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March 2, 2016

Via Email
Original via Mail

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

Attention: Ms. Laurel Ross, Acting Commission Secretary

Dear Ms. Ross:

Re: FortisBC Energy Inc. – Revelstoke Service Area
2016 First Quarter Gas Cost Report

FortisBC Energy Inc. (FEI or the Company) hereby submits to the British Columbia Utilities Commission (the Commission) the 2016 First Quarter Gas Cost Report for the Revelstoke Service Area (Revelstoke). The attached schedules provide a summary of the forecast monthly Propane Cost Deferral Account balances based on the February 24, 2016 forward prices.

The schedule at Tab 1, Page 1, based on the February 24, 2016 forward prices, using the NYMEX B0 – Mt. Belvieu Propane Swap prices, and based on the current rates, the projected deferral account balance at March 31, 2016 is \$227,413 surplus (after tax), and the forecast balance at March 31, 2017 is \$121,895 deficit (after tax). The rate change trigger ratio is calculated to be 84.9%, which falls outside the 95% to 105% deadband range, and the proposed rate increase that would be required to produce a 100% propane cost recovery-to-cost ratio is calculated to be \$0.887/GJ (Tab 1, Page 3, Line 20), which falls outside the minimum \$0.50/GJ rate change threshold, indicating that a rate change is required at this time.

Provided in Tab 2 are the details of the forecast gas costs for Revelstoke. The Company requests the information contained in Tab 2 be treated as CONFIDENTIAL.

CONFIDENTIALITY

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

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

In summary, the Company requests Commission approval for an increase in the propane reference price (based on the NYMEX B0 – Mt. Belvieu Propane Swap prices) for use in the Revelstoke Propane Cost Deferral Account from \$0.1226/litre to \$0.1444/litre which corresponds to a rate increase of \$0.887/GJ, effective April 1, 2016. As a result, the annual bill for a typical Revelstoke residential customer with an average annual consumption of 50 GJ per year will increase by approximately \$44 or 6.9%.

The Company will continue to monitor the forward prices and will report these results in the 2016 Second Quarter Gas Cost Report.

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

Sincerely,

FORTISBC ENERGY INC.

Original signed:

Diane Roy

Attachments

**FORTISBC ENERGY INC. - REVELSTOKE
PROPANE COST DEFERRAL ACCOUNT
WITH EXISTING PROPANE REFERENCE PRICE**

Tab 1

Page 1

(FEBRUARY 24, 2016 FORWARD PRICES BASED ON NYMEX MT. BELVIEU PROPANE SWAP PRICES)

