331	331	-	
9	Bad Debt Provision	-	-	-	
10	Cost of Service Impact of Pipeline Contribution Costs Variance	-	-	-	
11					
12	Deductions:				
13	Amortization of Deferred Charges	1,067	1,000	(67)	- Section E-FORMULA, Sch 21
14	Less: Amortization of Decommissioning of Propane Assets	(232)	(235)	(4)	
15	Less: Amortization of 75% Capital Contribution Costs	(217)	(217)	-	
16	Less: Amortization of 75% Direct Appliance Conversion Costs	(331)	(331)	-	
17	Capital Cost Allowance	(754)	(624)	130	- Section E-FORMULA, Sch 27
18	Cumulative Eligible Capital Allowance	(866)	(806)	60	- Section E-FORMULA, Sch 26
19	Pension Contributions	-	-	-	
20	OPEB Contributions	-	-	-	
21	Overheads Capitalized Expensed for Tax Purposes	(82)	(67)	15	
22	Removal Costs	(11)	(12)	(1)	
23	TOTAL	<u>\$ (209)</u>	<u>\$ (82)</u>	<u>\$ 127</u>	- Section E-FORMULA, Sch 23

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

Line No.	Class	CCA Rate	12/31/2012 UCC Balance	Adjustments	2013 Net Additions	2013 CCA	12/31/2013 UCC Balance
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	1	4%	\$ 8,164	\$ -	\$ -	\$ (327)	\$ 7,837
2	1(b)	6%	40	-	10	(3)	47
3	2	6%	250	-	-	(15)	235
4	3	5%	-	-	-	-	-
5	6	10%	-	-	-	-	-
6	7	15%	-	-	-	-	-
7	8	20%	53	-	3	(11)	45
8	10	30%	29	-	60	(18)	71
9	12	100%	83	-	(7)	(76)	-
10	13	manual	10	-	-	-	10
11	14	manual	-	-	-	-	-
12	17	8%	-	-	-	-	-
13	38	30%	-	-	-	-	-
14	39	25%	-	-	-	-	-
15	45	45%	-	-	-	-	-
16	47	8%	-	-	-	-	-
17	49	8%	-	-	-	-	-
18	50	55%	8	-	-	(5)	3
19	51	6%	3,845	-	326	(240)	3,931
20		0%	-	-	-	-	-
21		Total	<u>\$ 12,482</u>	<u>\$ -</u>	<u>\$ 392</u>	<u>\$ (695)</u>	<u>\$ 12,179</u>
22							
23	Add: Depreciation variance adjustment					(59)	
24	Approved CCA					(754)	
25							
26	Cross Reference						- Section E-FORMULA, Sch 24
27							
28							
29							
30	* CUMULATIVE ELIGIBLE CAPITAL *						
31							
32	Particulars	2012 ACTUAL	2013 PROJECTED	2014 FORECAST	Cross Reference		
33	(1)	(2)	(3)	(4)	(5)		
34							
35	CEC Opening Balance	\$ 15,170	\$ 12,376	\$ 11,510			
36							
37	75% of Eligible Capital Expenditures incurred	(1,863)	-	-			
38							
39	Subtotal:	<u>13,307.0</u>	<u>12,376.0</u>	<u>11,510.0</u>			
40							
41	Sale of Eligible Capital Property						
42	Sale of Eligible Capital Property before June 18, 1987						
43	Subtotal:	<u>-</u>	<u>-</u>	<u>-</u>			
44							
45	75 % Adjustment	-	-	-			
46							
47	Cumulative Eligible Capital Balance	<u>13,307</u>	<u>12,376</u>	<u>11,510</u>			
48							
49	Annual Allowance (7%)	(931)	(866)	(806)	- Section E-FORMULA, Sch 24		
50							
51	CEC Closing Balance	<u>\$ 12,376</u>	<u>\$ 11,510</u>	<u>\$ 10,704</u>			

CAPITAL COST ALLOWANCE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Class	CCA Rate	12/31/2013 UCC Balance	Adjustments	2014 Net Additions	2014 CCA	12/31/2014 UCC Balance
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	1	4%	\$ 7,837	\$ -	\$ -	\$ (313)	\$ 7,524
2	1(b)	6%	47	-	52	(4)	95
3	2	6%	235	-	-	(14)	221
4	3	5%	-	-	-	-	-
5	6	10%	-	-	-	-	-
6	7	15%	-	-	-	-	-
7	8	20%	45	-	4	(9)	40
8	10	30%	71	-	10	(23)	58
9	12	100%	-	-	-	-	-
10	13	manual	10	-	-	-	10
11	14	manual	-	-	-	-	-
12	17	8%	-	-	-	-	-
13	38	30%	-	-	-	-	-
14	39	25%	-	-	-	-	-
15	45	45%	-	-	-	-	-
16	47	8%	-	-	-	-	-
17	49	8%	-	-	-	-	-
18	50	55%	3	-	-	(2)	1
19	51	6%	3,931	-	773	(259)	4,445
20		0%	-	-	-	-	-
21		Total	<u>\$ 12,179</u>	<u>\$ -</u>	<u>\$ 839</u>	<u>\$ (624)</u>	<u>\$ 12,394</u>
22							
23							
24							
25							
26	Cross Reference					- Section E-FORMULA, Sch 25	

FORTISBC ENERGY (Whistler) INC.

G-47-14 March 26, 2014

Section E
FORMULA
Schedule 28

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

Line No.	Particulars	2012 ACTUAL (2)	2013 APPROVED (3)	2013 PROJECTED			Change (7)	Cross Reference (8)
				Existing 2013 Rates (4)	Adjustments (5)	2013 Revised Rates (6)		
							(Column (6) - Column (3))	
1	Gas Plant in Service, Beginning	\$ 17,025	\$ 17,127	\$ 17,667	\$ -	\$ 17,667	\$ 540	- Section E-FORMULA, Sch 33
2	Opening Balance Adjustment	-	-	-	-	-	-	
3	Gas Plant in Service, Ending	17,667	17,560	17,095	-	17,095	(465)	- Section E-FORMULA, Sch 33
4								
5	Accumulated Depreciation Beginning - Plant	\$ (3,436)	\$ (3,777)	\$ (3,838)	\$ -	\$ (3,838)	\$ (61)	- Section E-FORMULA, Sch 39
6	Opening Balance Adjustment	-	-	-	-	-	-	
7	Accumulated Depreciation Ending - Plant	(3,838)	(4,043)	(4,150)	-	(4,150)	(107)	- Section E-FORMULA, Sch 39
8								
9	CIAC, Beginning	\$ (202)	\$ (202)	\$ (220)	\$ -	\$ (220)	\$ (18)	- Section E-FORMULA, Sch 43
10	Opening Balance Adjustment	-	-	-	-	-	-	
11	CIAC, Ending	(220)	(202)	(237)	-	(237)	(35)	- Section E-FORMULA, Sch 43
12								
13	Accumulated Amortization Beginning - CIAC	\$ 17	\$ 22	\$ 22	\$ -	\$ 22	\$ -	- Section E-FORMULA, Sch 43
14	Opening Balance Adjustment	-	-	-	-	-	-	
15	Accumulated Amortization Ending - CIAC	22	27	26	-	26	(1)	- Section E-FORMULA, Sch 43
16								
17	Net Plant in Service, Mid-Year	<u>\$ 13,517</u>	<u>\$ 13,256</u>	<u>\$ 13,183</u>	<u>\$ -</u>	<u>\$ 13,183</u>	<u>\$ (73)</u>	
18								
19	Adjustment to 13-Month Average	70	-	-	-	-	-	
20	Work in Progress, No AFUDC	34	23	30	-	30	7	
21	Unamortized Deferred Charges	27,463	26,098	26,267	-	26,267	169	- Section E-FORMULA, Sch 46
22	Cash Working Capital	(1)	55	54	-	54	(1)	- Section E-FORMULA, Sch 51
23	Other Working Capital	640	635	624	-	624	(11)	- Section E-FORMULA, Sch 51
24	Deferred Income Taxes Regulatory Asset	2,368	2,319	2,526	-	2,526	207	- Section E-FORMULA, Sch 56
25	Deferred Income Taxes Regulatory Liability	(2,368)	(2,319)	(2,526)	-	(2,526)	(207)	- Section E-FORMULA, Sch 56
26	Utility Rate Base	<u>\$ 41,723</u>	<u>\$ 40,067</u>	<u>\$ 40,158</u>	<u>\$ -</u>	<u>\$ 40,158</u>	<u>\$ 91</u>	- Section E-FORMULA, Sch 57
27								- Section E-FORMULA, Sch 3

FORTISBC ENERGY (Whistler) INC.

