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November 23, 2016

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

Attention: Ms. Laurel Ross, Acting Commission Secretary and Director

Dear Ms. Ross:

**Re: FortisBC Energy Inc. (FEI or the Company) – Fort Nelson Service Area
Gas Cost Reconciliation Account (GCRA), Gas Cost Recovery Rates
2016 Fourth Quarter Gas Cost Report**

The attached materials provide the FEI 2016 Fourth Quarter Gas Cost Report for the Fort Nelson Service Area (Fort Nelson) as required under British Columbia Utilities Commission (the Commission) guidelines.

Based on the five-day average of the November 8, 9, 10, 14, and 15, 2016 forward prices for natural gas (five-day average forward prices ending November 15, 2016), the December 31, 2016 GCRA deferral balance is projected to be approximately \$102.8 thousand surplus after tax (Tab 1, Page 2, Column 2, Line 28). Further, based on the five-day average forward prices ending November 15, 2016, the gas purchase cost assumptions, and the forecast gas cost recoveries at present rates for the 12-month period ending December 31, 2017, and accounting for the projected December 31, 2016 deferral balance, the GCRA ratio is calculated to be 62.0% (Tab 1, Page 1, Column 3, Line 10), which falls outside the 95% to 105% deadband. The proposed rate increase that would produce a 100% commodity recovery-to-cost ratio is calculated to be \$0.792/GJ (Tab 1, Page 1, Column 5, Line 30), which falls outside the \$0.50/GJ rate change threshold. The results of the two-criteria rate adjustment mechanism indicate that a rate change is required at this time.

A summary, including a component breakdown of the proposed \$0.792/GJ increase, is provided under the section titled "BALANCING REQUIREMENT" at Tab 1, Page 1. The schedules within Tab 2 provide a summary of the forecast monthly GCRA activity and deferral balances with the proposed gas cost flow through, effective January 1, 2017. As a result, the annual bill for a typical Fort Nelson residential customer with an average annual consumption of 140 GJ per year will increase by approximately \$107 or 15.7%.

Provided in Tab 5 are the details of the forecast gas costs for Fort Nelson. The Company requests the information contained in Tab 5 be treated as CONFIDENTIAL.

CONFIDENTIALITY

FEI is requesting that this information be filed on a confidential basis pursuant to section 18 of the Commission's Rules of Practice and Procedure regarding confidential documents, established by Order G-1-16, and Section 71(5) of the *Utilities Commission Act* and requests that the Commission exercise its discretion under Section 6.0 of the Rules for Natural Gas Energy Supply Contracts and allow these documents to remain confidential. FEI believes this will ensure that market sensitive information is protected, and FEI's ability to obtain favourable commercial terms for future gas contracting is not impaired.

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

SUMMARY

The Company requests Commission approval to flow through in customers' rates, effective January 1, 2017, a Fort Nelson gas cost recovery charge rate increase of \$0.792/GJ. The gas cost recovery charge component of rates would increase from \$1.294/GJ to \$2.086/GJ, effective January 1, 2017.

The tariff continuity / bill impact schedules provided in tab 3 and 4 have been prepared to show the combined delivery and propane cost rate changes proposed to be effective January 1, 2017.

The Company will continue to monitor the forward prices and will report these results in the 2017 First 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. - FORT NELSON SERVICE AREA
GAS COST RECONCILIATION ACCOUNT (GCRA) RATE CHANGE TRIGGER MECHANISM
FOR THE PERIOD JANUARY 1, 2017 TO DECEMBER 31, 2017
AT EXISTING GAS COST RECOVERY RATES
FORWARD PRICES - NOVEMBER 8, 9, 10, 14, AND 15, 2016

