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October 16, 2015

**Via Email**  
**Original via Mail**

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

Attention: Ms. Erica M. Hamilton, Commission Secretary

Dear Ms. Hamilton:

**Re: FortisBC Energy Inc. (FEI)**

**Multi-Year Performance Based Ratemaking Plan for 2014 through 2019  
approved by British Columbia Utilities Commission Order G-138-14 (PBR Plan)  
– Annual Review for 2016 Rates (the Application)**

**Evidentiary Update to the Application (Exhibit B-1)**

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On September 3, 2015, FEI filed the Application referenced above. On October 9, 2015, FEI filed its responses to information requests in the proceeding. At the time of filing the information requests, FEI stated that it would be filing an Evidentiary Update prior to the Annual Review Workshop, which will occur on October 26, 2015, and provided a list of the items that would be updated.

FEI has now completed the revisions to its financial schedules that result from the items identified in the information requests. Attached are revised Section 11 Financial Schedules and the table below provides a summary of the changes and their impacts on the delivery rates.

The combined impact of the items identified in the information request responses is an increase to the revenue deficiency of \$3.757 million which results in an increase to the proposed delivery rates of 0.52 percent. The impacts of each of the items are set out in the table below.

**Table 1: Revenue Requirement Impacts of Evidentiary Update**

<b>Evidentiary Update - 2016 Rates</b>			
<b>Line Item</b>	<b>IR Reference</b>	<b>Revenue Deficiency Impact (\$ millions)</b>	<b>Delivery Rate Impact</b>
LNG Volumes	BCUC 1.18.3 & 1.18.4	3.655	0.49%
Burrard Thermal Demand	BCUC 1.10.2	1.125	0.15%
BC OneCall Deferral Changes	BCUC 1.25.2	0.006	0.00%
Biomethane Changes	BCUC 1.19.1	(0.058)	-0.01%
VIGJV Contract Demand	BCUC 1.10.2	(0.352)	-0.05%
AFUDC on Earnings Sharing	CEC 1.33.2	(0.619)	-0.08%
<b>Total</b>		<b>3.757</b>	<b>0.52%</b>

If further information is required, please contact the undersigned.

Sincerely,

**FORTISBC ENERGY INC.**

***Original signed:***

Diane Roy

Attachments

cc (email only): Registered Parties to FEI's PBR Proceeding

**SUMMARY OF RATE CHANGE  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000,000s)**

Line No.	Particulars (1)	2016 Forecast (2) (3)		Cross Reference (4)
1	<b>VOLUME/REVENUE RELATED</b>			
2	Customer Growth and Volume	\$ 6.244		
3	Change in Other Revenue	<u>(0.585)</u>	\$ 5.659	
4				
5	<b>O&amp;M CHANGES</b>			
6	Gross O&M Change	0.780		
7	Capitalized Overhead Change	<u>(0.137)</u>	0.643	
8				
9	<b>DEPRECIATION EXPENSE</b>			
10	Depreciation Rate Change (Depr Study)	(6.921)		
11	Depreciation from Net Additions	<u>6.808</u>	(0.113)	
12				
13	<b>AMORTIZATION EXPENSE</b>			
14	CIAC Rate Change (Depr Study)	1.832		
15	CIAC from Net Additions	(0.362)		
16	Negative Salvage Rate Change (Depr Study)	10.060		
17	Deferrals	<u>3.459</u>	14.989	
18				
19	<b>FINANCING AND RETURN ON EQUITY</b>			
20	Financing Rate Changes	(9.626)		
21	Financing Ratio Changes	5.833		
22	Rate Base Growth	<u>2.066</u>	(1.727)	
23				
24	<b>TAX EXPENSE</b>			
25	Property and Other Taxes	2.021		
26	Other Income Taxes Changes	<u>(1.041)</u>	0.980	
27				
28				
29	Revenue Deficiency (Surplus)		<u>\$ 20.431</u>	Schedule 16, Line 12, Column 4
30				
31	Margin @ Existing Rates		<u>746.492</u>	Schedule 16, Line 16, Column 3
32	Rate Change		<u>2.74%</u>	

FORTISBC ENERGY INC.

Evidentiary Update October 16, 2015

Section 11

UTILITY RATE BASE  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)

Schedule 2

Line No.	Particulars	2015 Approved	2016 at Revised Rates	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)
1	Plant in Service, Beginning	\$ 5,356,070	\$ 5,517,286	\$ 161,216	Schedule 6.2, Line 39, Column 3
2	Opening Balance Adjustment	-	-	-	
3	Net Additions	160,638	152,567	(8,071)	Schedule 6.2, Line 39, Column 4+5+6
4	Plant in Service, Ending	5,516,708	5,669,853	153,145	
5					
6	Accumulated Depreciation Beginning	\$ (1,565,971)	\$ (1,691,556)	\$ (125,585)	Schedule 7.2, Line 39, Column 5
7	Opening Balance Adjustment	-	-	-	
8	Net Additions	(125,576)	(112,685)	12,891	Schedule 7.2, Line 39, Column 6+7
9	Accumulated Depreciation Ending	(1,691,547)	(1,804,241)	(112,694)	
10					
11	CIAC, Beginning	\$ (445,070)	\$ (425,250)	\$ 19,820	Schedule 9, Line 9, Column 2
12	Opening Balance Adjustment	14,550	-	(14,550)	
13	Net Additions	5,269	1,022	(4,247)	Schedule 9, Line 9, Column 4+5
14	CIAC, Ending	(425,251)	(424,228)	1,023	
15					
16	Accumulated Amortization Beginning - CIAC	\$ 131,682	\$ 139,013	\$ 7,331	Schedule 9, Line 19, Column 2
17	Opening Balance Adjustment	(1,548)	-	1,548	
18	Net Additions	8,879	6,616	(2,263)	Schedule 9, Line 19, Column 4+5
19	Accumulated Amortization Ending - CIAC	139,013	145,629	6,616	
20					
21	Net Plant in Service, Mid-Year	\$ 3,514,318	\$ 3,563,253	\$ 48,935	
22					
23	Adjustment for timing of Capital additions	\$ -	\$ 3,685	\$ 3,685	
24	Capital Work in Progress, No AFUDC	36,377	35,156	(1,221)	
25	Unamortized Deferred Charges	31,570	27,709	(3,861)	Schedule 11.1, Line 46, Column 10
26	Working Capital	79,936	61,072	(18,864)	Schedule 13, Line 16, Column 3
27	Deferred Income Taxes Regulatory Asset	395,930	388,446	(7,484)	Schedule 15, Line 6, Column 3
28	Deferred Income Taxes Regulatory Liability	(395,930)	(388,446)	7,484	Schedule 15, Line 6, Column 3
29	LIFO Benefit	(817)	(651)	166	
30					
31	Mid-Year Utility Rate Base	\$ 3,661,384	\$ 3,690,224	\$ 28,840	

**FORTISBC ENERGY INC.**

Evidentiary Update October 16, 2015

Section 11

**FORMULA INFLATION FACTORS  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Schedule 3

Line No.	Particulars (1)	Reference (2)	2014 (3)	2015 (4)	2016 (5)	Cross Reference (6)
1	<b>Formula Cost Drivers</b>					
2	CPI		0.473%	0.879%	0.980%	
3	AWE		2.277%	1.646%	2.050%	
4	Labour Split					
5	Non Labour		45.000%	45.000%	45.000%	
6	Labour		55.000%	55.000%	55.000%	
7	CPI/AWE	(Line 2 x Line 5) + (Line 3 x Line 6)	1.460%	1.301%	1.569%	
8	Productivity Factor		-1.100%	-1.100%	-1.100%	
9	Net Inflation Factor for Costs	Line 7 + Line 8	0.360%	0.201%	0.469%	
10						
11	Average Customer Growth		0.260%	0.614%	0.567%	
12	Inflation Factor for Base Capital	(1 + Line 9) x (1 + Line 11)	100.621%	100.816%	101.039%	
13						
14	Customer Growth Factor		-0.688%	-5.615%	16.249%	
15	Inflation Factor for Growth Capital	(1 + Line 9) x (1 + Line 14)	99.669%	94.575%	116.794%	

**FORTISBC ENERGY INC.**

Evidentiary Update October 16, 2015

Section 11

**CAPITAL EXPENDITURES  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Schedule 4

Line No.	Particulars	Growth CapEx	Other CapEx	Forecast CapEx	Total CapEx	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)
1	<b>2013</b>					
2	Base	\$ 21,881	\$ 99,243			
3	<b>2014</b>					
4	Net Inflation Factor	99.669%	100.621%			Schedule 3, Line 12 & 15, Column 3
5	FEI Formula Capex	21,809	99,859			
6	Reclassify Pension & OPEB from Formula	(331)	(1,516)			
7	FEI Net Formula Capex	21,478	98,343			
8	FEVI Capex	8,378	11,518			Note 1
9	FEW Capex	258	142			
10	Total	30,114	110,003			
11	<b>2015</b>					
12	Net Inflation Factor	94.575%	100.816%			Schedule 3, Line 12 & 15, Column 4
13	Formula Capex	28,479	110,901			
14	<b>2016</b>					
15	Net Inflation Factor	116.794%	101.039%			Schedule 3, Line 12 & 15, Column 5
16	Formula Capex	\$ 33,262	\$ 112,053		\$ 145,315	
17						
18	<b>Capital Tracked Outside of Formula</b>					
19	Pension & OPEB (Capital Portion)			\$ 4,075		
20	Biomethane Upgraders			-		
21	Biomethane Interconnect			1,355		
22	NGT Assets			5,488		
23	Total			\$ 10,918	10,918	
24						
25	<b>Total Capital Expenditures Net of CIAC</b>				\$ 156,233	
26						
27	Contributions in Aid of Construction				6,515	
28	<b>Total Capital Expenditures before CIAC</b>				\$ 162,748	
29						
30	<b>Notes</b>					
31	1. FEVI growth capex of \$8,802 thousand less \$424 thousand of pension and OPEBs; FEVI other capex of \$13,908 thousand less \$2,390 thousand of pension and OPEBs.					