G-47-14 March 26, 2014

Section E
FORMULA
Schedule 29

UTILITY RATE BASE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars	2014 FORECAST					Cross Reference
		2013 PROJECTED (2)	Existing 2013 Rates (3)	Adjustments (4)	2013 Revised Rates (5)	Change (6)	
	(1)						(7)
1	Gas Plant in Service, Beginning	\$ 17,667	\$ 17,095	\$ -	\$ 17,095	\$ (572)	- Section E-FORMULA, Sch 36
2	Opening Balance Adjustment	-	-	-	-	-	
3	Gas Plant in Service, Ending	17,095	17,923	-	17,923	828	- Section E-FORMULA, Sch 36
4							
5	Accumulated Depreciation Beginning - Plant	\$ (3,838)	\$ (4,150)	\$ -	\$ (4,150)	\$ (312)	- Section E-FORMULA, Sch 42
6	Opening Balance Adjustment	-	-	-	-	-	
7	Accumulated Depreciation Ending - Plant	(4,150)	(4,510)	-	(4,510)	(360)	- Section E-FORMULA, Sch 42
8							
9	CIAC, Beginning	\$ (220)	\$ (237)	\$ -	\$ (237)	\$ (17)	- Section E-FORMULA, Sch 44
10	Opening Balance Adjustment	-	-	-	-	-	
11	CIAC, Ending	(237)	(254)	-	(254)	(17)	- Section E-FORMULA, Sch 44
12							
13	Accumulated Amortization Beginning - CIAC	\$ 22	\$ 26	\$ -	\$ 26	\$ 4	- Section E-FORMULA, Sch 44
14	Opening Balance Adjustment	-	-	-	-	-	
15	Accumulated Amortization Ending - CIAC	26	30	-	30	4	- Section E-FORMULA, Sch 44
16							
17	Net Plant in Service, Mid-Year	<u>\$ 13,183</u>	<u>\$ 12,962</u>	<u>\$ -</u>	<u>\$ 12,962</u>	<u>\$ (221)</u>	
18							
19	Adjustment to 13-Month Average	-	-	-	-	-	
20	Work in Progress, No AFUDC	30	60	-	60	30	
21	Unamortized Deferred Charges	26,267	25,041	-	25,041	(1,226)	- Section E-FORMULA, Sch 48
22	Cash Working Capital	54	54	3	57	3	- Section E-FORMULA, Sch 52
23	Other Working Capital	624	622	-	622	(2)	- Section E-FORMULA, Sch 52
24	Deferred Income Taxes Regulatory Asset	2,526	2,638	-	2,638	112	- Section E-FORMULA, Sch 56
25	Deferred Income Taxes Regulatory Liability	(2,526)	(2,638)	-	(2,638)	(112)	- Section E-FORMULA, Sch 56
26	Utility Rate Base	<u>\$ 40,158</u>	<u>\$ 38,739</u>	<u>\$ 3</u>	<u>\$ 38,742</u>	<u>\$ (1,416)</u>	- Section E-FORMULA, Sch 58
27							- Section E-FORMULA, Sch 4

FORTISBC ENERGY (Whistler) INC.

G-47-14 March 26, 2014

Section E
FORMULA
Schedule 28

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

Line No.	Particulars	2012 ACTUAL (1)	2013 APPROVED (3)	2013 PROJECTED			Change (7)	Cross Reference (8)
				Existing 2013 Rates (4)	Adjustments (5)	2013 Revised Rates (6)		
							(Column (6) - Column (3))	
1	Gas Plant in Service, Beginning	\$ 17,025	\$ 17,127	\$ 17,667	\$ -	\$ 17,667	\$ 540	- Section E-FORMULA, Sch 33
2	Opening Balance Adjustment	-	-	-	-	-	-	
3	Gas Plant in Service, Ending	17,667	17,560	17,095	-	17,095	(465)	- Section E-FORMULA, Sch 33
4								
5	Accumulated Depreciation Beginning - Plant	\$ (3,436)	\$ (3,777)	\$ (3,838)	\$ -	\$ (3,838)	\$ (61)	- Section E-FORMULA, Sch 39
6	Opening Balance Adjustment	-	-	-	-	-	-	
7	Accumulated Depreciation Ending - Plant	(3,838)	(4,043)	(4,150)	-	(4,150)	(107)	- Section E-FORMULA, Sch 39
8								
9	CIAC, Beginning	\$ (202)	\$ (202)	\$ (220)	\$ -	\$ (220)	\$ (18)	- Section E-FORMULA, Sch 43
10	Opening Balance Adjustment	-	-	-	-	-	-	
11	CIAC, Ending	(220)	(202)	(237)	-	(237)	(35)	- Section E-FORMULA, Sch 43
12								
13	Accumulated Amortization Beginning - CIAC	\$ 17	\$ 22	\$ 22	\$ -	\$ 22	\$ -	- Section E-FORMULA, Sch 43
14	Opening Balance Adjustment	-	-	-	-	-	-	
15	Accumulated Amortization Ending - CIAC	22	27	26	-	26	(1)	- Section E-FORMULA, Sch 43
16								
17	Net Plant in Service, Mid-Year	<u>\$ 13,517</u>	<u>\$ 13,256</u>	<u>\$ 13,183</u>	<u>\$ -</u>	<u>\$ 13,183</u>	<u>\$ (73)</u>	
18								
19	Adjustment to 13-Month Average	70	-	-	-	-	-	
20	Work in Progress, No AFUDC	34	23	30	-	30	7	
21	Unamortized Deferred Charges	27,463	26,098	26,267	-	26,267	169	- Section E-FORMULA, Sch 46
22	Cash Working Capital	(1)	55	54	-	54	(1)	- Section E-FORMULA, Sch 51
23	Other Working Capital	640	635	624	-	624	(11)	- Section E-FORMULA, Sch 51
24	Deferred Income Taxes Regulatory Asset	2,368	2,319	2,526	-	2,526	207	- Section E-FORMULA, Sch 56
25	Deferred Income Taxes Regulatory Liability	(2,368)	(2,319)	(2,526)	-	(2,526)	(207)	- Section E-FORMULA, Sch 56
26	Utility Rate Base	<u>\$ 41,723</u>	<u>\$ 40,067</u>	<u>\$ 40,158</u>	<u>\$ -</u>	<u>\$ 40,158</u>	<u>\$ 91</u>	- Section E-FORMULA, Sch 57
27								- Section E-FORMULA, Sch 3

FORTISBC ENERGY (Whistler) INC.

G-47-14 March 26, 2014

Section E
FORMULA
Schedule 30

CAPITAL EXPENDITURES AND PLANT ADDITIONS
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000)

Line No.	Particulars (1)	2013 Projected (2)	2014 Forecast (3)	Cross Reference (4)
1	CAPITAL EXPENDITURES			
2				
3	TOTAL CAPITAL EXPENDITURES	<u>\$ 355</u>	<u>\$ 802</u>	
4				
5				
6	RECONCILIATION OF CAPITAL EXPENDITURES TO PLANT ADDITIONS			
7				
8	<u>Regular Capital</u>			
9	Regular Capital Expenditures	\$ 355	\$ 802	
10	Add - Opening WIP	59	59	
11	Less - Adjustments	-	-	
12	Less - Closing WIP	(59)	(59)	
13	Add - AFUDC	-	-	
14	Add - Overhead Capitalized	127	104	
15				
16	TOTAL REGULAR CAPITAL ADDITIONS TO GAS PLANT IN SERVICE	<u>\$ 482</u>	<u>\$ 906</u>	
17				
18	<u>Special Projects - CPCN's</u>			
19	CPCN Expenditures	\$ -	\$ -	
20	Add - Opening WIP	-	-	
21	Less - Closing WIP	-	-	
22	Less: Adjustments	-	-	
23	Add - AFUDC	-	-	
24				
25	TOTAL CPCN ADDITIONS	<u>\$ -</u>	<u>\$ -</u>	
26				
27	TOTAL PLANT ADDITIONS	<u>\$ 482</u>	<u>\$ 906</u>	
28				
29	Cross Reference	- Section E-FORMULA, Sch 33		
30		- Section E-FORMULA, Sch 36		