Line No.	Particulars (1)	Sales Volumes In Litre (2)	Average Price Per Litre (3)	Approved Reference Price (4)	Amount Deferred Per Litre (5)=(3)-(4)	Amount Deferred (6)=(2)*(5)	Pre-Tax Deferral Balance (7)	After Tax Deferral Balance (8)
1	January 2016 Balance (Recorded)						(\$388,904)	(\$287,789)
2	February (Projected)	1,072,634	\$0.1600	\$0.1226	\$0.0374	\$40,155	(\$348,749)	(\$258,074)
3	March (Projected)	947,839	\$0.1663	\$0.1226	\$0.0437	\$41,434	(\$307,315)	(\$227,413)
4	Current Quarter Total	<u>2,020,474</u>				<u>\$81,589</u>		
5								
6	<u>Forecast Volumes and Forecast Prices</u>							
7	April, 2016 (Forecast)	595,491	\$0.1319	\$0.1226	\$0.0093	\$5,538	(\$301,777)	(\$223,315)
8	May (Forecast)	342,111	\$0.1369	\$0.1226	\$0.0143	\$4,892	(\$296,885)	(\$219,695)
9	June (Forecast)	211,573	\$0.1430	\$0.1226	\$0.0204	\$4,316	(\$292,569)	(\$216,501)
10	July (Forecast)	226,303	\$0.1482	\$0.1226	\$0.0256	\$5,793	(\$286,776)	(\$212,214)
11	August (Forecast)	252,168	\$0.1535	\$0.1226	\$0.0309	\$7,792	(\$278,984)	(\$206,448)
12	September (Forecast)	288,544	\$0.1650	\$0.1226	\$0.0424	\$12,234	(\$266,750)	(\$197,395)
13	October (Forecast)	566,461	\$0.1770	\$0.1226	\$0.0544	\$30,815	(\$235,935)	(\$174,592)
14	November (Forecast)	814,214	\$0.1941	\$0.1226	\$0.0715	\$58,216	(\$177,719)	(\$131,512)
15	December (Forecast)	1,118,231	\$0.2110	\$0.1226	\$0.0884	\$98,852	(\$78,867)	(\$58,362)
16	January, 2017 (Forecast)	1,187,310	\$0.2105	\$0.1226	\$0.0879	\$104,365	\$25,498	\$18,868
17	February (Forecast)	1,033,836	\$0.2041	\$0.1226	\$0.0815	\$84,258	\$109,756	\$81,219
18	March (Forecast)	913,066	\$0.1828	\$0.1226	\$0.0602	\$54,967	\$164,723	\$121,895
19	Total April, 2016 to March, 2017	<u>7,549,308</u>				<u>\$472,038</u>		
20								
21								
22	Forecast Recovered Costs [(Line 20 Col. 2) x (Line 19 Col. 4)]					\$925,545		
23	March 31, 2016 Deferral Balance (Line 4 Col. 7) + Forecast Costs (Page 2 Line 13 Col. 9)					\$1,090,344		
24								
25								
26	April, 2017 Balance (Forecast)	582,715	\$0.1519	\$0.1226	\$0.0293	\$17,074	\$181,797	\$134,530
27	May (Forecast)	329,061	\$0.1430	\$0.1226	\$0.0204	\$6,713	\$188,510	\$139,497
28	June (Forecast)	202,313	\$0.1430	\$0.1226	\$0.0204	\$4,127	\$192,637	\$142,551
29	July (Forecast)	216,418	\$0.1503	\$0.1226	\$0.0277	\$5,995	\$198,632	\$146,988
30	August (Forecast)	240,525	\$0.1543	\$0.1226	\$0.0317	\$7,625	\$206,257	\$152,630
31	September (Forecast)	276,080	\$0.1641	\$0.1226	\$0.0415	\$11,457	\$217,714	\$161,108
32	October (Forecast)	542,940	\$0.1749	\$0.1226	\$0.0523	\$28,396	\$246,110	\$182,121
33	November (Forecast)	782,723	\$0.1909	\$0.1226	\$0.0683	\$53,460	\$299,570	\$221,682
34	December (Forecast)	1,076,073	\$0.2069	\$0.1226	\$0.0843	\$90,713	\$390,283	\$288,809
35	January, 2018 (Forecast)	1,138,079	\$0.2039	\$0.1226	\$0.0813	\$92,526	\$482,809	\$357,279
36	February (Forecast)	990,154	\$0.1985	\$0.1226	\$0.0759	\$75,153	\$557,962	\$412,892
37	March (Forecast)	873,330	\$0.1796	\$0.1226	\$0.0570	\$49,780	\$607,742	\$449,729
38	Total April, 2017 to March, 2018	<u>7,250,410</u>				<u>\$443,019</u>		

**FORTISBC ENERGY INC. - REVELSTOKE
PROPANE COST DEFERRAL ACCOUNT
FORECAST AVERAGE COST OF PROPANE**

Tab 1

Page 2

(FEBRUARY 24, 2016 FORWARD PRICES BASED ON NYMEX MT. BELVIEU PROPANE SWAP PRICES)