**CAPITAL EXPENDITURES TO PLANT RECONCILIATION  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Line No.	Particulars (1)	2016 Formula (2)	Cross Reference (3)
1	<b>CAPEX</b>		
2			
3	Growth Capital Expenditures	\$ 33,262	Schedule 4, Line 16, Column 2
4	Sustainment Capital Expenditures	112,053	Schedule 4, Line 16, Column 3
5	Forecast Capital Expenditures	10,918	Schedule 4, Line 23, Column 4
6	CIAC	6,515	Schedule 4, Line 27, Column 5
7	Total Regular Capital Expenditures	<u>\$ 162,748</u>	
8			
9	<b>Special Projects and CPCN's</b>		
10			
11	LMIPSU	\$ 28,879	
12	Huntingdon Station	300	
13	CTS	18,224	
14	Tilbury Expansion	80,565	
15	City of Vancouver Biomethane Plant	6,800	
16	Total Regular Capital Expenditures	<u>\$ 134,768</u>	
17			
18	<b>Total Capital Expenditures</b>	<u>\$ 297,516</u>	
19			
20			
21	<b>RECONCILIATION OF CAPITAL EXPENDITURES TO PLANT</b>		
22			
23	Regular Capital Expenditures	\$ 162,748	
24	Add - Capitalized Overheads	32,594	Schedule 21, Line 30, Column 4
25	Add - AFUDC	1,918	
26	Gross Capital Expenditures	197,260	
27	Change in Work in Progress	840	
28	<b>Total Additions to Plant</b>	<u>\$ 198,100</u>	
29			
30	Special Projects and CPCN's	\$ 134,768	
31	Add - AFUDC	26,674	
32	Gross Capital Expenditures	161,442	
33	Change in Work in Progress	(154,072)	
34	<b>Total Additions to Plant</b>	<u>\$ 7,370</u>	
35			
36	<b>Grand Total Additions to Plant</b>	<u>\$ 205,470</u>	

**PLANT IN SERVICE CONTINUITY SCHEDULE  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Schedule 6 (2016)

Line No.	Account (1)	Particulars (2)	12/31/15 (3)	CPCN's (4)	Additions (5)	Retirements (6)	12/31/16 (7)	Cross Reference (8)
1		<b>INTANGIBLE PLANT</b>						
2	117-00	Utility Plant Acquisition Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	
3	175-00	Unamortized Conversion Expense	109	-	-	-	109	
4	175-00	Unamortized Conversion Expense - Squamish	777	-	-	-	777	
5	178-00	Organization Expense	728	-	-	-	728	
6	179-01	Other Deferred Charges	-	-	-	-	-	
7	401-00	Franchise and Consents	297	-	-	-	297	
8	402-00	Utility Plant Acquisition Adjustment	62	-	-	-	62	
9	402-00	Other Intangible Plant	1,907	-	-	-	1,907	
10	431-00	Mfg'd Gas Land Rights	-	-	-	-	-	
11	461-00	Transmission Land Rights	53,068	-	487	-	53,555	
12	461-02	Transmission Land Rights - Mt. Hayes	610	-	-	-	610	
13	461-10	Transmission Land Rights - Byron Creek	16	-	-	-	16	
14	461-13	IP Land Rights Whistler	87	-	-	-	87	
15	471-00	Distribution Land Rights	3,079	-	-	-	3,079	
16	471-10	Distribution Land Rights - Byron Creek	1	-	-	-	1	
17	402-01	Application Software - 12.5%	108,270	-	7,174	(10,931)	104,513	
18	402-02	Application Software - 20%	27,628	-	6,260	(5,632)	28,256	
19			<u>\$ 196,639</u>	<u>\$ -</u>	<u>\$ 13,921</u>	<u>\$ (16,563)</u>	<u>\$ 193,997</u>	
20								
21		<b>MANUFACTURED GAS / LOCAL STORAGE</b>						
22	430-00	Manufact'd Gas - Land	\$ 31	\$ -	\$ -	\$ -	\$ 31	
23	431-00	Manufact'd Gas - Land Rights	-	-	-	-	-	
24	432-00	Manufact'd Gas - Struct. & Improvements	998	-	-	-	998	
25	433-00	Manufact'd Gas - Equipment	1,095	-	338	-	1,433	
26	434-00	Manufact'd Gas - Gas Holders	2,940	-	-	-	2,940	
27	436-00	Manufact'd Gas - Compressor Equipment	367	-	-	-	367	
28	437-00	Manufact'd Gas - Measuring & Regulating Equipment	875	-	-	-	875	
29	443-00	Gas Holders - Storage (non-Tilbury, non-Mt. Hayes)	-	-	-	-	-	
30	440/44	Land in Fee Simple and Land Rights (Tilbury)	15,164	-	-	-	15,164	
31	442-00	Structures & Improvements (Tilbury)	4,959	-	-	-	4,959	
32	443-00	Gas Holders - Storage (Tilbury)	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)	29,773	-	2,516	-	32,289	
37	440/44	Land in Fee Simple and Land Rights (Mount Hayes)	1,083	-	-	-	1,083	
38	442-00	Structures & Improvements (Mount Hayes)	17,310	-	-	-	17,310	
39	443-00	Gas Holders - Storage (Mount Hayes)	60,112	-	-	-	60,112	
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	
44	448-20	Pre-treatment (Mount Hayes)	28,714	-	-	-	28,714	
45	448-30	Liquefaction Equipment (Mount Hayes)	28,714	-	-	-	28,714	
46	448-40	Send out Equipment (Mount Hayes)	22,960	-	-	-	22,960	
47	448-50	Sub-station and Electric (Mount Hayes)	21,644	-	-	-	21,644	
48	448-60	Control Room (Mount Hayes)	5,900	-	-	-	5,900	
49	449-00	Local Storage Equipment (Mount Hayes)	6,363	-	-	-	6,363	
50			<u>\$ 276,989</u>	<u>\$ -</u>	<u>\$ 2,854</u>	<u>\$ -</u>	<u>\$ 279,843</u>	



**PLANT IN SERVICE CONTINUITY SCHEDULE  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Schedule 6.1 (2016)

Line No.	Account	Particulars	12/31/15	CPCN's	Additions	Retirements	12/31/16	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1		<b>TRANSMISSION PLANT</b>						
2	460-00	Land in Fee Simple	\$ 10,627	\$ 240	\$ -	\$ -	\$ 10,867	
3	461-00	Transmission Land Rights	1	-	-	-	1	
4	462-00	Compressor Structures	29,484	-	-	-	29,484	
5	463-00	Measuring Structures	14,015	-	-	-	14,015	
6	464-00	Other Structures & Improvements	6,485	14	-	-	6,499	
7	465-00	Mains	1,168,483	4,775	14,997	(1,619)	1,186,636	
8	465-00	Mains - INSPECTION	16,054	-	2,570	-	18,624	
9	465-11	IP Transmission Pipeline - Whistler	42,288	-	-	-	42,288	
10	465-30	Mains - Mt Hayes	6,299	-	-	-	6,299	
11	465-10	Mains - Byron Creek	974	-	-	-	974	
12	466-00	Compressor Equipment	178,852	-	2,865	(742)	180,975	
13	466-00	Compressor Equipment - OVERHAUL	3,856	-	-	-	3,856	
14	467-00	Measuring and Regulating Equipment - Mt. Hayes	5,342	-	-	-	5,342	
15	467-00	Measuring & Regulating Equipment	49,540	2,239	-	-	51,779	
16	467-10	Telemetry	13,046	102	362	(21)	13,489	
17	467-31	IP Intermediate Pressure Whistler	313	-	-	-	313	
18	467-20	Measuring & Regulating Equipment - Byron Creek	39	-	-	-	39	
19	468-00	Communication Structures & Equipment	4,245	-	-	-	4,245	
20			<u>\$ 1,549,943</u>	<u>\$ 7,370</u>	<u>\$ 20,794</u>	<u>\$ (2,382)</u>	<u>\$ 1,575,725</u>	
21								
22		<b>DISTRIBUTION PLANT</b>						
23	470-00	Land in Fee Simple	\$ 4,207	\$ -	\$ -	\$ -	\$ 4,207	
24	471-00	Distribution Land Rights	-	-	-	-	-	
25	472-00	Structures & Improvements	21,577	-	-	-	21,577	
26	472-10	Structures & Improvements - Byron Creek	107	-	-	-	107	
27	473-00	Services	1,064,850	-	45,268	(3,058)	1,107,060	
28	474-00	House Regulators & Meter Installations	197,454	-	-	(494)	196,960	
29	477-00	Meters/Regulators Installations	99,443	-	27,108	-	126,551	
30	475-00	Mains	1,337,895	-	29,955	(1,688)	1,366,162	
31	476-00	Compressor Equipment	1,110	-	-	-	1,110	
32	477-00	Measuring & Regulating Equipment	121,647	-	9,387	(1,084)	129,950	
33	477-00	Telemetry	10,508	-	1,028	-	11,536	
34	477-10	Measuring & Regulating Equipment - Byron Creek	163	-	-	-	163	
35	478-10	Meters	237,085	-	13,866	(7,556)	243,395	
36	478-20	Instruments	11,944	-	-	-	11,944	
37	479-00	Other Distribution Equipment	-	-	-	-	-	
38			<u>\$ 3,107,990</u>	<u>\$ -</u>	<u>\$ 126,612</u>	<u>\$ (13,880)</u>	<u>\$ 3,220,722</u>	
39								
40		<b>BIO GAS</b>						
41	472-00	Bio Gas Struct. & Improvements	\$ 652	\$ -	\$ 193	\$ -	\$ 845	
42	475-10	Bio Gas Mains – Municipal Land	1,407	-	516	-	1,923	
43	475-20	Bio Gas Mains – Private Land	55	-	-	-	55	
44	418-10	Bio Gas Purification Overhaul	20	-	-	-	20	
45	418-20	Bio Gas Purification Upgrader	8,153	-	-	-	8,153	
46	477-10	Bio Gas Reg & Meter Equipment	2,159	-	970	-	3,129	
47	478-30	Bio Gas Meters	35	-	19	-	54	
48	474-10	Bio Gas Reg & Meter Installations	225	-	35	-	260	
49			<u>\$ 12,706</u>	<u>\$ -</u>	<u>\$ 1,733</u>	<u>\$ -</u>	<u>\$ 14,439</u>	