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

Line No.	Particulars (1)	Balance 12/31/2012 (2)	CPCN'S (3)	2013 Additions (4)	2013 AFUDC (5)	2013 CapOH (6)	Retirements (7)	Transfers/ Recovery (8)	Balance 12/31/2013 (9)	Mid-year GPIS for Depreciation (10)
1	INTANGIBLE PLANT									
2	117-00 Utility Plant Acquisition Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	175-00 Unamortized Conversion Expense	-	-	-	-	-	-	-	-	-
4	175-00 Unamortized Conversion Expense - Squamish	-	-	-	-	-	-	-	-	-
5	178-00 Organization Expense	-	-	-	-	-	-	-	-	-
6	179-01 Other Deferred Charges	-	-	-	-	-	-	-	-	-
7	401-00 Franchise and Consents	8	-	-	-	-	-	-	8	8
8	402-00 Utility Plant Acquisition Adjustment	-	-	-	-	-	-	-	-	-
9	402-00 Other Intangible Plant	-	-	-	-	-	-	-	-	-
10	431-00 Mfg'd Gas Land Rights	-	-	-	-	-	-	-	-	-
11	461-00 Transmission Land Rights	-	-	-	-	-	-	-	-	-
12	461-13 IP Land Rights Whistler	-	-	-	-	-	-	-	-	-
13	471-00 Distribution Land Rights	87	-	-	-	-	-	-	87	87
14	402-01 Application Software - 12.5%	158	-	-	-	-	-	-	158	158
15	402-02 Application Software - 20%	6	-	-	-	-	-	-	6	6
16	TOTAL INTANGIBLE	259	-	-	-	-	-	-	259	259
17										
18	MANUFACTURED GAS / LOCAL STORAGE									
19	430-00 Manufact'd Gas - Land	899	-	-	-	-	(899)	-	-	450
20	431-00 Manufact'd Gas - Land Rights	-	-	-	-	-	-	-	-	-
21	432-00 Manufact'd Gas - Struct. & Improvements	-	-	-	-	-	-	-	-	-
22	433-00 Manufact'd Gas - Equipment	-	-	-	-	-	-	-	-	-
23	434-00 Manufact'd Gas - Gas Holders	-	-	-	-	-	-	-	-	-
24	436-00 Manufact'd Gas - Compressor Equipment	-	-	-	-	-	-	-	-	-
25	437-00 Manufact'd Gas - Measuring & Regulating Equipmer	-	-	-	-	-	-	-	-	-
26	443-00 Gas Holders - Storage (non-Tilbury, non-Mt. Hayes)	-	-	-	-	-	-	-	-	-
27	TOTAL MANUFACTURED	899	-	-	-	-	(899)	-	-	450

Section E
FORMULA
Schedule 32

[illegible]

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

Line No.	Particulars (1)	Balance 12/31/2012 (2)	CPCN'S (3)	2013 Additions (4)	2013 AFUDC (5)	2013 CapOH (6)	Retirements (7)	Transfers/ Recovery (8)	Balance 12/31/2013 (9)	Mid-year GPIS for Depreciation (10)
1	GENERAL PLANT & EQUIPMENT									
2	480-00 Land in Fee Simple	-	-	-	-	-	-	-	-	-
3	481-00 Land Rights	-	-	-	-	-	-	-	-	-
4	482-00 Structures & Improvements	-	-	-	-	-	-	-	-	-
5	- Frame Buildings	17	-	-	-	-	-	-	17	17
6	- Masonry Buildings	27	-	10	-	-	-	-	37	32
7	- Leasehold Improvement	13	-	-	-	-	-	-	13	13
8	Office Equipment & Furniture	-	-	-	-	-	-	-	-	-
9	483-30 GP Office Equipment	12	-	3	-	-	(2)	-	13	13
10	483-40 GP Furniture	8	-	-	-	-	-	-	8	8
11	483-10 GP Computer Hardware	17	-	-	-	-	-	-	17	17
12	483-20 GP Computer Software	2	-	-	-	-	-	-	2	2
13	483-21 GP Computer Software	-	-	-	-	-	-	-	-	-
14	483-22 GP Computer Software	-	-	-	-	-	-	-	-	-
15	484-00 Vehicles	154	-	60	-	-	-	-	214	184
16	484-00 Vehicles - Leased	-	-	-	-	-	-	-	-	-
17	485-10 Heavy Work Equipment	92	-	-	-	-	-	-	92	92
18	485-20 Heavy Mobile Equipment	-	-	-	-	-	-	-	-	-
19	486-00 Small Tools & Equipment	195	-	-	-	-	(17)	-	178	187
20	487-00 Equipment on Customer's Premises	-	-	-	-	-	-	-	-	-
21	- VRA Compressor Installation Costs	-	-	-	-	-	-	-	-	-
22	488-00 Communications Equipment	-	-	-	-	-	-	-	-	-
23	- Telephone	6	-	-	-	-	-	-	6	6
24	- Radio	-	-	-	-	-	-	-	-	-
25	489-00 Other General Equipment	-	-	-	-	-	-	-	-	-
26	TOTAL GENERAL	543	-	73	-	-	(19)	-	597	570
27										
28	UNCLASSIFIED PLANT									
29	499-00 Plant Suspense	-	-	-	-	-	-	-	-	-
30	TOTAL UNCLASSIFIED	-	-	-	-	-	-	-	-	-
31										
32	TOTAL CAPITAL	\$ 17,667	\$ -	\$ 355	\$ -	\$ 127	\$ (1,054)	\$ -	\$ 17,095	\$ 17,381
33										
34	Cross Reference	- Section E-FORMULA, Sch 28 - Section E-FORMULA, Sch 30							- Section E-FORMULA, Sch 28	
35		- Section E-FORMULA, Sch 30 - Section E-FORMULA, Sch 30								

Section E
FORMULA
Schedule 34[illegible]

Section E
FORMULA
Schedule 35

Section E
FORMULA
Schedule 35

[illegible]

Section E
FORMULA
Schedule 36

Line No.	Particulars	Balance 12/31/2013	CPCN'S	2014 Additions	2014 AFUDC	2014 CapOH	Retirements	Transfers/ Recovery	Balance 12/31/2014	Mid-year GPIS
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	GENERAL PLANT & EQUIPMENT									
2	480-00 Land in Fee Simple	-	-	-	-	-	-	-	-	-
3	481-00 Land Rights	-	-	-	-	-	-	-	-	-
4	482-00 Structures & Improvements	-	-	-	-	-	-	-	-	-
5	- Frame Buildings	17	-	-	-	-	-	-	17	17
6	- Masonry Buildings	37	-	50	-	-	-	-	87	62
7	- Leasehold Improvement	13	-	-	-	-	-	-	13	13
8	Office Equipment & Furniture	-	-	-	-	-	-	-	-	-
9	483-30 GP Office Equipment	13	-	4	-	-	-	-	17	15
10	483-40 GP Furniture	8	-	-	-	-	-	-	8	8
11	483-10 GP Computer Hardware	17	-	-	-	-	-	-	17	17
12	483-20 GP Computer Software	2	-	-	-	-	-	-	2	2
13	483-21 GP Computer Software	-	-	-	-	-	-	-	-	-
14	483-22 GP Computer Software	-	-	-	-	-	-	-	-	-
15	484-00 Vehicles	214	-	10	-	-	-	-	224	219
16	484-00 Vehicles - Leased	-	-	-	-	-	-	-	-	-
17	485-10 Heavy Work Equipment	92	-	-	-	-	-	-	92	92
18	485-20 Heavy Mobile Equipment	-	-	-	-	-	-	-	-	-
19	486-00 Small Tools & Equipment	178	-	-	-	-	(17)	-	161	170
20	487-00 Equipment on Customer's Premises	-	-	-	-	-	-	-	-	-
21	- VRA Compressor Installation Costs	-	-	-	-	-	-	-	-	-
22	488-00 Communications Equipment	-	-	-	-	-	-	-	-	-
23	- Telephone	6	-	-	-	-	(1)	-	5	6
24	- Radio	-	-	-	-	-	-	-	-	-
25	489-00 Other General Equipment	-	-	-	-	-	-	-	-	-
26	TOTAL GENERAL	<u>597</u>	<u>-</u>	<u>64</u>	<u>-</u>	<u>-</u>	<u>(18)</u>	<u>-</u>	<u>643</u>	<u>620</u>
27										
28	UNCLASSIFIED PLANT									
29	499-00 Plant Suspense	-	-	-	-	-	-	-	-	-
30	TOTAL UNCLASSIFIED	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
31										
32	TOTAL CAPITAL	<u>\$ 17,095</u>	<u>\$ -</u>	<u>\$ 802</u>	<u>\$ -</u>	<u>\$ 104</u>	<u>\$ (78)</u>	<u>\$ -</u>	<u>\$ 17,923</u>	<u>\$ 17,509</u>
33										
34	Cross Reference	- Section E-FORMULA, Sch 2c			- Section E-FORMULA, Sch 30			- Section E-FORMULA, Sch 29		
35		- Section E-FORMULA, Sch 30			- Section E-FORMULA, Sch 30			- Section E-FORMULA, Sch 30		