Line No.	Particulars	Sales Volume (Litres)	Fixed Volume (Litres)	Variable Volume (Litres)	Fixed Price ^(A) (\$/litre)	Variable Price ^(A) (\$/litre)	Fixed Charges (\$)	Variable Charges (\$)	Total (\$)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	April, 2016 (Forecast)	595,491	-	595,491	\$ -	\$ 0.1319	\$ -	\$ 78,531	\$ 78,531
2	May (Forecast)	342,111	-	342,111	\$ -	\$ 0.1369	\$ -	\$ 46,825	\$ 46,825
3	June (Forecast)	211,573	-	211,573	\$ -	\$ 0.1430	\$ -	\$ 30,260	\$ 30,260
4	July (Forecast)	226,303	-	226,303	\$ -	\$ 0.1482	\$ -	\$ 33,538	\$ 33,538
5	August (Forecast)	252,168	-	252,168	\$ -	\$ 0.1535	\$ -	\$ 38,719	\$ 38,719
6	September (Forecast)	288,544	-	288,544	\$ -	\$ 0.1650	\$ -	\$ 47,614	\$ 47,614
7	October (Forecast)	566,461	-	566,461	\$ -	\$ 0.1770	\$ -	\$ 100,278	\$ 100,278
8	November (Forecast)	814,214	-	814,214	\$ -	\$ 0.1941	\$ -	\$ 158,042	\$ 158,042
9	December (Forecast)	1,118,231	-	1,118,231	\$ -	\$ 0.2110	\$ -	\$ 235,988	\$ 235,988
10	January, 2017 (Forecast)	1,187,310	-	1,187,310	\$ -	\$ 0.2105	\$ -	\$ 249,965	\$ 249,965
11	February (Forecast)	1,033,836	-	1,033,836	\$ -	\$ 0.2041	\$ -	\$ 210,996	\$ 210,996
12	March (Forecast)	913,066	-	913,066	\$ -	\$ 0.1828	\$ -	\$ 166,903	\$ 166,903
13	Total April, 2016 to March, 2017	<u>7,549,308</u>	<u>-</u>	<u>7,549,308</u>			<u>\$ -</u>	<u>\$ 1,397,659</u>	<u>\$ 1,397,659</u>
14									
15	Forecast Average Cost of Propane (\$/Litre)^{(B), (C)}								
16		7,549,308	Litres						<u>\$ 0.1851</u>
17	Forecast Average Cost of Propane (\$/GJ)^{(B), (D)}								
18	(Conversion factor 1 Litre = 0.025594 GJ)	193,217	GJs						<u>\$ 7.234</u>
19									
20	April, 2017 Balance (Forecast)	582,715	-	582,715	\$ -	\$ 0.1519	\$ -	\$ 88,510	\$ 88,510
21	May (Forecast)	329,061	-	329,061	\$ -	\$ 0.1430	\$ -	\$ 47,068	\$ 47,068
22	June (Forecast)	202,313	-	202,313	\$ -	\$ 0.1430	\$ -	\$ 28,931	\$ 28,931
23	July (Forecast)	216,418	-	216,418	\$ -	\$ 0.1503	\$ -	\$ 32,520	\$ 32,520
24	August (Forecast)	240,525	-	240,525	\$ -	\$ 0.1543	\$ -	\$ 37,116	\$ 37,116
25	September (Forecast)	276,080	-	276,080	\$ -	\$ 0.1641	\$ -	\$ 45,307	\$ 45,307
26	October (Forecast)	542,940	-	542,940	\$ -	\$ 0.1749	\$ -	\$ 94,969	\$ 94,969
27	November (Forecast)	782,723	-	782,723	\$ -	\$ 0.1909	\$ -	\$ 149,442	\$ 149,442
28	December (Forecast)	1,076,073	-	1,076,073	\$ -	\$ 0.2069	\$ -	\$ 222,680	\$ 222,680
29	January, 2018 (Forecast)	1,138,079	-	1,138,079	\$ -	\$ 0.2039	\$ -	\$ 232,015	\$ 232,015
30	February (Forecast)	990,154	-	990,154	\$ -	\$ 0.1985	\$ -	\$ 196,526	\$ 196,526
31	March (Forecast)	873,330	-	873,330	\$ -	\$ 0.1796	\$ -	\$ 156,829	\$ 156,829
32	Total April, 2017 to March, 2018	<u>7,250,410</u>	<u>-</u>	<u>7,250,410</u>			<u>\$ -</u>	<u>\$ 1,331,914</u>	<u>\$ 1,331,914</u>

Notes: (A) Includes transportation costs.

(B) Forecast average cost of propane excludes company use, vaporizer use, and unaccounted for gas.

(C) Forecast Average Cost of Propane (\$/Litre) = Total Cost (Column 9 Line 13) / Sales Volume in Litres (Column 2 Line 16).

(D) Forecast Average Cost of Propane (\$/GJ) = Total Cost (Column 9 Line 13) / Sales Volume in GJ (Column 2 Line 18).