**PLANT IN SERVICE CONTINUITY SCHEDULE  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Schedule 6.2 (2016)

Line No.	Account	Particulars	12/31/15	CPCN's	Additions	Retirements	12/31/16	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1		<b>Natural Gas for Transportation</b>						
2	476-10	NG Transportation CNG Dispensing Equipment	\$ 7,581	\$ -	\$ 2,006	\$ -	\$ 9,587	
3	476-20	NG Transportation LNG Dispensing Equipment	6,075	-	-	-	6,075	
4	476-30	NG Transportation CNG Foundations	931	-	100	-	1,031	
5	476-40	NG Transportation LNG Foundations	897	-	-	-	897	
6	476-50	NG Transportation LNG Pumps	63	-	-	-	63	
7	476-60	NG Transportation CNG Dehydrator	253	-	-	-	253	
8	476-70	NG Transportation LNG Dehydrator	-	-	-	-	-	
9			<u>\$ 15,800</u>	<u>\$ -</u>	<u>\$ 2,106</u>	<u>\$ -</u>	<u>\$ 17,906</u>	
10								
11		<b>GENERAL PLANT &amp; EQUIPMENT</b>						
12	480-00	Land in Fee Simple	\$ 30,082	\$ -	\$ 385	\$ -	\$ 30,467	
13	481-00	Land Rights	-	-	-	-	-	
14	482-00	Frame Buildings	16,822	-	-	-	16,822	
15	482-00	Masonry Buildings	118,744	-	6,079	(125)	124,698	
16	482-00	Leasehold Improvement	4,650	-	198	(69)	4,779	
17	483-30	GP Office Equipment	4,686	-	578	(524)	4,740	
18	483-40	GP Furniture	21,543	-	1,951	(1,450)	22,044	
19	483-10	GP Computer Hardware	48,270	-	9,693	(10,421)	47,542	
20	483-20	GP Computer Software	4,519	-	-	(732)	3,787	
21	483-21	GP Computer Software	-	-	-	-	-	
22	483-22	GP Computer Software	-	-	-	-	-	
23	484-00	Vehicles	11,958	-	2,684	-	14,642	
24	484-00	Vehicles - Leased	27,602	-	-	(1,479)	26,123	
25	485-10	Heavy Work Equipment	858	-	-	-	858	
26	485-20	Heavy Mobile Equipment	2,747	-	3,850	-	6,597	
27	486-00	Small Tools & Equipment	50,673	-	3,427	(3,405)	50,695	
28	487-00	Equipment on Customer's Premises	24	-	-	-	24	
29	487-00	VRA Compressor Installation Costs	-	-	-	-	-	
30	488-00	Telephone	5,747	-	-	(1,849)	3,898	
31	488-00	Radio	8,294	-	1,235	(24)	9,505	
32	489-00	Other General Equipment	-	-	-	-	-	
33			<u>\$ 357,219</u>	<u>\$ -</u>	<u>\$ 30,080</u>	<u>\$ (20,078)</u>	<u>\$ 367,221</u>	
34								
35		<b>UNCLASSIFIED PLANT</b>						
36	499-00	Plant Suspense	-	-	-	-	-	
37			<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
38								
39		<b>Total Plant in Service</b>	<u>\$ 5,517,286</u>	<u>\$ 7,370</u>	<u>\$ 198,100</u>	<u>\$ (52,903)</u>	<u>\$ 5,669,853</u>	
40								
41		Cross Reference		Schedule 5, Line 34, Column 2	Schedule 5, Line 28, Column 2			

**ACCUMULATED DEPRECIATION CONTINUITY SCHEDULE  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Schedule 7 (2016)

Line No.	Account	Particulars	Gross Plant for Depreciation	Depreciation Rate	12/31/15	Depreciation Expense	Retirements	Cost of Removal	Adjustments	12/31/16	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1		<b>INTANGIBLE PLANT</b>									
2	117-00	Utility Plant Acquisition Adjustment	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
3	175-00	Unamortized Conversion Expense	109	1.00%	58	1	-	-	-	59	
4	175-00	Unamortized Conversion Expense - Squamish	777	10.00%	657	78	-	-	-	735	
5	178-00	Organization Expense	728	1.00%	414	7	-	-	-	421	
6	179-01	Other Deferred Charges	-	0.00%	-	-	-	-	-	-	
7	401-00	Franchise and Consents	297	5.39%	194	11	-	-	-	205	
8	402-00	Utility Plant Acquisition Adjustment	62	0.00%	62	-	-	-	-	62	
9	402-00	Other Intangible Plant	1,907	2.01%	992	38	-	-	-	1,030	
10	431-00	Mfg'd Gas Land Rights	-	0.00%	-	-	-	-	-	-	
11	461-00	Transmission Land Rights	53,068	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	87	0.00%	10	-	-	-	-	10	
15	471-00	Distribution Land Rights	3,079	0.00%	238	-	-	-	-	238	
16	471-10	Distribution Land Rights - Byron Creek	1	0.00%	1	-	-	-	-	1	
17	402-01	Application Software - 12.5%	108,270	12.50%	52,235	13,534	(10,931)	-	-	54,838	
18	402-02	Application Software - 20%	27,628	20.00%	12,365	5,526	(5,632)	-	-	12,259	
19			<u>\$ 196,639</u>		<u>\$ 69,011</u>	<u>\$ 19,195</u>	<u>\$ (16,563)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 71,643</u>	
20											
21		<b>MANUFACTURED GAS / LOCAL STORAGE</b>									
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	998	2.82%	254	28	-	-	-	282	
25	433-00	Manufact'd Gas - Equipment	1,095	4.66%	198	51	-	-	-	249	
26	434-00	Manufact'd Gas - Gas Holders	2,940	2.45%	443	72	-	-	-	515	
27	436-00	Manufact'd Gas - Compressor Equipment	367	3.68%	94	13	-	-	-	107	
28	437-00	Manufact'd Gas - Measuring & Regulating Equipment	875	2.34%	768	20	-	-	-	788	
29	443-00	Gas Holders - Storage (non-Tilbury, non-Mt. Hayes)	-	0.00%	-	-	-	-	-	-	
30	440/44	Land in Fee Simple and Land Rights (Tilbury)	15,164	0.00%	1	-	-	-	-	1	
31	442-00	Structures & Improvements (Tilbury)	4,959	3.03%	3,320	150	-	-	-	3,470	
32	443-00	Gas Holders - Storage (Tilbury)	16,499	1.88%	11,676	310	-	-	-	11,986	
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)	29,773	3.83%	14,181	1,140	-	-	-	15,321	
37	440/44	Land in Fee Simple and Land Rights (Mount Hayes)	1,083	0.00%	-	-	-	-	-	-	
38	442-00	Structures & Improvements (Mount Hayes)	17,310	3.88%	3,167	672	-	-	-	3,839	
39	443-00	Gas Holders - Storage (Mount Hayes)	60,112	1.65%	4,599	992	-	-	-	5,591	
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	2.48%	1,316	285	-	-	-	1,601	
44	448-20	Pre-treatment (Mount Hayes)	28,714	3.88%	5,263	1,114	-	-	-	6,377	
45	448-30	Liquefaction Equipment (Mount Hayes)	28,714	2.46%	3,289	706	-	-	-	3,995	
46	448-40	Send out Equipment (Mount Hayes)	22,960	2.44%	2,630	560	-	-	-	3,190	
47	448-50	Sub-station and Electric (Mount Hayes)	21,644	2.44%	2,479	528	-	-	-	3,007	
48	448-60	Control Room (Mount Hayes)	5,900	6.30%	1,803	372	-	-	-	2,175	
49	449-00	Local Storage Equipment (Mount Hayes)	6,363	2.86%	6	182	-	-	-	188	
50			<u>\$ 276,989</u>		<u>\$ 55,487</u>	<u>\$ 7,195</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62,682</u>	

**ACCUMULATED DEPRECIATION CONTINUITY SCHEDULE  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Schedule 7.1 (2016)

Line No.	Account	Particulars	Gross Plant for Depreciation	Depreciation Rate	12/31/15	Depreciation Expense	Retirements	Cost of Removal	Adjustments	12/31/16	Cross Reference
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
1	<b>TRANSMISSION PLANT</b>										
2	460-00	Land in Fee Simple	\$ 10,867	0.00%	\$ 503	\$ -	\$ -	\$ -	\$ -	\$ 503	
3	461-00	Transmission Land Rights	1	0.00%	-	-	-	-	-	-	
4	462-00	Compressor Structures	29,484	3.51%	14,532	1,035	-	-	-	15,567	
5	463-00	Measuring Structures	14,015	2.29%	6,299	321	-	-	-	6,620	
6	464-00	Other Structures & Improvements	6,499	3.66%	2,462	238	-	-	-	2,700	
7	465-00	Mains	1,173,258	1.47%	361,730	17,247	(1,619)	-	-	377,358	
8	465-00	Mains - INSPECTION	16,054	15.20%	6,577	2,440	-	-	-	9,017	
9	465-11	IP Transmission Pipeline - Whistler	42,288	1.53%	3,883	647	-	-	-	4,530	
10	465-30	Mains - Mt Hayes	6,299	1.55%	501	98	-	-	-	599	
11	465-10	Mains - Byron Creek	974	5.03%	1,133	49	-	-	-	1,182	
12	466-00	Compressor Equipment	178,852	2.89%	78,287	5,169	(742)	-	-	82,714	
13	466-00	Compressor Equipment - OVERHAUL	3,856	10.19%	1,886	393	-	-	-	2,279	
14	467-00	Measuring and Regulating Equipment - Mt. Hayes	5,342	2.58%	978	138	-	-	-	1,116	
15	467-00	Measuring & Regulating Equipment	51,779	2.41%	21,374	1,248	-	-	-	22,622	
16	467-10	Telemetry	13,148	9.75%	6,523	1,282	(21)	-	-	7,784	
17	467-31	IP Intermediate Pressure Whistler	313	2.55%	76	8	-	-	-	84	
18	467-20	Measuring & Regulating Equipment - Byron Creek	39	2.41%	10	1	-	-	-	11	
19	468-00	Communication Structures & Equipment	4,245	0.56%	4,325	24	-	-	-	4,349	
20			<u>\$ 1,557,313</u>		<u>\$ 511,079</u>	<u>\$ 30,338</u>	<u>\$ (2,382)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 539,035</u>	
21											
22	<b>DISTRIBUTION PLANT</b>										
23	470-00	Land in Fee Simple	\$ 4,207	0.00%	\$ (9)	\$ -	\$ -	\$ -	\$ -	\$ (9)	
24	471-00	Distribution Land Rights	-	0.00%	-	-	-	-	-	-	
25	472-00	Structures & Improvements	21,577	2.41%	7,974	520	-	-	-	8,494	
26	472-10	Structures & Improvements - Byron Creek	107	4.67%	48	5	-	-	-	53	
27	473-00	Services	1,064,850	2.45%	246,171	26,089	(3,058)	-	-	269,202	
28	474-00	House Regulators & Meter Installations	197,454	5.99%	66,166	11,826	(494)	-	-	77,498	
29	477-00	Meters/Regulators Installations	99,443	4.55%	6,951	4,525	-	-	-	11,476	
30	475-00	Mains	1,337,895	1.54%	436,085	20,604	(1,688)	-	-	455,001	
31	476-00	Compressor Equipment	1,110	0.00%	1,265	-	-	-	-	1,265	
32	477-00	Measuring & Regulating Equipment	121,647	3.05%	43,083	3,710	(1,084)	-	-	45,709	
33	477-00	Telemetry	10,508	2.82%	6,104	296	-	-	-	6,400	
34	477-10	Measuring & Regulating Equipment - Byron Creek	163	0.00%	216	-	-	-	-	216	
35	478-10	Meters	237,085	7.09%	113,718	16,809	(7,556)	-	-	122,971	
36	478-20	Instruments	11,944	2.99%	2,427	357	-	-	-	2,784	
37	479-00	Other Distribution Equipment	-	0.00%	-	-	-	-	-	-	
38			<u>\$ 3,107,990</u>		<u>\$ 930,199</u>	<u>\$ 84,741</u>	<u>\$ (13,880)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,001,060</u>	
39											
40	<b>BIO GAS</b>										
41	472-00	Bio Gas Struct. & Improvements	\$ 652	2.72%	\$ 31	\$ 18	\$ -	\$ -	\$ -	\$ 49	
42	475-10	Bio Gas Mains – Municipal Land	1,407	1.55%	23	22	-	-	-	45	
43	475-20	Bio Gas Mains – Private Land	55	1.55%	3	1	-	-	-	4	
44	418-10	Bio Gas Purification Overhaul	20	5.00%	-	1	-	-	-	1	
45	418-20	Bio Gas Purification Upgrader	8,153	4.89%	434	399	-	-	-	833	
46	477-10	Bio Gas Reg & Meter Equipment	2,159	3.24%	134	70	-	-	-	204	
47	478-30	Bio Gas Meters	35	5.02%	4	2	-	-	-	6	
48	474-10	Bio Gas Reg & Meter Installations	225	5.24%	6	12	-	-	-	18	
49			<u>\$ 12,706</u>		<u>\$ 635</u>	<u>\$ 525</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,160</u>	