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

Line No.	Account (1)	2013 DEPRECIATION			Accumulated	
		Provision (Cr.) (4)	Adjust- ments (5)	Retirements (6)	12/31/2012 (7)	12/31/2013 (8)
1	INTANGIBLE PLANT					
2	117-00 Utility Plant Acquisition Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -
3	175-00 Unamortized Conversion Expense	-	-	-	-	-
4	175-00 Unamortized Conversion Expense - Squamish	-	-	-	-	-
5	178-00 Organization Expense	-	-	-	-	-
6	179-01 Other Deferred Charges	-	-	-	-	-
7	401-00 Franchise and Consents	-	-	-	3	3
8	402-00 Utility Plant Acquisition Adjustment	-	-	-	-	-
9	402-00 Other Intangible Plant	-	-	-	-	-
10	431-00 Mfg'd Gas Land Rights	-	-	-	-	-
11	461-00 Transmission Land Rights	-	-	-	-	-
12	461-13 IP Land Rights Whistler	-	-	-	-	-
13	471-00 Distribution Land Rights	-	-	-	10	10
14	402-01 Application Software - 12.5%	20	-	-	19	39
15	402-02 Application Software - 20%	1	-	-	1	2
16	TOTAL INTANGIBLE	21	-	-	33	54
17						
18	MANUFACTURED GAS / LOCAL STORAGE					
19	430-00 Manufact'd Gas - Land	-	-	-	-	-
20	431-00 Manufact'd Gas - Land Rights	-	-	-	-	-
21	432-00 Manufact'd Gas - Struct. & Improvements	-	-	-	-	-
22	433-00 Manufact'd Gas - Equipment	-	-	-	-	-
23	434-00 Manufact'd Gas - Gas Holders	-	-	-	-	-
24	436-00 Manufact'd Gas - Compressor Equipment	-	-	-	-	-
25	437-00 Manufact'd Gas - Measuring & Regulating Equipment	-	-	-	-	-
26	443-00 Gas Holders - Storage (non-Tilbury, non-Mt. Hayes)	-	-	-	-	-
27	TOTAL MANUFACTURED	-	-	-	-	-

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

Line No.	Account (1)	2013 DEPRECIATION			Accumulated	
		Provision (Cr.) (4)	Adjust- ments (5)	Retirements (6)	12/31/2012 (7)	12/31/2013 (8)
1	DISTRIBUTION PLANT					
2	470-00 Land in Fee Simple	-	-	-	-	-
3	471-00 Distribution Land Rights	-	-	-	-	-
4	472-00 Structures & Improvements	-	-	-	-	-
5	473-00 Services	90	-	(2)	818	906
6	474-00 House Regulators & Meter Installations	72	-	(87)	461	446
7	477-00 Meters/Regulators Installations	2	-	-	-	2
8	475-00 Mains	141	-	(4)	1,983	2,120
9	476-00 Compressor Equipment	-	-	-	-	-
10	477-00 Measuring & Regulating Equipment	25	-	-	86	111
11	477-00 Telemetering	-	-	-	-	-
12	478-10 Meters	30	-	-	143	173
13	478-20 Instruments	-	-	-	-	-
14	479-00 Other Distribution Equipment	-	-	-	-	-
15	TOTAL DISTRIBUTION	360	-	(93)	3,491	3,758
16						

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

Line No.	Account (1)	2013 DEPRECIATION			Accumulated	
		Provision (Cr.) (4)	Adjust- ments (5)	Retirements (6)	12/31/2012 (7)	12/31/2013 (8)
1	GENERAL PLANT & EQUIPMENT					
2	480-00 Land in Fee Simple	-	-	-	-	-
3	481-00 Land Rights	-	-	-	-	-
4	482-00 Structures & Improvements	-	-	-	-	-
5	- Frame Buildings	1	-	-	3	4
6	- Masonry Buildings	1	-	-	1	2
7	- Leasehold Improvement	1	-	-	1	2
8	Office Equipment & Furniture	-	-	-	-	-
9	483-30 GP Office Equipment	1	-	(2)	4	3
10	483-40 GP Furniture	-	-	-	-	-
11	483-10 GP Computer Hardware	3	-	-	3	6
12	483-20 GP Computer Software	-	-	-	-	-
13	483-21 GP Computer Software	-	-	-	-	-
14	483-22 GP Computer Software	-	-	-	-	-
15	484-00 Vehicles	24	-	-	104	128
16	484-00 Vehicles - Leased	-	-	-	-	-
17	485-10 Heavy Work Equipment	3	-	-	72	75
18	485-20 Heavy Mobile Equipment	-	-	-	-	-
19	486-00 Small Tools & Equipment	9	-	(17)	122	114
20	487-00 Equipment on Customer's Premises	-	-	-	-	-
21	- VRA Compressor Installation Costs	-	-	-	-	-
22	488-00 Communications Equipment	-	-	-	-	-
23	- Telephone	-	-	-	4	4
24	- Radio	-	-	-	-	-
25	489-00 Other General Equipment	-	-	-	-	-
26	TOTAL GENERAL	<u>43</u>	<u>-</u>	<u>(19)</u>	<u>314</u>	<u>338</u>
27						
28	UNCLASSIFIED PLANT					
29	499-00 Plant Suspense	-	-	-	-	-
30	TOTAL UNCLASSIFIED	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
31						
32	TOTALS	<u>\$ 424</u>	<u>\$ -</u>	<u>\$ (112)</u>	<u>\$ 3,838</u>	<u>\$ 4,150</u>
33	Add: Depreciation variance adjustment	<u>16</u>				
34	Net Depreciation Expense	<u>\$ 440</u>				
35						
36	Cross Reference	- Section E-FORMULA, Sch 20			- Section E-FORMULA, Sch 28	

DEPRECIATION AND AMORTIZATION CONTINUITY SCHEDULE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Account (1)	2014 DEPRECIATION			Accumulated	
		Provision (Cr.) (4)	Adjust- ments (5)	Retirements (6)	12/31/2013 (7)	12/31/2014 (8)
1	INTANGIBLE PLANT					
2	117-00 Utility Plant Acquisition Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -
3	175-00 Unamortized Conversion Expense	-	-	-	-	-
4	175-00 Unamortized Conversion Expense - Squamish	-	-	-	-	-
5	178-00 Organization Expense	-	-	-	-	-
6	179-01 Other Deferred Charges	-	-	-	-	-
7	401-00 Franchise and Consents	-	-	-	3	3
8	402-00 Utility Plant Acquisition Adjustment	-	-	-	-	-
9	402-00 Other Intangible Plant	-	-	-	-	-
10	431-00 Mfg'd Gas Land Rights	-	-	-	-	-
11	461-00 Transmission Land Rights	-	-	-	-	-
12	461-13 IP Land Rights Whistler	-	-	-	-	-
13	471-00 Distribution Land Rights	-	-	-	10	10
14	402-01 Application Software - 12.5%	20	-	-	39	59
15	402-02 Application Software - 20%	1	-	-	2	3
16	TOTAL INTANGIBLE	21	-	-	54	75
17						
18	MANUFACTURED GAS / LOCAL STORAGE					
19	430-00 Manufact'd Gas - Land	-	-	-	-	-
20	431-00 Manufact'd Gas - Land Rights	-	-	-	-	-
21	432-00 Manufact'd Gas - Struct. & Improvements	-	-	-	-	-
22	433-00 Manufact'd Gas - Equipment	-	-	-	-	-
23	434-00 Manufact'd Gas - Gas Holders	-	-	-	-	-
24	436-00 Manufact'd Gas - Compressor Equipment	-	-	-	-	-
25	437-00 Manufact'd Gas - Measuring & Regulating Equipment	-	-	-	-	-
26	443-00 Gas Holders - Storage (non-Tilbury, non-Mt. Hayes)	-	-	-	-	-
27	TOTAL MANUFACTURED	-	-	-	-	-