FORTISBC ENERGY INC. - REVELSTOKE

PROPANE COST DEFERRAL ACCOUNT

CALCULATION OF PROPANE COST DECREASE FLOWTHROUGH

(FEBRUARY 24, 2016 FORWARD PRICES BASED ON NYMEX MT. BELVIEU PROPANE SWAP PRICES)

Line No.	Particulars	\$/Litre	\$/GJ
	(1)	(2)	(3)
1	Calculation of New Propane Reference Price		
2			<i>Per GJ shown for info only</i>
3	i. Forecast Average Cost of Propane (Tab 1, Page 2, Col. 9, Line 16 and Line 18)		
4	April 1, 2016 to March 31, 2017	\$0.1851	\$7.234
5			
6	ii. Twelve Month Amortization of \$ (307,315) (Deferral Balance, Tab 1, Page 1, Col. 7, Line 3)		
7	Projected Deferral Account Balance 7,549,308 (Volume in Litres, Tab 1, Page 1, Col. 2, Line 19)	(\$0.0407)	(\$1.591)
8			
9	Proposed Reference Price	\$0.1444	\$5.643
10			
11			
12	Existing Propane Reference Price	\$0.1226	\$4.790
13	(Conversion factor 1 Litre = 0.025594 GJ)		
14			
15			
16	Increase in Propane Reference Price to be Flowed Through in Customers' Rates	\$0.0218	\$0.852
17			
18	Add: Company Use/Vaporizer Use/Unaccounted For Gas Adjustment of 4.18% ^(A)		\$0.035
19			
20	Total Propane Cost Flowthrough ^(B)		\$0.887
21	(Conversion factor 1 Litre = 0.025594 GJ)		
22			
23			
24			
25			
26	Note: (A) The Company Use/Vaporizer Use/Unaccounted For Gas Adjustment of 4.18% is based on 2013, 2014, and 2015 data.		
27		<u>Litres</u>	<u>Percentage</u>
28	Sales	8,171,599	
29			
30	Company Use	2,575	0.03%
31	Propane Used for Vaporizer	115,647	1.42%
32	Unaccounted For	222,775	2.73%
33	Total Fuel / UAF Requirement	<u>340,997</u>	<u>4.18%</u>
34			
35	Note: (B) Breakdown of Rate Change:		
36	Projected Deferral Balance at Mar 31, 2016		(\$1.591)
37	Propane Cost Under (Over) Recovery (including amount at Line 18) for Apr 1, 2016 to Mar 31, 2017 period		\$2.478
38	Total Propane Cost Flow Through		<u>\$0.887</u>

Slight differences due to rounding.

FORTISBC ENERGY INC. - REVELSTOKE
PROPANE COST DEFERRAL ACCOUNT
WITH PROPOSED REFERENCE PRICE APRIL 1, 2016

(FEBRUARY 24, 2016 FORWARD PRICES BASED ON NYMEX MT. BELVIEU PROPANE SWAP PRICES)