**ACCUMULATED DEPRECIATION CONTINUITY SCHEDULE  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Schedule 7.2 (2016)

Line No.	Account	Particulars	Gross Plant for Depreciation	Depreciation Rate	12/31/15	Depreciation Expense	Retirements	Cost of Removal	Adjustments	12/31/16	Cross Reference
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
1	<b>Natural Gas for Transportation</b>										
2	476-10	NG Transportation CNG Dispensing Equipment	\$ 7,581	5.00%	\$ 933	\$ 379	\$ -	\$ -	\$ -	\$ 1,312	
3	476-20	NG Transportation LNG Dispensing Equipment	6,075	5.00%	414	304	-	-	-	718	
4	476-30	NG Transportation CNG Foundations	931	5.00%	119	47	-	-	-	166	
5	476-40	NG Transportation LNG Foundations	897	5.00%	98	45	-	-	-	143	
6	476-50	NG Transportation LNG Pumps	63	10.00%	18	6	-	-	-	24	
7	476-60	NG Transportation CNG Dehydrator	253	5.00%	36	13	-	-	-	49	
8	476-70	NG Transportation LNG Dehydrator	-	0.00%	-	-	-	-	-	-	
9			<u>\$ 15,800</u>		<u>\$ 1,618</u>	<u>\$ 794</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,412</u>	
10											
11	<b>GENERAL PLANT &amp; EQUIPMENT</b>										
12	480-00	Land in Fee Simple	\$ 30,082	0.00%	\$ 17	\$ -	\$ -	\$ -	\$ -	\$ 17	
13	481-00	Land Rights	-	0.00%	-	-	-	-	-	-	
14	482-00	Frame Buildings	16,822	6.04%	6,853	1,016	-	-	-	7,869	
15	482-00	Masonry Buildings	118,744	1.95%	23,153	2,316	(125)	-	-	25,344	
16	482-00	Leasehold Improvement	4,650	9.49%	1,676	441	(69)	-	-	2,048	
17	483-30	GP Office Equipment	4,686	6.67%	3,897	313	(524)	-	-	3,686	
18	483-40	GP Furniture	21,543	5.00%	8,484	1,077	(1,450)	-	-	8,111	
19	483-10	GP Computer Hardware	48,270	20.00%	21,683	9,654	(10,421)	-	-	20,916	
20	483-20	GP Computer Software	4,519	12.50%	2,401	565	(732)	-	-	2,234	
21	483-21	GP Computer Software	-	0.00%	-	-	-	-	-	-	
22	483-22	GP Computer Software	-	0.00%	-	-	-	-	-	-	
23	484-00	Vehicles	11,958	10.55%	4,802	1,262	-	-	-	6,064	
24	484-00	Vehicles - Leased	27,602	9.44%	19,923	2,358	(1,479)	-	-	20,802	
25	485-10	Heavy Work Equipment	858	6.38%	453	55	-	-	-	508	
26	485-20	Heavy Mobile Equipment	2,747	9.85%	2,014	271	-	-	-	2,285	
27	486-00	Small Tools & Equipment	50,673	5.00%	22,433	2,534	(3,405)	-	-	21,562	
28	487-00	Equipment on Customer's Premises	24	6.67%	17	2	-	-	-	19	
29	487-00	VRA Compressor Installation Costs	-	0.00%	-	-	-	-	-	-	
30	488-00	Telephone	5,747	6.67%	3,759	383	(1,849)	-	-	2,293	
31	488-00	Radio	8,294	6.67%	1,962	553	(24)	-	-	2,491	
32	489-00	Other General Equipment	-	0.00%	-	-	-	-	-	-	
33			<u>\$ 357,219</u>		<u>\$ 123,527</u>	<u>\$ 22,800</u>	<u>\$ (20,078)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 126,249</u>	
34											
35	<b>UNCLASSIFIED PLANT</b>										
36	499-00	Plant Suspense	-	0.00%	-	-	-	-	-	-	
37			<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
38											
39	<b>Total</b>										
			<u>\$ 5,524,656</u>		<u>\$ 1,691,556</u>	<u>\$ 165,588</u>	<u>\$ (52,903)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,804,241</u>	
40	Less: Depreciation & Amortization transferred to biomethane BVA					(400)					
41	Less: Vehicle Depreciation Allocated To Capital Projects					(1,339)					
42					<u>\$ 163,849</u>						
43											
44	Cross Reference		Schedule 6.2, Line 39, Column 3+4								

**NON-REG PLANT CONTINUITY SCHEDULE  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Schedule 8 (2016)

Line No.	Particulars	12/31/15	CPCN's	Additions	Retirements	12/31/16	Cross Reference		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	<b>Non-Regulated Plant</b>								
2	NRB Depreciation @ 0%			\$ 1,054	\$ -	\$ -	\$ -	\$ 1,054	
3	NRB Depreciation @ 2.4%			176,594	-	-	-	176,594	
4	Mobile Refueling Station			744	-	-	-	744	
5								-	
6	<b>Total</b>			<b>\$ 178,392</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 178,392</b>	

**NON-REG PLANT ACCUMULATED DEPRECIATION CONTINUITY SCHEDULE  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Line No.	Particulars	Gross Plant for Depreciation	Depreciation Rate	12/31/15	Depreciation Expense	Depreciation Retirements	Cost of Removal	12/31/16	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
19	<b>Non-Regulated Plant Depreciation</b>								
20	NRB Depreciation @ 0%	\$ 1,054	0.00%	\$ 291	\$ -	\$ -	\$ -	\$ 291	
21	NRB Depreciation @ 2.4%	176,594	2.40%	112,984	4,238	-	-	117,222	
22	Mobile Refueling Station	744	5.00%	81	37	-	-	118	
23								-	
24	<b>Total</b>	<b>\$ 178,392</b>		<b>\$ 113,356</b>	<b>\$ 4,275</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 117,631</b>	

**CONTRIBUTIONS IN AID OF CONSTRUCTION CONTINUITY SCHEDULE  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Schedule 9 (2016)

Line No.	Particulars	12/31/15	Adjustment	Additions	Retirements	12/31/16	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	<b>CIAC</b>						
2	Distribution Contributions	\$ 268,788	\$ -	\$ 6,056	\$ -	\$ 274,844	
3	Transmission Contributions	145,125	-	459	-	145,584	
4	Others	722	-	-	-	722	
5	Software Tax Savings - Infrastructure/Custom	5,069	-	-	(2,537)	2,532	
6	FEW Contribution for Whistler Pipeline	-	-	-	-	-	
7	Government Loans Contribution	5,000	-	-	(5,000)	-	
8	Biomethane	546	-	-	-	546	
9	<b>Total</b>	<b>\$ 425,250</b>	<b>\$ -</b>	<b>\$ 6,515</b>	<b>\$ (7,537)</b>	<b>\$ 424,228</b>	
10							
11	<b>Amortization</b>						
12	Distribution Contributions	\$ (88,605)	\$ -	\$ (6,236)	\$ -	\$ (94,841)	
13	Transmission Contributions	(45,594)	-	(2,148)	-	(47,742)	
14	Others	(499)	-	(108)	-	(607)	
15	Software Tax Savings - Infrastructure/Custom	(4,221)	-	(634)	2,537	(2,318)	
16	FEW Contribution for Whistler Pipeline	-	-	-	-	-	
17	Government Loans Contribution	-	-	-	-	-	
18	Biomethane	(94)	-	(27)	-	(121)	
19	<b>Total</b>	<b>\$ (139,013)</b>	<b>\$ -</b>	<b>\$ (9,153)</b>	<b>\$ 2,537</b>	<b>\$ (145,629)</b>	
20							
21	<b>Net CIAC</b>	<b>\$ 286,237</b>	<b>\$ -</b>	<b>\$ (2,638)</b>	<b>\$ (5,000)</b>	<b>\$ 278,599</b>	
22							
23							
24	Total CIAC Amortization Expense per Line 19			\$ (9,153)			
25	Less: CIAC Amortization Transferred to Biomethane BVA			27			
26	<b>Net CIAC Amortization Expense</b>			<b>\$ (9,126)</b>			