DEPRECIATION AND AMORTIZATION CONTINUITY SCHEDULE (Continued)
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Account (1)	2014 DEPRECIATION			Accumulated	
		Provision (Cr.) (4)	Adjust- ments (5)	Retirements (6)	12/31/2013 (7)	12/31/2014 (8)
1	DISTRIBUTION PLANT					
2	470-00 Land in Fee Simple	-	-	-	-	-
3	471-00 Distribution Land Rights	-	-	-	-	-
4	472-00 Structures & Improvements	-	-	-	-	-
5	473-00 Services	93	-	(2)	906	997
6	474-00 House Regulators & Meter Installations	69	-	(13)	446	502
7	477-00 Meters/Regulators Installations	2	-	-	2	4
8	475-00 Mains	140	-	(36)	2,120	2,224
9	476-00 Compressor Equipment	-	-	-	-	-
10	477-00 Measuring & Regulating Equipment	25	-	-	111	136
11	477-00 Telemetry	-	-	-	-	-
12	478-10 Meters	31	-	-	173	204
13	478-20 Instruments	-	-	-	-	-
14	479-00 Other Distribution Equipment	-	-	-	-	-
15	TOTAL DISTRIBUTION	360	-	(51)	3,758	4,067
16						

DEPRECIATION AND AMORTIZATION CONTINUITY SCHEDULE (Continued)
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Account (1)	2014 DEPRECIATION			Accumulated	
		Provision (Cr.) (4)	Adjust- ments (5)	Retirements (6)	12/31/2013 (7)	12/31/2014 (8)
1	GENERAL PLANT & EQUIPMENT					
2	480-00 Land in Fee Simple	-	-	-	-	-
3	481-00 Land Rights	-	-	-	-	-
4	482-00 Structures & Improvements	-	-	-	-	-
5	- Frame Buildings	1	-	-	4	5
6	- Masonry Buildings	2	-	-	2	4
7	- Leasehold Improvement	1	-	-	2	3
8	Office Equipment & Furniture	-	-	-	-	-
9	483-30 GP Office Equipment	1	-	-	3	4
10	483-40 GP Furniture	-	-	-	-	-
11	483-10 GP Computer Hardware	3	-	-	6	9
12	483-20 GP Computer Software	-	-	-	-	-
13	483-21 GP Computer Software	-	-	-	-	-
14	483-22 GP Computer Software	-	-	-	-	-
15	484-00 Vehicles	28	-	-	128	156
16	484-00 Vehicles - Leased	-	-	-	-	-
17	485-10 Heavy Work Equipment	3	-	-	75	78
18	485-20 Heavy Mobile Equipment	-	-	-	-	-
19	486-00 Small Tools & Equipment	9	-	(17)	114	106
20	487-00 Equipment on Customer's Premises	-	-	-	-	-
21	- VRA Compressor Installation Costs	-	-	-	-	-
22	488-00 Communications Equipment	-	-	-	-	-
23	- Telephone	-	-	(1)	4	3
24	- Radio	-	-	-	-	-
25	489-00 Other General Equipment	-	-	-	-	-
26	TOTAL GENERAL	48	-	(18)	338	368
27						
28	UNCLASSIFIED PLANT					
29	499-00 Plant Suspense	-	-	-	-	-
30	TOTAL UNCLASSIFIED	-	-	-	-	-
31						
32	TOTALS	\$ 429	\$ -	\$ (69)	\$ 4,150	\$ 4,510
33	Add: Depreciation variance adjustment					
34	Net Depreciation Expense	\$ 429				
35						
36	Cross Reference	- Section E-FORMULA, Sch 21			- Section E-FORMULA, Sch 29	

FORTISBC ENERGY (Whistler) INC.

G-47-14 March 26, 2014

Section E
FORMULA
Schedule 43

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

Line No.	Particulars (1)	Balance 12/31/2012 (2)	Adjustment (3)	2013 PROJECTED		Balance 12/31/2013 (6)	Cross Reference (7)
				Additions (4)	Retirements (5)		
1	CIAC						
2							
3	Distribution Contributions	\$ 220	\$ -	\$ 17	\$ -	\$ 237	
4							
5	TOTAL Contributions	220	-	17	-	237	- Section E-FORMULA, Sch 28
6							
7							
8							
9	Amortization						
10							
11	Distribution Contributions	(22)	-	(4)	-	(26)	
12							
13	TOTAL CIAC Amortization	(22)	-	(4)	-	(26)	- Section E-FORMULA, Sch 28
14							
15	NET CONTRIBUTIONS	<u>\$ 198</u>	<u>\$ -</u>	<u>\$ 13</u>	<u>\$ -</u>	<u>\$ 211</u>	
16							
17							
18	Total CIAC Amortization Expense per Line 13			(4)			
19	Add: Depreciation variance adjustment			(1)			
20	Net Amortization Expense			<u>\$ (5)</u>			
21							- Section E-FORMULA, Sch 20
22							

FORTISBC ENERGY (Whistler) INC.

G-47-14 March 26, 2014

Section E
FORMULA
Schedule 44

CONTRIBUTIONS IN AID OF CONSTRUCTION
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars	Balance 12/31/2013	Adjustment	2014 FORECAST		Balance 12/31/2014	Cross Reference
	(1)	(2)	(3)	Additions	Retirements	(6)	(7)
				(4)	(5)		
1	CIAC						
2							
3	Distribution Contributions	\$ 237	\$ -	\$ 17	\$ -	\$ 254	
4							
5	TOTAL Contributions	237	-	17	-	254	- Section E-FORMULA, Sch 29
6							
7							
8							
9	Amortization						
10							
11	Distribution Contributions	(26)	-	(4)	-	(30)	
12							
13	TOTAL CIAC Amortization	(26)	-	(4)	-	(30)	- Section E-FORMULA, Sch 29
14							
15	NET CONTRIBUTIONS	<u>\$ 211</u>	<u>\$ -</u>	<u>\$ 13</u>	<u>\$ -</u>	<u>\$ 224</u>	
16							
17							
18	Total CIAC Amortization Expense per Line 13			(4)			
19							
20	Net Amortization Expense			<u>\$ (4)</u>			
21							- Section E-FORMULA, Sch 21
22							

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

[illegible]

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

FORMULA
 Schedule 46

Line No.	Particulars	Balance 12/31/2012 (2)	Opening Bal. Transfer / Adjustment (3)	Gross Additions (4)	Less- Taxes (5)	Net Additions (6)	Amortization Expense (7)	Recoveries		Balance 12/31/2013 (10)	Mid-Year Average 2013 (11)
	(1)							Rider (8)	Tax on Rider (9)		
1	<u>Application Costs Deferral Accounts</u>										
2	2014-2018 PBR Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Long Term Resource Plan Application	-	-	2	(1)	1	-	-	-	1	1
4	Generic Cost of Capital Application	-	-	-	-	-	-	-	-	-	-
5	Amalgamation and Rate Design Application Costs	-	-	-	-	-	-	-	-	-	-
6											
7	<u>Whistler Pipeline Deferral Accounts</u>										
8	Whistler Pipeline Conversion	13,080	(75)	(742)	95	(647)	(740)	-	-	11,619	12,312
9	Capital Contribution to FEVI	13,580	-	-	-	-	(289)	-	-	13,291	13,435
10	Pipeline Contribution Costs Variance Account	-	-	-	-	-	-	-	-	-	-
11											
12	<u>Other Deferral Accounts</u>										
13	2010-2011 Customer Service O&M and COS	73	-	-	-	-	(9)	-	-	63	68
14	Gas Asset Records Project	(1)	-	11	(3)	8	(6)	-	-	1	0
15	BC OneCall Project	(1)	-	11	(3)	8	(4)	-	-	3	1
16	Gains and Losses on Asset Disposition	182	-	42	-	42	(9)	-	-	215	198
17	Negative Salvage Provision/Cost	(68)	-	11	-	11	(83)	-	-	(139)	(104)
18	TESDA Overhead Allocation Variance	-	-	-	-	-	-	-	-	-	-
19											
20	<u>Residual Deferred Accounts</u>										
21	Depreciation Variance	(12)	-	(7)	-	(7)	-	-	-	(19)	(16)
22	Olympics Security Costs Deferral	-	-	-	-	-	(4)	-	-	(4)	(2)
23	IFRS Conversion Costs	5	-	-	-	-	(5)	-	-	-	2
24	2009 ROE & Cost of Capital Application	4	-	-	-	-	(1)	-	-	2	3
25	2010-2011 Revenue Requirement Application	-	-	-	-	-	-	-	-	-	-
26	2012-2013 Revenue Requirement Application	7	-	-	-	-	(4)	-	-	2	5
27	CCE CPCN Application	2	-	-	-	-	(1)	-	-	1	1
28	Deferred Removal Costs	(71)	75	-	-	-	(5)	-	-	(0)	2
29	US GAAP Conversion Costs	(3)	-	-	-	-	(7)	-	-	(9)	(6)
30	Rider B Refund Deferral	-	-	-	-	-	-	-	-	-	-
31											
32	Total Deferred Charges for Rate Base	\$ 26,941	\$ -	\$ (88)	\$ (58)	\$ (146)	\$ (1,067)	\$ (181)	\$ 47	\$ 25,594	\$ 26,267
33											
34	Cross Reference										