Line No.	Particulars	Volumes In Litre	Average Price Per Litre	Approved Reference Price	Amount Deferred Per Litre	Amount Deferred	Pre-Tax Deferral Balance	After Tax Deferral Balance
	(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)=(2)*(5)	(7)	(8)
1	January 2016 Balance (Recorded)						(\$388,904)	(\$287,789)
2	February (Projected)	1,072,634	\$0.1600	\$0.1226	\$0.0374	\$40,155	(\$348,749)	(\$258,074)
3	March (Projected)	947,839	\$0.1663	\$0.1226	\$0.0437	\$41,434	(\$307,315)	(\$227,413)
4	Current Quarter Total	<u>2,020,474</u>				<u>\$81,589</u>		
5				Proposed				
6				Reference				
7				Price				
8	<u>Forecast Volumes and Forecast Prices</u>							
9	April, 2016 (Forecast)	595,491	\$0.1319	\$0.1444	(\$0.0125)	(\$7,444)	(\$314,759)	(\$232,922)
10	May (Forecast)	342,111	\$0.1369	\$0.1444	(\$0.0075)	(\$2,566)	(\$317,325)	(\$234,821)
11	June (Forecast)	211,573	\$0.1430	\$0.1444	(\$0.0014)	(\$296)	(\$317,621)	(\$235,040)
12	July (Forecast)	226,303	\$0.1482	\$0.1444	\$0.0038	\$860	(\$316,761)	(\$234,403)
13	August (Forecast)	252,168	\$0.1535	\$0.1444	\$0.0091	\$2,295	(\$314,466)	(\$232,705)
14	September (Forecast)	288,544	\$0.1650	\$0.1444	\$0.0206	\$5,944	(\$308,522)	(\$228,306)
15	October (Forecast)	566,461	\$0.1770	\$0.1444	\$0.0326	\$18,467	(\$290,055)	(\$214,641)
16	November (Forecast)	814,214	\$0.1941	\$0.1444	\$0.0497	\$40,466	(\$249,589)	(\$184,696)
17	December (Forecast)	1,118,231	\$0.2110	\$0.1444	\$0.0666	\$74,474	(\$175,115)	(\$129,585)
18	January, 2017 (Forecast)	1,187,310	\$0.2105	\$0.1444	\$0.0661	\$78,481	(\$96,634)	(\$71,509)
19	February (Forecast)	1,033,836	\$0.2041	\$0.1444	\$0.0597	\$61,720	(\$34,914)	(\$25,836)
20	March (Forecast)	913,066	\$0.1828	\$0.1444	\$0.0384	\$35,062	\$148	\$109
21	Total April, 2016 to March, 2017	<u>7,549,308</u>				<u>\$307,463</u>		
22								
23								
24	April, 2017 Balance (Forecast)	582,715	\$0.1519	\$0.1444	\$0.0075	\$4,370	\$4,518	\$3,343
25	May (Forecast)	329,061	\$0.1430	\$0.1444	(\$0.0014)	(\$461)	\$4,057	\$3,002
26	June (Forecast)	202,313	\$0.1430	\$0.1444	(\$0.0014)	(\$283)	\$3,774	\$2,793
27	July (Forecast)	216,418	\$0.1503	\$0.1444	\$0.0059	\$1,277	\$5,051	\$3,738
28	August (Forecast)	240,525	\$0.1543	\$0.1444	\$0.0099	\$2,381	\$7,432	\$5,500
29	September (Forecast)	276,080	\$0.1641	\$0.1444	\$0.0197	\$5,439	\$12,871	\$9,524
30	October (Forecast)	542,940	\$0.1749	\$0.1444	\$0.0305	\$16,560	\$29,431	\$21,779
31	November (Forecast)	782,723	\$0.1909	\$0.1444	\$0.0465	\$36,397	\$65,828	\$48,713
32	December (Forecast)	1,076,073	\$0.2069	\$0.1444	\$0.0625	\$67,255	\$133,083	\$98,481
33	January, 2018 (Forecast)	1,138,079	\$0.2039	\$0.1444	\$0.0595	\$67,716	\$200,799	\$148,591
34	February (Forecast)	990,154	\$0.1985	\$0.1444	\$0.0541	\$53,567	\$254,366	\$188,231
35	March (Forecast)	873,330	\$0.1796	\$0.1444	\$0.0352	\$30,741	\$285,107	\$210,979
36	Total April, 2017 to March, 2018	<u>7,250,410</u>				<u>\$284,959</u>		

FORTISBC ENERGY INC. - REVELSTOKE
APRIL 1, 2016 PROPOSED PROPANE COST INCREASE
TYPICAL ANNUAL CONSUMPTION
(FEBRUARY 24, 2016 FORWARD PRICES BASED ON NYMEX MT. BELVIEU PROPANE SWAP PRICES)