Line No.	Particulars	Annual (\$000)	Percentage	Energy (TJ)	Unit Cost (\$/GJ)
	(1)	(2)	(3)	(4)	(5)
1	<u>RATE CHANGE TRIGGER MECHANISM</u>				
2	Projected Pre-Tax GCRA Balance as at December 31, 2016	\$ (138.9)			
3	(Tab 1, Page 2, Col 2, Line 21)				
4					
5	Forecast Incurred Gas Costs - January 2017 to December 2017	\$ 1,245.6			
6	(Tab 1, Page 2, Col 14, Line 16)				
7	Forecast Recovered Gas Costs - January 2017 to December 2017	\$ 686.5			
8	(Tab 1, Page 2, Col 14, Line 7)				
9					
10	Ratio = $\frac{\text{Forecast Recovered Gas Costs}}{\text{Forecast Incurred Gas Costs} + \text{Projected GCRA Balance}}$	= \$ 686.5			
11		= \$ 1,106.7	= <u>62.0%</u>		
12					
13					
14					
15					
16	<u>BALANCING REQUIREMENT</u>				
17	(applicable when Rate Change Trigger Mechanism Ratio falls outside 95% to 105% deadband and outside ± \$0.50/GJ threshold)				
18					
19					
20	<u>PROPOSED RATE</u>				
21					
22	Forecast 12 Month Sales Recovery Energy January 2017 to December 2017			530.3	
23	(Tab 1, Page 2, Col 14, Line 2)				
24					
25	Projected GCRA Balance at December 31, 2016 (Line 2)	\$ (138.9)			\$ (0.2619) ^(a)
26	Forecast GCRA Activities - January 2017 to December 2017 (Line 5 minus Line 7)	559.1			1.0543 ^(a)
27	(Over) / Under Recovery at Existing Rates	<u>\$ 420.2</u>			
28					
29					
30	<u>PROPOSED RATE (DECREASE) / INCREASE</u>				<u>\$ 0.792</u> ^(a)

Notes:

(a) Gas cost recovery rates in tariff are set at 3 decimal places. Individual rate components are shown to 4 decimal places.

Slight differences in totals due to rounding.

**FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
RECOVERED AND INCURRED COSTS SUMMARY
FOR THE PERIOD JANUARY 1, 2017 TO DECEMBER 31, 2017
AT EXISTING GAS COST RECOVERY RATES
FORWARD PRICES - NOVEMBER 8, 9, 10, 14, AND 15, 2016**

Line No.	Particulars	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	1-12 month Forecast Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	<u>RECOVERED GAS COSTS</u>													
2	Total Sales - TJ	90.3	73.0	68.9	35.8	19.9	10.1	7.4	9.2	17.3	38.8	68.9	90.7	530.3
3	T-Service UAF - TJ	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
4														
5	Recovery on Sales - \$000	\$ 116.8	\$ 94.5	\$ 89.2	\$ 46.3	\$ 25.8	\$ 13.1	\$ 9.6	\$ 11.9	\$ 22.4	\$ 50.2	\$ 89.2	\$ 117.4	\$ 686.2
6	Recovery on T-Service UAF - \$000	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.3
7	Total Forecast Recovered Gas Costs - \$000	<u>\$ 116.9</u>	<u>\$ 94.5</u>	<u>\$ 89.2</u>	<u>\$ 46.3</u>	<u>\$ 25.8</u>	<u>\$ 13.1</u>	<u>\$ 9.6</u>	<u>\$ 11.9</u>	<u>\$ 22.4</u>	<u>\$ 50.2</u>	<u>\$ 89.2</u>	<u>\$ 117.4</u>	<u>\$ 686.5</u>
8														
9														
10														
11	<u>INCURRED GAS COSTS</u>													
12	Purchases - TJ ^(a)	90.6	73.2	69.1	35.9	20.0	10.1	7.4	9.2	17.4	38.9	69.1	91.0	532.0
13														
14	Average Cost of Gas Purchased - \$/GJ	2.2729	2.3169	2.2895	2.1301	2.1248	2.1235	2.1903	2.1718	2.1238	2.1610	2.4923	2.6564	2.3412
15														
16	Forecast Incurred Gas Costs - \$000	<u>\$ 205.9</u>	<u>\$ 169.7</u>	<u>\$ 158.3</u>	<u>\$ 76.5</u>	<u>\$ 42.4</u>	<u>\$ 21.5</u>	<u>\$ 16.3</u>	<u>\$ 20.0</u>	<u>\$ 36.9</u>	<u>\$ 84.1</u>	<u>\$ 172.3</u>	<u>\$ 241.7</u>	<u>\$ 1,245.6</u>
17														
18														
19														
20	<u>GCRA BALANCE</u>													
21	Opening Balances (Pre-tax) - \$000 ^(b)	\$ (138.9)	\$ (49.9)	\$ 25.3	\$ 94.4	\$ 124.5	\$ 141.2	\$ 149.6	\$ 156.3	\$ 164.4	\$ 178.9	\$ 212.8	\$ 295.9	
22	Forecast Activity - \$000	89.0	75.2	69.1	30.2	16.7	8.4	6.7	8.1	14.5	33.9	83.1	124.3	\$ 559.1
23	Closing Balances (Pre-tax) - \$000	<u>\$ (49.9)</u>	<u>\$ 25.3</u>	<u>\$ 94.4</u>	<u>\$ 124.5</u>	<u>\$ 141.2</u>	<u>\$ 149.6</u>	<u>\$ 156.3</u>	<u>\$ 164.4</u>	<u>\$ 178.9</u>	<u>\$ 212.8</u>	<u>\$ 295.9</u>	<u>\$ 420.2</u>	
24														
25														
26	Tax Rate	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	
27														
28	Opening Balances (After-tax) - \$000	<u>\$ (102.8)</u>	<u>\$ (36.9)</u>	<u>\$ 18.7</u>	<u>\$ 69.8</u>	<u>\$ 92.2</u>	<u>\$ 104.5</u>	<u>\$ 110.7</u>	<u>\$ 115.7</u>	<u>\$ 121.7</u>	<u>\$ 132.4</u>	<u>\$ 157.5</u>	<u>\$ 219.0</u>	
29	Closing Balances (After-tax) - \$000	<u>\$ (36.9)</u>	<u>\$ 18.7</u>	<u>\$ 69.8</u>	<u>\$ 92.2</u>	<u>\$ 104.5</u>	<u>\$ 110.7</u>	<u>\$ 115.7</u>	<u>\$ 121.7</u>	<u>\$ 132.4</u>	<u>\$ 157.5</u>	<u>\$ 219.0</u>	<u>\$ 310.9</u>	