- Section E-FORMULA, Sch 20

- Section E-FORMULA, Sch 28

Section E

FORMULA
Schedule 47

[illegible]

UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION (Continued)
 FOR THE YEAR ENDING DECEMBER 31, 2014
 (\$000s)

Line No.	Particulars	Forecast Balance 12/31/2013	Opening Bal. Transfer / Adjustment	Gross Additions	Less-Taxes	Net Additions	Amortization Expense	Recoveries Rider	Tax on Rider	Balance 12/31/2014	Mid-Year Average 2014
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	<u>Application Costs Deferral Accounts</u>										
2	2014-2018 PBR Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Long Term Resource Plan Application	1	-	0	(0)	0	(1)	-	-	1	1
4	Generic Cost of Capital Application	-	3	-	-	-	(1)	-	-	1	2
5	Amalgamation and Rate Design Application Costs	-	17	-	-	-	(6)	-	-	11	14
6											
7	<u>Whistler Pipeline</u>										
8	Whistler Pipeline Conversion	11,619	-	-	-	-	(738)	-	-	10,880	11,249
9	Capital Contribution to FEVI	13,291	-	-	-	-	(289)	-	-	13,002	13,146
10	Pipeline Contribution Costs Variance Account	-	-	-	-	-	-	-	-	-	-
11											
12	<u>Other Deferral Accounts</u>										
13	2010-2011 Customer Service O&M and COS	63	-	-	-	-	(9)	-	-	54	59
14	Gas Asset Records Project	1	-	13	(3)	9	(2)	-	-	8	5
15	BC OneCall Project	3	-	7	(2)	5	(2)	-	-	6	5
16	Gains and Losses on Asset Disposition	215	-	9	-	9	(12)	-	-	212	214
17	Negative Salvage Provision/Cost	(139)	-	12	-	12	(84)	-	-	(211)	(175)
18	TESDA Overhead Allocation Variance	-	-	-	-	-	-	-	-	-	-
19											
20	<u>Residual Deferred Accounts</u>										
21	Depreciation Variance	(19)	-	-	-	-	19	-	-	(0)	(9)
22	Olympics Security Costs Deferral	(4)	-	-	-	-	4	-	-	-	(2)
23	IFRS Conversion Costs	-	-	-	-	-	-	-	-	-	-
24	2009 ROE & Cost of Capital Application	2	-	-	-	-	(2)	-	-	-	1
25	2010-2011 Revenue Requirement Application	-	-	-	-	-	-	-	-	-	-
26	2012-2013 Revenue Requirement Application	2	-	-	-	-	(2)	-	-	(0)	1
27	CCE CPCN Application	1	-	-	-	-	(1)	-	-	(0)	1
28	Deferred Removal Costs	(0)	-	-	-	-	0	-	-	(0)	(0)
29	US GAAP Conversion Costs	(9)	-	-	-	-	9	-	-	-	(5)
30	Rider B Refund Deferral	-	-	-	-	-	-	-	-	-	-
31											
32	Total Deferred Charges for Rate Base	\$ 25,594	\$ 20	\$ 185	\$ (43)	\$ 142	\$ (1,000)	\$ (389)	\$ 101	\$ 24,468	\$ 25,041
33											
34	Cross Reference						- Section E-FORMULA, Sch 21		- Section E-FORMULA, Sch 29		

NEGATIVE SALVAGE CONTINUITY
FOR THE YEAR ENDING DECEMBER 31, 2013
(\$000s)

Line No.	Account	2013 DEPRECIATION				Ending	
		Provision (Cr.)	Adjust-ments	Removal Costs	Proceeds on Disposal	12/31/2012	12/31/2013
	(1)	(4)	(5)	(6)	(7)	(8)	(9)
1	DISTRIBUTION PLANT						
2	470-00 Land in Fee Simple	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	471-00 Distribution Land Rights	-	-	-	-	-	-
4	472-00 Structures & Improvements	-	-	-	-	-	-
5	473-00 Services	44	-	(3)	-	39	80
6	474-00 House Regulators & Meter Installations	9	-	(7)	-	5	7
7	477-00 Meters/Regulators Installations	-	-	-	-	-	-
8	475-00 Mains	28	-	(1)	-	23	50
9	476-00 Compressor Equipment	-	-	-	-	-	-
10	477-00 Measuring & Regulating Equipment	-	-	-	-	-	-
11	477-00 Telemetering	-	-	-	-	-	-
12	478-10 Meters	2	-	-	-	1	3
13	478-20 Instruments	-	-	-	-	-	-
14	479-00 Other Distribution Equipment	-	-	-	-	-	-
15	TOTAL DISTRIBUTION	83	-	(11)	-	68	140
16							
17							
18	TOTALS	\$ 83	\$ -	\$ (11)	\$ -	\$ 68	\$ 140
19							
20	Cross Reference					- Section E-FORMULA, Sch 46	

NEGATIVE SALVAGE CONTINUITY
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Account (1)	2014 DEPRECIATION				Ending	
		Provision (Cr.)	Open Bal Transfers	Removal Costs	Proceeds on Disposal	12/31/2013	12/31/2014
		(4)	(5)	(6)	(7)	(8)	(9)
1	DISTRIBUTION PLANT						
2	470-00 Land in Fee Simple	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	471-00 Distribution Land Rights	-	-	-	-	-	-
4	472-00 Structures & Improvements	-	-	-	-	-	-
5	473-00 Services	45	-	(3)	-	80	122
6	474-00 House Regulators & Meter Installations	9	-	(8)	-	7	8
7	477-00 Meters/Regulators Installations	-	-	-	-	-	-
8	475-00 Mains	28	-	(1)	-	50	77
9	476-00 Compressor Equipment	-	-	-	-	-	-
10	477-00 Measuring & Regulating Equipment	-	-	-	-	-	-
11	477-00 Telemetering	-	-	-	-	-	-
12	478-10 Meters	2	-	-	-	3	5
13	478-20 Instruments	-	-	-	-	-	-
14	479-00 Other Distribution Equipment	-	-	-	-	-	-
15	TOTAL DISTRIBUTION	84	-	(12)	-	140	212
16							
17							
18	TOTALS	\$ 84	\$ -	\$ (12)	\$ -	\$ 140	\$ 212
19							
20	Cross Reference					- Section E-FORMULA, Sch 48	

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

Line No.	Particulars	2012 ACTUAL	2013 APPROVED	2013 PROJECTED		Change	Cross Reference
				Existing 2013 Rates	Revised Rates		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
						(Column (5) - Column (3))	
1	Cash Working Capital						
2	Cash Required for						
3	Operating Expenses	\$ 48	\$ 59	\$ 58	\$ 58	\$ (1)	- Section E-FORMULA, Sch 53
4							
5	Less - Funds Available:						
6							
7	Withholdings From Employees	(49)	(4)	(4)	(4)	-	
8							
9	Subtotal	(1)	55	54	54	(1)	- Section E-FORMULA, Sch 28
10							
11	Other Working Capital Items						
12	Construction Advances	-	(13)	(13)	(13)	-	
13	Transmission Line Pack Gas	-	23	23	23	-	
14	Gas in Storage	651	625	625	625	-	
15	Refundable Contributions	(10)	-	(11)	(11)	(11)	
16							
17	Subtotal	640	635	624	624	(11)	- Section E-FORMULA, Sch 28
18							
19	Total	\$ 639	\$ 690	\$ 678	\$ 678	\$ (12)	