Line No.	Particulars	Rate 1 - Residential				Rate 2 - Small Commercial				Rate 3 - Large Commercial			
		Use per Customer (GJ)	Unit Revenue (\$/GJ) or (\$/day)	Revenue (\$)	% Increase	Use per Customer (GJ)	Unit Revenue (\$/GJ) or (\$/day)	Revenue (\$)	% Increase	Use per Customer (GJ)	Unit Revenue (\$/GJ) or (\$/day)	Revenue (\$)	% Increase
1	REVELSTOKE PROPANE												
2	- INLAND SERVICE AREA												
3													
4	Existing:												
5													
6	Delivery Margin Related Charges												
7	Basic Charge per Day	365.25 days	\$0.3890	\$142.08		365.25 days	\$0.8161	\$298.08		365.25 days	\$4.3538	\$1,590.23	
8	Delivery Margin Related Charge (incl. riders)	50.0 GJ	\$4.018	\$200.90		250.0 GJ	\$3.331	\$832.75		4,500.0 GJ	\$2.809	\$12,640.50	
9													
10	Cost of Gas (Commodity Related Charges)												
11	Cost of Gas Recovery Related Charges	50.0 GJ	\$5.998	<u>\$299.90</u>		250.0 GJ	\$4.907	<u>\$1,226.75</u>		4,500.0 GJ	\$4.907	<u>\$22,081.50</u>	
12													
13	Typical Annual Bill at Current Rates (excluding any applicable Taxes)	<u>50.0</u> GJ		<u>\$642.88</u>		<u>250.0</u> GJ		<u>\$2,357.58</u>		<u>4,500.0</u> GJ		<u>\$36,312.23</u>	
14													
15													
16													
17	Proposed Changes Apr 1, 2016:												
18													
19	Delivery Margin Related Charge ¹		\$0.000	\$0.00	0.0%		\$0.000	\$0.00	0.0%		\$0.000	\$0.00	0.0%
20	Cost of Gas Recovery Related Charge		\$0.887	<u>\$44.35</u>	6.9%		\$0.887	<u>\$221.75</u>	9.4%		\$0.887	<u>\$3,991.50</u>	11.0%
21	Total Charges		\$0.887	<u>\$44.35</u>	6.9%		\$0.887	<u>\$221.75</u>	9.4%		\$0.887	<u>\$3,991.50</u>	11.0%
22													
23	Typical Annual Bill after Proposed Rates (excluding any applicable Taxes)			<u>\$687.23</u>	6.9%			<u>\$2,579.33</u>	9.4%			<u>\$40,303.73</u>	11.0%
24													

Note: 1. Based on FEI's delivery rate effective March 1, 2016.



ORDER NUMBER

G-xx-xx

IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

FortisBC Energy Inc.
Application regarding its 2016 First Quarter Gas Cost Report
And Rate Changes effective April 1, 2016
For Revelstoke Service Areas

BEFORE:

Panel Chair/Commissioner
Commissioner
Commissioner

on Date

ORDER

WHEREAS:

- A. By Order No. G-145-15 dated September 10, 2015, the British Columbia Utilities Commission (the Commission) approved the propane rates for the FortisBC Energy Inc. (FEI) Revelstoke service area (Revelstoke) effective October 1, 2015;
- B. On March 2, 2016, FEI filed its 2016 First Quarter Gas Cost Report for Revelstoke (the 2016 First Quarter Report);
- C. Using a propane price forecast based on February 24, 2016 NMYEX B0 - Mt. Belvieu propane swap prices, and based on the existing rates, the projected after tax deferral balance at March 31, 2016 of \$227,413 surplus is forecast to change to \$121,895 deficit at March 31, 2017. The rate change trigger mechanism is calculated to be 84.9 percent which falls outside the deadband range of 95 percent to 105 percent. The proposed rate increase is calculated to be \$0.887/GJ, which falls outside the threshold;
- D. In the 2016 First Quarter Report, FEI indicates that current propane cost recovery rates will under recover costs and a propane rate increase is required, effective April 1, 2016;
- E. The proposed Gas Cost Recovery Charge requested within the 2016 First Quarter Report would be equivalent to an increase of approximately \$44 or 6.9 percent, based on an annual consumption of 50 GJ;
- F. FEI requests that the forecast gas cost information for Revelstoke in Tab 2 of the 2016 First Quarter Report be held confidential on the basis that it is market sensitive information;
- G. The Commission has determined that the requested changes to the propane reference price and propane rate for Revelstoke should be approved.

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

1. The Commission approves a propane reference price increase of \$0.0218 per litre, from the existing propane reference price of \$0.1226 per litre to \$0.1444 per litre, which corresponds to an increase of \$0.887 per gigajoule in customer rates, effective April 1, 2016.
2. FEI will notify all customers that are affected by the rate change by way of a bill insert or bill message.
3. The Commission will hold the gas cost information for Revelstoke in Tab 2 of the 2016 First Quarter Report confidential.

DATED at the City of Vancouver, in the Province of British Columbia, this (XX) day of (March 2016).

BY ORDER

(X. X. last name)
Commissioner