**NEGATIVE SALVAGE CONTINUITY SCHEDULE  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Schedule 10 (2016)

Line No.	Account	Particulars	Gross Plant for Depreciation	Salvage Rate	12/31/15	Negative Salv Provision	Removal Costs/ Proceeds on Disp.	12/31/16	Cross Reference
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
1		<b>MANUFACTURED GAS / LOCAL STORAGE</b>							
2	442-00	Structures & Improvements (Tilbury)	\$ 4,959	0.36%	\$ 72	\$ 18	\$ -	\$ 90	
3	443-00	Gas Holders - Storage (Tilbury)	16,499	0.45%	264	74	-	338	
4	449-00	Local Storage Equipment (Tilbury)	29,773	0.39%	379	116	-	495	
5	442-00	Structures & Improvements (Mount Hayes)	17,310	0.45%	-	78	-	78	
6	443-00	Gas Holders - Storage (Mount Hayes)	60,112	0.35%	-	210	-	210	
7	448-10	Piping (Mount Hayes)	11,488	0.27%	-	31	-	31	
8	448-20	Pre-treatment (Mount Hayes)	28,714	0.46%	-	132	-	132	
9	448-30	Liquefaction Equipment (Mount Hayes)	28,714	0.54%	-	155	-	155	
10	448-40	Send out Equipment (Mount Hayes)	22,960	0.27%	-	62	-	62	
11	448-50	Sub-station and Electric (Mount Hayes)	21,644	0.54%	-	117	-	117	
12	449-00	Local Storage Equipment (Mount Hayes)	6,363	0.28%	-	18	-	18	
13			<u>\$ 248,536</u>		<u>\$ 715</u>	<u>\$ 1,011</u>	<u>\$ -</u>	<u>\$ 1,726</u>	
14									
15		<b>TRANSMISSION PLANT</b>							
16	462-00	Compressor Structures	\$ 29,484	-0.02%	\$ 413	\$ (6)	\$ -	\$ 407	
17	463-00	Measuring Structures	14,015	0.57%	129	80	-	209	
18	464-00	Other Structures & Improvements	6,499	0.22%	21	14	-	35	
19	465-00	Mains	1,173,258	0.37%	8,138	4,341	-	12,479	
20	465-11	IP Transmission Pipeline - Whistler	42,288	0.34%	-	144	-	144	
21	465-30	Mains - Mt Hayes	6,299	0.32%	-	20	-	20	
22	466-00	Compressor Equipment	178,852	-0.12%	2,414	(215)	-	2,199	
23	467-00	Measuring and Regulating Equipment - Mt. Hayes	5,342	0.21%	185	11	-	196	
24	467-00	Measuring & Regulating Equipment	51,779	0.22%	119	114	-	233	
25	467-31	IP Intermediate Pressure Whistler	313	0.22%	-	1	-	1	
26	468-00	Communication Structures & Equipment	4,245	-0.38%	357	(16)	-	341	
27			<u>\$ 1,512,374</u>		<u>\$ 11,776</u>	<u>\$ 4,488</u>	<u>\$ -</u>	<u>\$ 16,264</u>	
28									
29		<b>DISTRIBUTION PLANT</b>							
30	472-00	Structures & Improvements	\$ 21,577	0.32%	\$ 152	\$ 69	\$ -	\$ 221	
31	473-00	Services	1,064,850	1.61%	6,981	17,146	(9,548)	14,579	
32	474-00	House Regulators & Meter Installations	197,454	1.77%	(2,886)	3,494	(3,565)	(2,957)	
33	477-00	Meters/Regulators Installations	99,443	0.00%	997	-	-	997	
34	475-00	Mains	1,337,895	0.43%	15,502	5,753	(549)	20,706	
35	476-00	Compressor Equipment	1,110	0.00%	584	-	-	584	
36	477-00	Measuring & Regulating Equipment	121,647	0.46%	1,880	560	-	2,440	
37	477-00	Telemetry	10,508	0.42%	(12)	44	-	32	
38	478-10	Meters	237,085	-0.26%	3,330	(616)	-	2,714	
39			<u>\$ 3,091,569</u>		<u>\$ 26,528</u>	<u>\$ 26,450</u>	<u>\$ (13,661)</u>	<u>\$ 39,316</u>	
40									
41		<b>BIO GAS</b>							
42	472-00	Bio Gas Struct. & Improvements	\$ 652	0.29%	\$ -	\$ 2	\$ -	\$ 2	
43	475-10	Bio Gas Mains – Municipal Land	1,407	0.39%	6	5	-	11	
44	475-20	Bio Gas Mains – Private Land	55	0.39%	1	-	-	1	
45	418-20	Bio Gas Purification Upgrader	8,153	0.26%	-	21	-	21	
46	478-30	Bio Gas Meters	-	-0.21%	-	-	-	-	
47	474-10	Bio Gas Reg & Meter Installations	225	1.35%	-	3	-	3	
48			<u>\$ 10,492</u>		<u>\$ 7</u>	<u>\$ 31</u>	<u>\$ -</u>	<u>\$ 38</u>	
49									
50		<b>GENERAL PLANT &amp; EQUIPMENT</b>							
51	482-00	Frame Buildings	\$ 16,822	0.00%	\$ (12)	\$ -	\$ -	\$ (12)	
52	482-00	Masonry Buildings	118,744	0.25%	(1)	297	-	296	
53	484-00	Vehicles	11,958	-1.00%	-	(120)	-	(120)	
54	485-10	Heavy Work Equipment	858	-0.68%	-	(6)	-	(6)	
55	485-20	Heavy Mobile Equipment	2,747	-2.89%	-	(79)	-	(79)	
56			<u>\$ 151,129</u>		<u>\$ (13)</u>	<u>\$ 92</u>	<u>\$ -</u>	<u>\$ 79</u>	
57									
58		<b>Total</b>	<u>\$ 5,014,100</u>		<u>\$ 39,013</u>	<u>\$ 32,072</u>	<u>\$ (13,661)</u>	<u>\$ 57,423</u>	
59									
60		Cross Reference			Schedule 6 - 6.2,				Column 3+4



**UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION - RATE BASE  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Schedule 11 (2016)

Line No.	Particulars (1)	12/31/15 (2)	Opening Bal./ Transfer/Adj. (3)	Gross Additions (4)	Less Taxes (5)	Amortization Expense (6)	Rider (7)	Tax on Rider (8)	12/31/16 (9)	Mid-Year Average (10)	Cross Reference (11)
1	<u>Margin Related Deferral Accounts</u>										
2	Commodity Cost Reconciliation Account (CCRA)	\$ (12,370)	\$ -	\$ 16,716	\$ (4,346)	\$ -	\$ -	\$ -	\$ (0)	\$ (6,185)	
3	Midstream Cost Reconciliation Account (MCRA)	(9,989)	-	(23,937)	6,224	-	7,493	(1,948)	(22,157)	(16,073)	
4	Revenue Stabilization Adjustment Mechanism (RSAM)	35,953	-	-	-	-	(24,293)	6,316	17,976	26,965	
5	Interest on CCRA / MCRA / RSAM / Gas Storage	(4,000)	-	1,372	(357)	149	(161)	42	(2,955)	(3,477)	
6	Revelstoke Propane Cost Deferral Account	(198)	-	268	(70)	-	-	-	0	(99)	
7	SCP Mitigation Revenues Variance Account	(834)	-	-	-	544	-	-	(290)	(562)	
8		<u>\$ 8,563</u>	<u>\$ -</u>	<u>\$ (5,581)</u>	<u>\$ 1,451</u>	<u>\$ 692</u>	<u>\$ (16,961)</u>	<u>\$ 4,410</u>	<u>\$ (7,426)</u>	<u>\$ 569</u>	
9	<u>Energy Policy Deferral Accounts</u>										
10	Energy Efficiency & Conservation (EEC)	\$ 61,769	\$ 9,633	\$ 15,000	\$ (3,900)	\$ (8,365)	\$ -	\$ -	\$ 74,138	\$ 72,770	
11	NGV Conversion Grants	56	-	45	(12)	(16)	-	-	73	65	
12	Emissions Regulations	3	-	-	-	-	-	-	3	3	
13	NGT Incentives	15,664	-	5,498	(1,429)	(1,845)	-	-	17,888	16,776	
14	CNG and LNG Recoveries	(332)	-	-	-	332	-	-	-	(166)	
15		<u>\$ 77,160</u>	<u>\$ 9,633</u>	<u>\$ 20,543</u>	<u>\$ (5,341)</u>	<u>\$ (9,893)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 92,102</u>	<u>\$ 89,447</u>	
16	<u>Non-Controllable Items Deferral Accounts</u>										
17	Pension & OPEB Variance	\$ 6,861	\$ -	\$ -	\$ -	\$ (6,771)	\$ -	\$ -	\$ 90	\$ 3,476	
18	BCUC Levies Variance	423	-	-	-	(423)	-	-	(0)	211	
19	Customer Service Variance Account	(10,371)	-	-	-	3,456	-	-	(6,915)	(8,643)	
20	Pension & OPEB Funding	(214,316)	-	(10,565)	-	-	-	-	(224,881)	(219,598)	
21	US GAAP Pension & OPEB Funded Status	148,811	-	-	-	-	-	-	148,811	148,811	
22		<u>\$ (68,592)</u>	<u>\$ -</u>	<u>\$ (10,565)</u>	<u>\$ -</u>	<u>\$ (3,737)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (82,894)</u>	<u>\$ (75,743)</u>	

**UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION - RATE BASE  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Schedule 11.1 (2016)

Line No.	Particulars	12/31/15	Opening Bal./ Transfer/Adj.	Gross Additions	Less Taxes	Amortization Expense	Rider	Tax on Rider	12/31/16	Mid-Year Average	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	<u>Application Costs Deferral Accounts</u>										
2	2014-2019 PBR Requirements	\$ 990	\$ -	\$ -	\$ -	\$ (247)	\$ -	\$ -	\$ 743	\$ 866	
3	2014 Long Term Resource Plan Application	50	-	-	-	(50)	-	-	(0)	25	
4	AES Inquiry Cost	254	-	-	-	(132)	-	-	123	189	
5	Generic Cost of Capital Application	11	-	-	-	(11)	-	-	(0)	5	
6	2016 Cost of Capital Application	231	-	300	(78)	-	-	-	453	342	
7	Amalgamation and Rate Design Application Costs	522	-	-	-	(490)	-	-	32	277	
8	2015-2019 Annual Review Costs	222	-	200	(52)	(222)	-	-	148	185	
9	2017 Rate Design Application	111	-	500	(130)	-	-	-	481	296	
10	2017 Long Term Resource Plan Application	-	-	505	(131)	-	-	-	374	187	
11	LMIPSU Application Costs	-	1,047	-	-	(349)	-	-	698	873	
12	Huntingdon CPCN Application Costs	-	-	-	-	-	-	-	-	-	
13	2015 System Extension Application	241	-	-	-	(120)	-	-	120	180	
14	BERC Rate Methodology Application	56	-	-	-	(56)	-	-	-	28	
15		<u>\$ 2,687</u>	<u>\$ 1,047</u>	<u>\$ 1,505</u>	<u>\$ (391)</u>	<u>\$ (1,676)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,172</u>	<u>\$ 3,453</u>	
16	<u>Other Deferral Accounts</u>										
17	Whistler Pipeline Conversion	\$ 10,151	\$ -	\$ -	\$ -	\$ (745)	\$ -	\$ -	\$ 9,406	\$ 9,779	
18	2010-2011 Customer Service O&M and COS	14,560	-	-	-	(3,251)	-	-	11,309	12,934	
19	Gas Asset Records Project	1,237	-	1,770	(460)	(516)	-	-	2,031	1,634	
20	BC OneCall Project	840	-	350	(91)	(358)	-	-	741	791	
21	Gains and Losses on Asset Disposition	32,402	-	-	-	(3,986)	-	-	28,416	30,409	
22	Negative Salvage Provision/Cost	(38,589)	-	13,661	-	(32,072)	-	-	(57,000)	(47,795)	
23	TESDA Overhead Allocation Variance	296	-	-	-	(296)	-	-	-	148	
24	PCEC Start Up Costs	920	-	-	-	(88)	-	-	832	876	
25	Huntingdon CPCN Pre-Feasibility Costs	-	360	-	-	(120)	-	-	240	300	
26	LMIPSU Development Costs	-	2,382	-	-	(794)	-	-	1,588	1,985	
27		<u>\$ 21,818</u>	<u>\$ 2,742</u>	<u>\$ 15,781</u>	<u>\$ (551)</u>	<u>\$ (42,226)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,437)</u>	<u>\$ 11,061</u>	
28	<u>Residual Deferred Accounts</u>										
29	Depreciation Variance	-	-	-	-	-	-	-	-	-	
30	BFI Costs and Recoveries	\$ (193)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (193)	\$ (193)	
31	Fuelling Stations Variance Account	53	-	-	-	(53)	-	-	-	26	
32	US GAAP Transitional Costs	(70)	-	-	-	70	-	-	-	(35)	
33	Residual Delivery Rate Riders	-	8	-	-	(8)	-	-	-	4	
34	Property Tax Deferral	(1,456)	-	-	-	1,448	-	-	(8)	(732)	
35	Interest Variance	(338)	-	-	-	338	-	-	-	(169)	
36	Interest Variance - Funding benefits via Customer Deposit	40	-	-	-	(40)	-	-	0	20	
37	Tax Variance Account	-	-	-	-	-	-	-	-	-	
38	NGV for Transportation Application	-	-	-	-	-	-	-	-	-	
39	Rate Schedule 16 Application Costs	-	-	-	-	-	-	-	-	-	
40	Gas Cost Variance Account (GCVA)	-	-	-	-	-	-	-	-	-	
41	FEW 2014 Revenue Surplus/Deficiency	-	-	-	-	-	-	-	-	-	
42	Capital Contribution to FEVI	-	-	-	-	-	-	-	-	-	
43	FEI 2014 Rates Deficiency	-	-	-	-	-	-	-	-	-	
44		<u>\$ (1,965)</u>	<u>\$ 8</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,756</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (201)</u>	<u>\$ (1,079)</u>	
45											
46	<b>Total</b>	<u>\$ 39,671</u>	<u>\$ 13,431</u>	<u>\$ 21,683</u>	<u>\$ (4,833)</u>	<u>\$ (55,085)</u>	<u>\$ (16,961)</u>	<u>\$ 4,410</u>	<u>\$ 2,316</u>	<u>\$ 27,709</u>	

**UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION - NON-RATE BASE  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Schedule 12 (2016)

Line No.	Particulars	12/31/15	Opening Bal./ Transfer/Adj.	Gross Additions	Less Taxes	Amortization Expense	Rider	Tax on Rider	12/31/16	Mid-Year Average	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	<u>Non-Rate Base</u>										
2	Biomethane Variance Account	\$ 1,096	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,096	\$ 1,096	
3	EEC Incentives for AES / TES	-	-	-	-	-	-	-	-	-	
4	KORP Feasibility Costs	479	-	-	-	-	-	-	479	479	
5	EEC-Incentives	9,633	(9,633)	-	-	-	-	-	-	-	
6	US GAAP Uncertain Tax Positions	466	-	-	-	-	-	-	466	466	
7	Mark to Market - Hedging Transactions	11,165	-	-	-	-	-	-	11,165	11,165	
8	Huntingdon CPCN Application Costs	-	-	-	-	-	-	-	-	-	
9	Huntingdon CPCN Pre-Feasibility Costs	360	(360)	-	-	-	-	-	-	-	
10	Amalgamation Regulatory Account	961	-	12	-	-	(656)	170	488	725	
11	2014-2019 Earning Sharing Account	(4,086)	-	(122)	-	4,208	-	-	0	(2,043)	
12	Flow-Through Account	(713)	-	(21)	-	734	-	-	-	(357)	
13	Phase-In-Rider Balancing Account	1,061	-	-	-	-	(1,434)	373	-	531	
14	2016 Cost of Capital Application	-	-	-	-	-	-	-	-	-	
15	LMIPSU Application Costs	1,047	(1,047)	-	-	-	-	-	-	-	
16	LMIPSU Development Costs	2,382	(2,382)	-	-	-	-	-	0	0	
17	PEC Pipeline Development Costs and Commitment Fees	8,479	-	-	-	-	-	-	8,479	8,479	
18	Rate Stabilization Deferral Account (RSDA)	(45,467)	-	(499)	130	-	43,009	(11,182)	(14,009)	(29,738)	
19	FEW Rider B Refund Deferral	8	(8)	-	-	-	-	-	-	-	
20	<b>Total Non Rate Base Deferral Accounts</b>	<b>\$ (13,128)</b>	<b>\$ (13,431)</b>	<b>\$ (630)</b>	<b>\$ 130</b>	<b>\$ 4,943</b>	<b>\$ 40,919</b>	<b>\$ (10,639)</b>	<b>\$ 8,164</b>	<b>\$ (9,197)</b>	

**WORKING CAPITAL ALLOWANCE  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Line No.	Particulars (1)	2015 Approved (2)	2016 Forecast (3)	Change (4)	Cross Reference (5)
1	<b>Cash Working Capital</b>				
2	Cash Working Capital	\$ 11,837	\$ 13,287	\$ 1,450	Schedule 14, Line 29, Column 5
3					
4	Less: Funds Available				
5	Average Customer Deposits	-	-	-	
6	Reserve for bad debts	(7,927)	(5,597)	2,330	
7	Employee Withholdings	(5,292)	(5,537)	(245)	
8					
9	<b>Other Working Capital Items</b>				
10	Construction Advances	(13)	(13)	-	
11	Transmission Line Pack Gas	2,251	2,332	81	
12	Gas In Storage	77,811	55,331	(22,480)	
13	Inventory - Materials and Supplied	1,567	1,567	0	
14	Refundable Contributions	(298)	(298)	-	
15					
16	Total	<u>\$ 79,936</u>	<u>\$ 61,072</u>	<u>\$ (18,864)</u>	

**FORTISBC ENERGY INC.**

Evidentiary Update October 16, 2015

Section 11

**CASH WORKING CAPITAL  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Schedule 14

Line No.	Particulars	2016 at Revised Rates	Lag (Lead) Days	Extended	Weighted Average Lag (Lead) Days	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)
1	<b>REVENUE</b>					
2	<b>Sales Revenue</b>					
3	Residential & Commercial Tariff Revenue	\$ 1,100,556	38.4	\$ 42,212,994		
4	Industrial Tariff Revenue	87,474	45.1	3,947,342		
5	Other Tariff Revenue	71,564	43.5	3,113,617		
6						
7	<b>Other Revenue</b>					
8	Late Payment Charges	2,314	38.3	88,638		
9	Connection Charges	3,060	38.4	117,382		
10	Other Utility Income	21,480	37.4	803,803		
11						
12	Total	<u>\$ 1,286,448</u>		<u>\$ 50,283,776</u>	39.1	
13						
14	<b>EXPENSES</b>					
15	Energy Purchases	\$ 477,714	(40.2)	\$ (19,204,103)		
16	Operating and Maintenance	238,067	(25.5)	(6,070,709)		
17	Property Taxes	63,043	(2.0)	(126,086)		
18	Franchise Fees	8,282	(420.3)	(3,480,925)		
19	Carbon Tax	181,416	(29.1)	(5,279,212)		
20	GST	10,795	(38.8)	(418,855)		
21	PST	4,561	(37.1)	(169,210)		
22	Income Tax	47,961	(15.2)	(729,007)		
23						
24	Total	<u>\$ 1,031,839</u>		<u>\$ (35,478,107)</u>	(34.4)	
25						
26	Net Lag (Lead) Days				4.7	
27	Total Expenses				\$ 1,031,839	
28						
29	Cash Working Capital				<u>\$ 13,287</u>	

**DEFERRED INCOME TAX LIABILITY / ASSET  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Line No.	Particulars (1)	2015 Approved (2)	2016 Forecast (3)	Change (4)	Cross Reference (5)
1	Total DIT Liability- After Tax	\$ (293,874)	\$ (285,802)	\$ 8,072	
2	Tax Gross Up	(103,253)	(100,417)	2,836	
3	DIT Liability/Asset - End of Year	\$ (397,127)	\$ (386,219)	\$ 10,908	
4	DIT Liability/Asset - Opening Balance	(394,733)	(390,672)	4,061	
5					
6	DIT Liability/Asset - Mid Year	\$ (395,930)	\$ (388,446)	\$ 7,484	

**UTILITY INCOME AND EARNED RETURN  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Line No.	Particulars (1)	2015		2016 Forecast		Change (6)	Cross Reference (7)
		Approved (2)	at Existing Rates (3)	Revised Revenue (4)	at Revised Rates (5)		
1	<b>ENERGY VOLUMES</b>						
2	Sales Volume (TJ)	124,737	121,772		121,772	(2,965)	
3	Transportation Volume (TJ)	82,649	86,003		86,003	3,354	
4		<u>207,386</u>	<u>207,775</u>	-	<u>207,775</u>	<u>389</u>	Schedule 18, Line 25, Column 3
5							
6	<b>REVENUE AT EXISTING RATES</b>						
7	Sales	\$ 1,267,517	\$ 1,102,916	\$ -	\$ 1,102,916	\$ (164,601)	
8	Deficiency (Surplus)	4,488	-	17,829	17,829	13,341	
9	RSAM Revenue		-	-	-	-	
10	Transportation	120,575	121,290	-	121,290	715	
11	Deficiency (Surplus)	642	-	2,602	2,602	1,960	
12	Total	<u>1,393,222</u>	<u>1,224,206</u>	<u>20,431</u>	<u>1,244,637</u>	<u>(150,545)</u>	Schedule 19, Line 31, Column 8
13							
14	<b>COST OF ENERGY</b>	640,486	477,714	-	477,714	(162,772)	Schedule 17, Line 25, Column 3
15							
16	<b>MARGIN</b>	<u>752,736</u>	<u>746,492</u>	<u>20,431</u>	<u>766,923</u>	<u>14,187</u>	
17							
18	<b>EXPENSES</b>						
19	O&M Expense (net)	237,424	238,067	-	238,067	643	Schedule 21, Line 31, Column 4
20	Depreciation & Amortization	189,989	204,865	-	204,865	14,876	Schedule 22, Line 14, Column 3
21	Property Taxes	61,015	63,036	-	63,036	2,021	Schedule 23, Line 8, Column 3
22	Other Revenue	(41,226)	(41,811)	-	(41,811)	(585)	Schedule 20, Line 12, Column 3
23	Utility Income Before Income Taxes	<u>305,534</u>	<u>282,335</u>	<u>20,431</u>	<u>302,766</u>	<u>(2,768)</u>	
24							
25	Income Taxes	49,002	42,649	5,312	47,961	(1,041)	Schedule 24, Line 13, Column 3
26							
27	<b>EARNED RETURN</b>	<u>\$ 256,532</u>	<u>\$ 239,686</u>	<u>\$ 15,119</u>	<u>\$ 254,805</u>	<u>\$ (1,727)</u>	Schedule 26, Line 5, Column 7
28							
29	<b>UTILITY RATE BASE</b>	\$ 3,661,384	\$ 3,690,150		\$ 3,690,224	\$ 28,840	Schedule 2, Line 31, Column 3
30	<b>RATE OF RETURN ON UTILITY RATE BASE</b>	<u>7.01%</u>	<u>6.50%</u>		<u>6.90%</u>	<u>-0.10%</u>	Schedule 26, Line 5, Column 6