WORKING CAPITAL ALLOWANCE
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars (1)	2013 PROJECTED (2)	2014		Change (5)	Cross Reference (6)
			Existing 2013 Rates (3)	Revised Rates (4)		
1	Cash Working Capital					
2	Cash Required for					
3	Operating Expenses	\$ 58	\$ 58	\$ 61	\$ 3	- Section E-FORMULA, Sch 53
4						
5	Less - Funds Available:					
6						
7	Withholdings From Employees	(4)	(4)	(4)	-	
8						
9	Subtotal	<u>54</u>	<u>54</u>	<u>57</u>	<u>3</u>	- Section E-FORMULA, Sch 29
10						
11	Other Working Capital Items					
12	Construction Advances	(13)	(13)	(13)	-	
13	Transmission Line Pack Gas	23	23	23	-	
14	Gas in Storage	625	625	625	-	
15	Refundable Contributions	(11)	(13)	(13)	(2)	
16						
17	Subtotal	<u>624</u>	<u>622</u>	<u>622</u>	<u>(2)</u>	- Section E-FORMULA, Sch 29
18						
19	Total	<u>\$ 678</u>	<u>\$ 676</u>	<u>\$ 679</u>	<u>\$ 1</u>	

CASH WORKING CAPITAL
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000s)

Line No.	Particulars (1)	2013			2014			Cross Reference (8)
		Days (2)	Expenses (3)	Cash Working Capital (4)	Days (5)	Expenses (6)	Cash Working Capital (7)	
1	CASH WORKING CAPITAL							
2								
3	Revenue Lag Days	38.6			38.6			- Section E-FORMULA, Sch 54
4	Expense Lead Days	35.9			35.9			- Section E-FORMULA, Sch 55
5								
6	Net Lead/(Lag) Days	2.7	\$ 7,782	\$ 58	2.7	\$ 7,894	\$ 58	- Section E-FORMULA, Sch 51
7								- Section E-FORMULA, Sch 52
8								
9								
10	CASH WORKING CAPITAL, REVISED RATES							
11								
12	Revenue Lag Days	38.6			38.6			- Section E-FORMULA, Sch 54
13	Expense Lead Days	35.9			35.8			- Section E-FORMULA, Sch 55
14								
15	Net Lead/(Lag) Days	2.7	\$ 7,782	\$ 58	2.8	\$ 7,971	\$ 61	- Section E-FORMULA, Sch 51
16								- Section E-FORMULA, Sch 52
17								
18								
19	CASH WORKING CAPITAL CHANGE			\$ -			\$ 3	
20								
21								
22								
23	Cash working capital = Col. 2 x Col. 3 / 365 days							

CASH WORKING CAPITAL
LAG TIME FROM DATE OF PAYMENT TO RECEIPT OF CASH
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000s)

Line No.	Particulars (1)	2013			2014			Cross Reference (8)
		Revenue At 2013 Rates (2)	Lag Days Service to Collection (3)	Dollar Days (4)	Revenue At 2013 Rates (5)	Lag Days Service to Collection (6)	Dollar Days (7)	
1	REVENUE							
2								
3	Gas Sales and Transportation Service Revenue							
4	Residential and Commercial	\$ 5,887	38.7	\$ 227,823	\$ 6,201	38.7	\$ 239,960	- Section E-FORMULA, Sch 10
5	Industrials & Others	4,409	38.5	169,869	4,170	38.5	160,700	
6								
7	Total Gas Sales	10,296	38.6	397,692	10,371	38.6	400,660	
8								
9	Other Revenues							
10	Late Payment Charges	11	37.6	414	12	38.3	460	- Section E-FORMULA, Sch 12-13
11	Returned Cheque Charges	-	0.0	11	-	0.0	11	- Section E-FORMULA, Sch 12-13
12	Connection Charges	4	34.5	138	4	34.5	138	- Section E-FORMULA, Sch 12-13
13	Other Utility Income	1	46.0	46	1	46.0	46	- Section E-FORMULA, Sch 12-13
14								
15								
16	Total Revenue	<u>\$ 10,312</u>	<u>38.6</u>	<u>\$ 398,301</u>	<u>\$ 10,388</u>	<u>38.6</u>	<u>\$ 401,315</u>	
17								
18								
19	REVENUE, REVISED RATES							
20								
21	Gas Sales and Transportation Service Revenue							
22	Residential and Commercial	\$ 5,887	38.7	\$ 227,823	\$ 6,356	38.7	\$ 245,957	- Section E-FORMULA, Sch 10
23	Industrials & Others	4,409	38.5	169,869	4,278	38.5	164,861	
24								
25	Total Gas Sales	10,296	38.6	397,692	10,634	38.6	410,818	
26								
27	Other Revenues							
28	Late Payment Charges	11	37.6	414	12	38.3	460	- Section E-FORMULA, Sch 12-13
29	Returned Cheque Charges	-	0.0	11	-	0.0	11	- Section E-FORMULA, Sch 12-13
30	Connection Charges	4	34.5	138	4	34.5	138	- Section E-FORMULA, Sch 12-13
31	Other Utility Income	1	46.0	46	1	46.0	46	- Section E-FORMULA, Sch 12-13
32								
33								
34	Total Revenue	<u>\$ 10,312</u>	<u>38.6</u>	<u>\$ 398,301</u>	<u>\$ 10,651</u>	<u>38.6</u>	<u>\$ 411,473</u>	

CASH WORKING CAPITAL
LEAD TIME IN PAYMENT OF EXPENSES
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000s)

Line No.	Particulars	2013			2014			Cross Reference
		Amount	Lead Days Expense to Payment	Dollar Days	Amount	Lead Days Expense to Payment	Dollar Days	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	EXPENSES							
2								
3	Operating And Maintenance							- Section E-FORMULA, Sch 3
4	Expenses	\$ 590	35.8	\$ 21,122	\$ 636	35.8	\$ 22,769	- Section E-FORMULA, Sch 4
5	Transportation Costs	2,507	40.2	100,781	2,507	40.2	100,781	
6	Gas Purchases	2,660	40.2	106,932	2,727	40.2	109,625	
7								
8	Taxes Other Than Income							- Section E-FORMULA, Sch 18
9	Property Taxes	244	2.6	634	238	2.6	619	- Section E-FORMULA, Sch 19
10	Franchise Fees	-	0.0	-	-	0.0	-	
11	Carbon Tax	966	29.5	28,488	965	29.5	28,475	
12	HST - Net	135	39.8	5,363			-	
13	PST Component of HST (REC)	(28)	34.8	(968)			-	
14	GST - Net	147	39.8	5,855	198	39.8	7,868	
15	PST - Net	137	37.1	5,098	183	37.1	6,783	
16	Income Tax	424	15.2	6,445	440	15.2	6,688	- Section E-FORMULA, Sch 22
17								- Section E-FORMULA, Sch 23
18	Total Expenses	<u>\$ 7,782</u>	<u>35.9</u>	<u>\$ 279,751</u>	<u>\$ 7,894</u>	<u>35.9</u>	<u>\$ 283,608</u>	
19								
20								
21	EXPENSES, REVISED RATES							
22								
23	Operating And Maintenance							- Section E-FORMULA, Sch 3
24	Expenses	\$ 590	35.8	\$ 21,122	\$ 636	35.8	\$ 22,769	- Section E-FORMULA, Sch 4
25	Transportation Costs	2,507	40.2	100,781	2,507	40.2	100,781	
26	Gas Purchases	2,660	40.2	106,932	2,727	40.2	109,625	
27								
28	Taxes Other Than Income							- Section E-FORMULA, Sch 18
29	Property Taxes	244	2.6	634	238	2.6	619	- Section E-FORMULA, Sch 19
30	Franchise Fees	-	0.0	-	-	0.0	-	
31	Carbon Tax	966	29.5	28,488	965	29.5	28,475	
32	HST - Net	135	39.8	5,363			-	
33	PST Component of HST (REC)	(28)	34.8	(968)			-	
34	GST - Net	147	39.8	5,855	203	39.8	8,065	
35	PST - Net	137	37.1	5,098	187	37.1	6,953	
36	Income Tax	424	15.2	6,445	508	15.2	7,722	- Section E-FORMULA, Sch 22
37								- Section E-FORMULA, Sch 23
38	Total Expenses	<u>\$ 7,782</u>	<u>35.9</u>	<u>\$ 279,751</u>	<u>\$ 7,971</u>	<u>35.8</u>	<u>\$ 285,009</u>	
39								

* January to March 2013 is computed at 25% of 2013 Approved cash outflows.

** April to December 2013 is computed at 75% of 2013 Projected cash outflows.

DEFERRED INCOME TAX LIABILITY / ASSET
FOR THE YEARS ENDING DECEMBER 31, 2013 TO 2014
(\$000s)

Line No.	Particulars	2012 ACTUAL	2013 APPROVED	2013 PROJECTED	2014 FORECAST	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)
1	Total DIT Liability- After Tax	(1,839)	(1,786)	(1,924)	(1,979)	
2						
3	Tax Gross Up	<u>(613)</u>	<u>(595)</u>	<u>(676)</u>	<u>(695)</u>	
4						
5	DIT Liability/Asset - End of Year	(2,452)	(2,381)	(2,600)	(2,674)	
6						
7	DIT Liability/Asset - Opening Balance	(2,285)	(2,258)	(2,452)	(2,600)	
8						
9	DIT Liability/Asset - Mid Year	<u>(2,368)</u>	<u>(2,319)</u>	<u>(2,526)</u>	<u>(2,637)</u>	
10						
11	Cross Reference			- Section E-FORMULA, Sch 28		
12					- Section E-FORMULA, Sch 29	
13						
14	Note: * Excludes Land, Software CIAC, and WIP.					

FORTISBC ENERGY (Whistler) INC.

G-47-14 March 26, 2014

Section E
FORMULA
Schedule 57

RETURN ON CAPITAL
FOR THE YEAR ENDING DECEMBER 31, 2013
(\$000s)

Line No.	Particulars	----- Capitalization ----- Amount		%	Average Embedded Cost	Cost Component	Earned Return	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	2013 RATES							
2	Long-Term Debt		\$ 20,000	49.80%	5.11%	2.54%	\$ 1,022	- Section E-FORMULA, Sch 59
3	Unfunded Debt		3,492	8.70%	4.50%	0.39%	157	
4	Preference Shares			0.00%		0.00%	-	
5	Common Equity		16,666	41.50%	8.89%	3.69%	1,481	
6								
7			<u>\$ 40,158</u>	<u>100.00%</u>		<u>6.62%</u>	<u>\$ 2,660</u>	- Section E-FORMULA, Sch 28
8								
9								
10								
11	2013 REVISED RATES - PROJECTED							
12	Long-Term Debt		\$ 20,000	49.80%	5.11%	2.54%	\$ 1,022	- Section E-FORMULA, Sch 59
13	Unfunded Debt	\$ 3,492						
14	Adjustment, Revised Rates	-	3,492	8.70%	4.50%	0.39%	157	
15	Preference Shares		-	0.00%	0.00%	0.00%	-	
16	Common Equity		16,666	41.50%	8.89%	3.69%	1,481	
17								- Section E-FORMULA, Sch 3
18			<u>\$ 40,158</u>	<u>100.00%</u>		<u>6.62%</u>	<u>\$ 2,660</u>	- Section E-FORMULA, Sch 28

FORTISBC ENERGY (Whistler) INC.

G-47-14 March 26, 2014

Section E
FORMULA
Schedule 58

RETURN ON CAPITAL
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars	----- Capitalization ----- Amount		%	Average Embedded Cost	Cost Component	Earned Return	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	2014 AT 2013 RATES							
2	Long-Term Debt		\$ 20,000	51.63%	5.11%	2.64%	\$ 1,022	- Section E-FORMULA, Sch 60
3	Unfunded Debt		2,662	6.87%	2.25%	0.15%	60	
4	Preference Shares			0.00%		0.00%	-	
5	Common Equity		16,077	41.50%	8.29%	3.44%	1,333	
6								
7			<u>\$ 38,739</u>	<u>100.00%</u>		<u>6.23%</u>	<u>\$ 2,415</u>	- Section E-FORMULA, Sch 29
8								
9								
10								
11	2014 REVISED RATES							
12	Long-Term Debt		\$ 20,000	51.62%	5.11%	2.64%	\$ 1,022	- Section E-FORMULA, Sch 60
13	Unfunded Debt	\$ 2,662						
14	Adjustment, Revised Rates	2	2,664	6.88%	2.25%	0.15%	60	
15	Preference Shares		-	0.00%	0.00%	0.00%	-	
16	Common Equity		16,078	41.50%	9.50%	3.94%	1,527	
17								- Section E-FORMULA, Sch 4
18			<u>\$ 38,742</u>	<u>100.00%</u>		<u>6.73%</u>	<u>\$ 2,609</u>	- Section E-FORMULA, Sch 29

FORTISBC ENERGY (Whistler) INC.

G-44-12 (May 1, 2012)

Section E
FORMULA
Schedule 59

EMBEDDED COST OF LONG-TERM DEBT (per BCUC Approved RRA)
FOR THE YEAR ENDING DECEMBER 31, 2013
(\$000s) * **APPROVED** *

Line No.	Particulars	Issue Date	Maturity Date	Coupon Rate	Principal Amount of Issue	Issue Expense	Net Proceeds of Issue	Effective Interest Cost	Average Principal Outstanding	Annual Cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	FEW Intercompany Loan	1-Jun-2009	1-Jun-2014	5.110%	20,000	-	20,000	5.110%	20,000	1,022
2										
3	Total								<u>\$ 20,000</u>	<u>\$ 1,022</u>
4										
5								Average Embedded Cost		<u>5.11%</u>
6										
7	Cross Reference							- Section E-FORMULA, Sch 57		

FORTISBC ENERGY (Whistler) INC.

G-47-14 March 26, 2014

Section E
FORMULA
Schedule 60

EMBEDDED COST OF LONG-TERM DEBT
FOR THE YEAR ENDING DECEMBER 31, 2014
(\$000s)

Line No.	Particulars	Issue Date	Maturity Date	Coupon Rate	Principal Amount of Issue	Issue Expense	Net Proceeds of Issue	Effective Interest Cost	Average Principal Outstanding	Annual Cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	FEW Intercompany Loan 2009	1-Jun-2009	1-Jun-2014	5.110%	20,000	-	20,000	5.110%	8,274	423
2	FEW Intercompany Loan 2014	1-Jun-2014	1-Jun-2019	5.110%	20,000	-	20,000	5.110%	11,726	599
3										
4	Total								<u>\$ 20,000</u>	<u>\$ 1,022</u>
5										
6								Average Embedded Cost		<u>5.11%</u>
7										
8	Cross Reference							- Section E-FORMULA, Sch 58		

**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.b cuc.com>



DRAFT ORDER

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

and

An Application by the FortisBC Energy Utilities (consisting of FortisBC Energy Inc., FortisBC Energy (Vancouver Island) Inc. and FortisBC Energy (Whistler) Inc.)
For Approval of Common Delivery Rates Methodology

BEFORE:

(Date)

WHEREAS:

- A. On February 26, 2014, the British Columbia Utilities Commission (the Commission) issued its Decision and Order G-21-14 in the FortisBC Energy Utilities (FEU) Application for Reconsideration and Variance of Commission Order G-26-13 on the FortisBC Energy Utilities' Common Rates, Amalgamation and Rate Design Application;
- B. On July 16, 2014, the FEU filed an application with the Commission for approval of the common delivery rates methodology (the Application). The Application sought approval of the following:
 - the calculation of common delivery rates for 2014 that will be used to compute the 2015 deficiency or surplus at existing 2014 rates, and the resulting 2015 common delivery rates;
 - the calculation of the delivery rate riders required to implement common delivery rates over the three-year phase-in directed by the Commission; and
 - the treatment of costs and savings related to amalgamation including the use of a temporary regulatory account to offset the costs and savings.
- C. The Commission has reviewed the Application and concludes that approval is warranted.

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER**

2

NOW THEREFORE the Commission orders as follows:

1. The calculation of the 2014 common delivery rates is approved, subject to updating the calculations for the Commission's decision in the PBR Application when issued. The resulting 2014 rates will be utilized to compute the 2015 deficiency or surplus at existing 2014 rates, and the resulting 2015 common delivery rates.
2. The 2015 RSDA Rate Riders as set out in Table 4-12 are approved, subject to updating the calculations for the 2015 demand and the closing December 31, 2014 balance in the RSDA and GCVA.
3. The 2015 Phase-in Rate Riders as set out in Tables 4-15 and 4-16 are approved, subject to updating the calculations for the 2015 demand.
4. The Amalgamation Flow-Through Account is approved, to be included in rate base starting in 2015.
5. The non-rate base Phase-in Rider Balancing Account is approved.

DATED at the City of Vancouver, In the Province of British Columbia, this day of <MONTH>, 20XX.

BY ORDER