**COST OF ENERGY  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Line No.	Particulars	2015 Approved	2016 Forecast	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)
1	<b>COST OF GAS</b>				
2	Residential				
3	Rate Schedule 1	\$ 379,106	\$ 287,645	\$ (91,461)	
4	Commercial				
5	Rate Schedule 2	146,170	111,133	(35,037)	
6	Rate Schedule 3	95,837	67,784	(28,053)	
7	Rate Schedule 23	111	182	71	
8	Industrial				
9	Rate Schedule 4	674	432	(242)	
10	Rate Schedule 5	15,676	7,219	(8,457)	
11	Rate Schedule 6	212	136	(76)	
12	Rate Schedule 7	192	514	322	
13	Rate Schedule 22 - Firm Service	153	42	(111)	
14	Rate Schedule 22 - Interruptible Service	154	451	297	
15	Rate Schedule 25	158	241	83	
16	Rate Schedule 27	90	131	41	
17	Bypass and Special Rates				
18	Rate Schedule 22 - Firm Service	98	125	27	
19	Rate Schedule 25	12	13	1	
20	Rate Schedule 46	1,826	1,662	(164)	
21	Byron Creek	-	-	-	
22	Burrard Thermal	17	4	(13)	
23	BC Hydro ICP	-	-	-	
24	VIGJV	-	-	-	
25	Total	<u>\$ 640,486</u>	<u>\$ 477,714</u>	<u>\$ (162,772)</u>	



**VOLUME AND REVENUE  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Line No.	Particulars (1)	2015 Approved (2)	2016 Forecast (3)	Change (4)	Cross Reference (5)
1	<b>ENERGY VOLUME SOLD (TJ)</b>				
2	Residential				
3	Rate Schedule 1	73,067.8	72,466.1	(601.7)	
4	Commercial				
5	Rate Schedule 2	28,107.6	28,012.1	(95.5)	
6	Rate Schedule 3	19,210.3	18,121.3	(1,089.0)	
7	Rate Schedule 23	8,255.0	8,968.8	713.8	
8	Industrial				
9	Rate Schedule 4	145.7	129.9	(15.8)	
10	Rate Schedule 5	3,394.5	2,172.7	(1,221.8)	
11	Rate Schedule 6	50.5	46.8	(3.7)	
12	Rate Schedule 7	41.5	154.6	113.1	
13	Rate Schedule 22 - Firm Service	10,603.8	2,523.6	(8,080.2)	
14	Rate Schedule 22 - Interruptible Service	12,535.4	22,594.2	10,058.8	
15	Rate Schedule 25	13,267.2	13,490.2	223.0	
16	Rate Schedule 27	6,636.0	6,536.7	(99.3)	
17	Bypass and Special Rates				
18	Rate Schedule 22 - Firm Service	7,260.0	8,395.8	1,135.8	
19	Rate Schedule 25	895.2	850.9	(44.3)	
20	Rate Schedule 46	719.2	668.7	(50.5)	
21	Byron Creek	2,940.3	2,752.9	(187.4)	
22	Burrard Thermal	1,276.3	186.4	(1,089.9)	
23	BC Hydro ICP	14,600.0	14,945.0	345.0	
24	VIGJV	4,380.0	4,758.0	378.0	
25	Total	207,386.3	207,774.7	388.4	
26					
27	<b>REVENUE AT EXISTING RATES</b>				
28	Residential				
29	Rate Schedule 1	\$ 814,408	\$ 722,183	\$ (92,225)	
30	Commercial				
31	Rate Schedule 2	267,664	232,810	(34,854)	
32	Rate Schedule 3	159,270	127,933	(31,337)	
33	Rate Schedule 23	27,692	30,021	2,329	
34	Industrial				
35	Rate Schedule 4	941	689	(252)	
36	Rate Schedule 5	24,991	13,435	(11,556)	
37	Rate Schedule 6	449	354	(95)	
38	Rate Schedule 7	279	773	494	
39	Rate Schedule 22 - Firm Service	9,068	905	(8,163)	
40	Rate Schedule 22 - Interruptible Service	13,211	21,639	8,428	
41	Rate Schedule 25	31,453	30,052	(1,401)	
42	Rate Schedule 27	9,991	9,902	(89)	
43	Bypass and Special Rates				
44	Rate Schedule 22 - Firm Service	839	846	7	
45	Rate Schedule 25	703	435	(268)	
46	Rate Schedule 46	4,003	4,739	736	
47	Byron Creek	1,560	1,507	(53)	
48	Burrard Thermal	9,965	8,314	(1,651)	
49	BC Hydro ICP	12,527	13,097	570	
50	VIGJV	4,208	4,572	364	
51	Total	\$ 1,393,222	\$ 1,224,206	\$ (169,016)	

**MARGIN AND REVENUE AT EXISTING AND REVISED RATES  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Line No.	Particulars	2015 Approved Margin (2)	2016 Forecast			2016 Forecast			Average Number of Customers (9)	Terajoules (10)	Cross Reference (11)
			Margin at Existing Rates (3)	Effective Increase (4)	Margin at Revised Rates (5)	Revenue at Existing Rates (6)	Effective Increase (7)	Revenue at Revised Rates (8)			
1	<b>NON - BYPASS</b>										
2	Residential										
3	Rate Schedule 1	\$ 435,303	\$ 434,537	\$ 12,429	\$ 446,966	\$ 722,183	\$ 12,429	\$ 734,612	886,652	72,466.1	
4	Commercial										
5	Rate Schedule 2	121,494	121,677	3,481	125,158	232,810	3,481	236,291	84,737	28,012.1	
6	Rate Schedule 3	63,434	60,149	1,721	61,870	127,933	1,721	129,654	5,040	18,121.3	
7	Rate Schedule 23	27,580	29,839	849	30,688	30,021	849	30,870	1,669	8,968.8	
8	Industrial										
9	Rate Schedule 4	267	256	7	263	689	7	696	18	129.9	
10	Rate Schedule 5	9,315	6,217	178	6,395	13,435	178	13,613	230	2,172.7	
11	Rate Schedule 6	236	219	6	225	354	6	360	15	46.8	
12	Rate Schedule 7	87	258	7	265	773	7	780	5	154.6	
13	Rate Schedule 22 - Firm Service	8,914	864	25	889	905	25	930	2	2,523.6	
14	Rate Schedule 22 - Interruptible Service	13,057	21,188	602	21,790	21,639	602	22,241	36	22,594.2	
15	Rate Schedule 25	31,296	29,812	848	30,660	30,052	848	30,900	566	13,490.2	
16	Rate Schedule 27	9,901	9,771	278	10,049	9,902	278	10,180	108	6,536.7	
17	Total Non-Bypass	\$ 720,885	\$ 714,787	\$ 20,431	\$ 735,218	\$ 1,190,696	\$ 20,431	\$ 1,211,127	979,078	175,217.0	
18											
19											
20	<b>BYPASS &amp; SPECIAL</b>										
21	Rate Schedule 22 - Firm Service	\$ 740	\$ 721	\$ -	\$ 721	\$ 846	\$ -	\$ 846	6	8,395.8	
22	Rate Schedule 25	691	422	-	422	435	-	435	4	850.9	
23	Rate Schedule 46	2,177	3,076	-	3,076	4,739	-	4,739	13	668.7	
24	Byron Creek	1,560	1,507	-	1,507	1,507	-	1,507	3	2,752.9	
25	Burrard Thermal	9,948	8,310	-	8,310	8,314	-	8,314	1	186.4	
26	BC Hydro ICP	12,527	13,097	-	13,097	13,097	-	13,097	1	14,945.0	
27	VIGJV	4,208	4,572	-	4,572	4,572	-	4,572	1	4,758.0	
28	Total Bypass & Special	\$ 31,851	\$ 31,705	\$ -	\$ 31,705	\$ 33,510	\$ -	\$ 33,510	\$ 29	32,557.7	
29											
30											
31	Total	\$ 752,736	\$ 746,492	\$ 20,431	\$ 766,923	\$ 1,224,206	\$ 20,431	\$ 1,244,637	979,107	207,774.7	
32											
33	<b>Effective Increase</b>			<u>2.74%</u>				<u>1.67%</u>			

**OTHER REVENUE  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Line No.	Particulars (1)	2015 Approved (2)	2016 Forecast (3)	Change (4)	Cross Reference (5)
1	Late Payment Charge	\$ 2,542	\$ 2,314	\$ (228)	
2	Connection Charge	3,033	\$ 3,060	27	
3	NSF Returned Cheque Charges	89	\$ 88	(1)	
4	Other Recoveries	202	\$ 202	-	
5	SCP Third Party Revenue	15,035	\$ 14,957	(78)	
6	NGT Tanker Rental Revenue	215	\$ 209	(6)	
7	NGT Overhead and Marketing Recovery	227	\$ 263	36	
8	Biomethane Other Revenue	(70)	\$ 253	323	
9	LNG Mitigation Revenue from FEI	18,039	\$ 18,039	-	
10	CNG & LNG Service Revenues	1,914	\$ 2,426	512	
11					
12	Total	\$ 41,226	\$ 41,811	\$ 585	

**OPERATING AND MAINTENANCE EXPENSE  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Line No.	Particulars	Formula O&M	Forecast O&M	Total O&M	Cross Reference
	(1)	(2)	(3)	(4)	(5)
1	<b>2013</b>				
2	Base O&M	\$ 228,020			
3	Less: O&M tracked outside of Formula	(30,721)			
4	O&M Subject to Formula	197,299			
5	<b>2014</b>				
6	Net Inflation Factor	100.621%			Schedule 3, Line 12, Column 3
7	FEI Formula O&M	198,524			
8	Add: FEVI/FEW Base O&M	38,498			
9	Less: FEVI Pension & OPEB's	(2,016)			
10	Less: FEVI Insurance	(1,250)			
11	Less: FEVI NGT Station O&M	(44)			
12	Total	233,712			
13	<b>2015</b>				
14	Net Inflation Factor	100.816%			Schedule 3, Line 12, Column 4
15	Formula O&M	235,619			
16	<b>2016</b>				
17	Net Inflation Factor	101.039%			Schedule 3, Line 12, Column 5
18	Formula O&M	\$ 238,068		\$ 238,068	
19					
20	<b>O&amp;M Tracked Outside of Formula</b>				
21	Pension & OPEB (O&M Portion)		\$ 24,218		
22	Insurance		6,275		
23	Biomethane O&M		1,022		
24	NGT Stations O&M		1,167		
25	LNG Production O&M		870		
26	Total		\$ 33,552	33,552	
27					
28	<b>Total Gross O&amp;M</b>			\$ 271,620	
29	O&M Transferred to Biomethane BVA			(959)	
30	Capitalized Overhead			(32,594)	
31	<b>Net O&amp;M Expense</b>			\$ 238,067	

**DEPRECIATION AND AMORTIZATION EXPENSE  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Line No.	Particulars (1)	2015 Approved (2)	2016 Forecast (3)	Change (4)	Cross Reference (5)
1	<b>Depreciation</b>				
2	Depreciation Expense	\$ 165,608	\$ 165,588	\$ (20)	Schedule 7.2, Line 39, Column 6
3	Depreciation transferred to BVA	(171)	(400)	(229)	Schedule 7.2, Line 40, Column 6
4	Vehicle Depreciation allocated to Capital Projects	(1,475)	(1,339)	136	Schedule 7.2, Line 41, Column 6
5		<u>163,962</u>	<u>163,849</u>	<u>(113)</u>	
6					
7	<b>Amortization</b>				
8	Rate Base deferrals	\$ 39,522	\$ 55,085	\$ 15,563	Schedule 11.1, Line 38, Column 6
9	Non-Rate Base deferrals	(2,899)	(4,943)	(2,044)	Schedule 12, Line 17, Column 6
10	CIAC	(10,596)	(9,153)	1,443	Schedule 9, Line 24, Column 4
11	CIAC Amortization transferred to BVA		27	27	Schedule 9, Line 25, Column 4
12		<u>26,027</u>	<u>41,016</u>	<u>14,989</u>	
13					
14	Total	<u>\$ 189,989</u>	<u>\$ 204,865</u>	<u>\$ 14,876</u>	

**FORTISBC ENERGY INC.**

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Section 11

**PROPERTY AND SUNDRY TAXES  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Schedule 23

Line No.	Particulars	2015 Approved	2016 Forecast	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)
1	General School and Other	\$ 47,550	\$ 49,521	\$ 1,971	
2	1% In-Lieu of Municipal Taxes	13,465	13,522	57	
3					
4	Total	<u>\$ 61,015</u>	<u>\$ 63,043</u>	<u>\$ 2,028</u>	
5					
6	Total Property Tax Expense per Line 4		\$ 63,043		
7	Less: Property Tax Transferred to Biomethane BVA		<u>(7)</u>		
8	<b>Net Property Tax Expense</b>		<u>\$ 63,036</u>		

**INCOME TAXES  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Line No.	Particulars	2015 Approved	2016 Forecast	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)
1	<b>EARNED RETURN</b>	\$ 256,532	\$ 254,805	\$ (1,727)	Schedule 16, Line 27, Column 5
2	Deduct: Interest on Debt	(133,189)	(130,491)	2,698	Schedule 26, Line 1+2, Column 7
3	Adjustments to Taxable Income	16,123	12,190	(3,933)	Schedule 24, Line 38
4	Accounting Income After Tax	\$ 139,466	\$ 136,504	\$ (2,962)	
5					
6	1 - Current Income Tax Rate	74.00%	74.00%	0.00%	
7	Taxable Income	\$ 188,468	\$ 184,465	\$ (4,003)	
8					
9	Current Income Tax Rate	26.00%	26.00%	0.00%	
10	Income Tax - Current	\$ 49,002	\$ 47,961	\$ (1,041)	
11					
12	Previous Year Adjustment	-	-	-	
13	Total Income Tax	\$ 49,002	\$ 47,961	\$ (1,041)	
14					
15					
16	<b>ADJUSTMENTS TO TAXABLE INCOME</b>				
17	Addbacks:				
18	Non-tax Deductible Expenses	\$ 992	\$ 1,000	\$ 8	
19	Depreciation	163,962	163,849	(113)	Schedule 22, Line 5, Column 3
20	Amortization of Deferred Charges	36,623	50,142	13,519	Schedule 22, Line 8+9, Column 3
21	Amortization of Debt Issue Expenses	925	879	(46)	
22	Vehicles: Interest & Capitalized Depreciation	1,726	1,548	(178)	
23	Pension Expense	21,394	18,969	(2,425)	
24	OPEB Expense	10,343	10,938	595	
25	Biomethane Other Revenue	70	(253)	(323)	Schedule 20, Line 8, Column 3
26					
27	Deductions:				
28	Capital Cost Allowance	(156,972)	(174,396)	(17,424)	Schedule 25, Line 24, Column 6
29	CIAC Amortization	(10,596)	(9,126)	1,470	Schedule 22, Line 10+11, Column 3
30	Cumulative Eligible Capital Allowance	(1,815)	(1,736)	79	
31	Debt Issue Costs	(578)	(1,233)	(655)	
32	Vehicle Lease Payment	(2,747)	(2,567)	180	
33	Pension Contributions	(17,285)	(15,903)	1,382	
34	OPEB Contributions	(3,199)	(3,487)	(288)	
35	Overheads Capitalized Expensed for Tax Purposes	(10,819)	(10,865)	(46)	
36	Removal Costs	(14,009)	(13,661)	348	Schedule 11.1, Line 22, Column 4
37	Major Inspection Costs	(1,892)	(1,908)	(16)	
38	Total	\$ 16,123	\$ 12,190	\$ (3,933)	

**FORTISBC ENERGY INC.**

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Section 11

**CAPITAL COST ALLOWANCE  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Schedule 25

Line No.	Class	CCA Rate	12/31/2015 UCC Balance	Adjustments	2016 Additions	2016 CCA	12/31/2016 UCC Balance
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	1(a)	4%	\$ 1,177,103	\$ -	\$ 2,450	\$ (47,133)	\$ 1,132,420
2	1(b)	6%	59,176	-	6,436	(3,744)	61,868
3	2	6%	118,369	-	-	(7,102)	111,267
4	3	5%	2,182	-	-	(109)	2,073
5	6	10%	113	-	-	(11)	102
6	7	15%	16,452	-	2,184	(2,632)	16,004
7	8	20%	27,126	-	7,161	(6,141)	28,146
8	10	30%	6,130	-	2,683	(2,242)	6,571
9	12	100%	6,476	-	13,065	(13,009)	6,532
10	13	manual	3,456	-	196	(415)	3,237
11	14	manual	178	-	-	(25)	153
12	17	8%	1,586	-	-	(127)	1,459
13	38	30%	1,359	-	3,850	(985)	4,224
14	39	25%	-	-	-	-	-
15	42	12%	-	-	-	-	-
16	43.2	50%	7,222	-	-	(3,611)	3,611
17	45	45%	38	-	-	(17)	21
18	46	30%	-	-	-	-	-
19	47	8%	125,278	-	419,967	(26,821)	518,424
20	49	8%	127,860	-	5,436	(10,446)	122,850
21	50	55%	12,346	-	9,438	(9,385)	12,399
22	51	6%	621,800	-	104,419	(40,441)	685,778
23							
24	Total		\$ 2,314,250	\$ -	\$ 577,285	\$ (174,396)	\$ 2,717,139



**RETURN ON CAPITAL  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Line No.	Particulars	2015 Approved Earned Return (2)	2016				Earned Return Change (8)	Cross Reference (9)	
			Amount (3)	Ratio (4)	Average Embedded Cost (5)	Cost Component (6)			Earned Return (7)
1	Long Term Debt	\$ 129,861	\$ 2,145,284	58.13%	6.01%	3.49%	\$ 128,938	\$ (923)	Schedule 27, Line 27+29, Column 5,6,7
2	Short Term Debt	3,328	124,204	3.37%	1.25%	0.04%	1,553	(1,775)	
3	Common Equity	123,343	1,420,736	38.50%	8.75%	3.37%	124,314	971	
4									
5	Total	<u>\$ 256,532</u>	<u>\$ 3,690,224</u>	<u>100.00%</u>		<u>6.90%</u>	<u>\$ 254,805</u>	<u>\$ (1,727)</u>	
6									
7	Cross Reference		Schedule 2, Line 31, Column 3						

FORTISBC ENERGY INC.

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Section 11

**EMBEDDED COST OF LONG TERM DEBT  
FOR THE YEAR ENDING DECEMBER 31, 2016  
(\$000s)**

Schedule 27

Line No.	Particulars (1)	Issue Date (2)	Maturity Date (3)	Net Proceeds of Issue (4)	Average Principal Outstanding (5)	Interest * Rate (6)	Interest Expense (7)	Cross Reference (8)	
1	Series B Purchase Money Mortgage	November 30, 1991	September 30, 2016	\$ 164,666	\$ 124,486	10.461%	\$ 13,022		
2	Medium Term Note - Series 11	September 21, 1999	September 21, 2029	147,710	150,000	7.073%	10,610		
3	2004 Long Term Debt Issue - Series 18	April 29, 2004	May 1, 2034	148,085	150,000	6.598%	9,897		
4	2005 Long Term Debt Issue - Series 19	February 25, 2005	February 25, 2035	148,337	150,000	5.980%	8,970		
5	2006 Long Term Debt Issue - Series 21	September 25, 2006	September 25, 2036	119,216	120,000	5.595%	6,714		
6	2007 Medium Term Debt Issue - Series 22	October 2, 2007	October 2, 2037	247,697	250,000	6.067%	15,168		
7	2008 Medium Term Debt Issue - Series 23	May 13, 2008	May 13, 2038	247,588	250,000	5.869%	14,673		
8	2009 Med.Term Debt Issue- Series 24	February 24, 2009	February 24, 2039	98,766	100,000	6.645%	6,645		
9	2011 Medium Term Debt Issue - Series 25	December 9, 2011	December 9, 2041	98,590	100,000	4.334%	4,334		
10	2015 Medium Term Debt Issue - Series 26 (Series A Renewal)	April 13, 2015	April 13, 2045	148,500	150,000	3.429%	5,144		
11	2016 Medium Term Debt Issue - Series 27	January 1, 2016	January 1, 2046	148,500	150,000	4.562%	6,843		
12	2016 Medium Term Debt Issue - Series 28 (Series B Renewal)	September 30, 2016	September 30, 2046	165,321	42,407	4.562%	1,935		
13									
14	FEVI L/T Debt Issue - 2008	February 16, 2008	February 15, 2038	247,999	250,000	6.109%	15,273		
15	FEVI L/T Debt Issue - 2010	December 6, 2010	December 6, 2040	98,836	100,000	5.278%	5,278		
16									
17	LILO Obligations - Kelowna				19,106	6.511%	1,244		
18	LILO Obligations - Nelson				3,108	8.237%	256		
19	LILO Obligations - Vernon				9,180	9.564%	878		
20	LILO Obligations - Prince George				24,000	8.442%	2,026		
21	LILO Obligations - Creston				2,294	7.541%	173		
22									
23	Vehicle Lease Obligation				6,499	3.216%	209		
24									
25	Sub-Total				<u>\$ 2,151,080</u>		<u>\$ 129,292</u>		
26	Less: Fort Nelson Division Portion of Long Term Debt				(5,796)		(354)		
27	Total				<u>\$ 2,145,284</u>		<u>\$ 128,938</u>		
28									
29	Average Embedded Cost					<u>6.01%</u>			
30									
31	* Interest Rate is Effective interest rate as it includes amortization of debt issue costs								