Notes:

(a) Purchases include Sales & T-Service UAF quantities, but exclude Company Use Gas quantities.

(b) The net of tax GCRA opening balance, based on the latest recorded financial information, is grossed up at the current income tax rate to reflect a pre-tax amount prior to calculating the impact of the forecast activity.

Slight differences in totals due to rounding.

**FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
RECOVERED AND INCURRED COSTS SUMMARY
FOR THE PERIOD JANUARY 1, 2018 TO DECEMBER 31, 2018
AT EXISTING GAS COST RECOVERY RATES
FORWARD PRICES - NOVEMBER 8, 9, 10, 14, AND 15, 2016**

Line No.	Particulars	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	13-24 month Forecast Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	RECOVERED GAS COSTS													
2	Total Sales - TJ	88.6	71.5	67.6	35.1	19.5	10.0	7.3	9.0	17.0	38.1	67.6	89.0	520.3
3	T-Service UAF - TJ	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
4														
5	Recovery on Sales - \$000	\$ 114.6	\$ 92.5	\$ 87.5	\$ 45.4	\$ 25.2	\$ 12.9	\$ 9.4	\$ 11.6	\$ 22.0	\$ 49.3	\$ 87.5	\$ 115.2	\$ 673.3
6	Recovery on T-Service UAF - \$000	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.3
7	Total Forecast Recovered Gas Costs - \$000	<u>\$ 114.7</u>	<u>\$ 92.6</u>	<u>\$ 87.5</u>	<u>\$ 45.4</u>	<u>\$ 25.2</u>	<u>\$ 12.9</u>	<u>\$ 9.4</u>	<u>\$ 11.6</u>	<u>\$ 22.0</u>	<u>\$ 49.3</u>	<u>\$ 87.5</u>	<u>\$ 115.2</u>	<u>\$ 673.5</u>
8														
9														
10														
11	INCURRED GAS COSTS													
12	Purchases - TJ ^(a)	88.9	71.7	67.8	35.2	19.6	10.0	7.3	9.0	17.1	38.2	67.8	89.3	522.0
13														
14	Average Cost of Gas Purchased - \$/GJ	2.7409	2.7018	2.6317	2.1647	2.1823	2.1378	2.2276	2.1787	2.1324	2.2173	2.2877	2.4631	2.4684
15														
16	Forecast Incurred Gas Costs - \$000	<u>\$ 243.6</u>	<u>\$ 193.8</u>	<u>\$ 178.5</u>	<u>\$ 76.2</u>	<u>\$ 42.7</u>	<u>\$ 21.4</u>	<u>\$ 16.3</u>	<u>\$ 19.7</u>	<u>\$ 36.4</u>	<u>\$ 84.7</u>	<u>\$ 155.2</u>	<u>\$ 219.9</u>	<u>\$ 1,288.5</u>
17														
18														
19														
20	GCRA BALANCE													
21	Opening Balances (Pre-tax) - \$000	\$ 420.2	\$ 549.1	\$ 650.4	\$ 741.4	\$ 772.1	\$ 789.6	\$ 798.1	\$ 805.0	\$ 813.0	\$ 827.3	\$ 862.8	\$ 930.4	
22	Forecast Activity - \$000	128.9	101.2	91.0	30.8	17.4	8.5	6.9	8.0	14.4	35.4	67.6	104.7	\$ 614.9
23	Closing Balances (Pre-tax) - \$000	<u>\$ 549.1</u>	<u>\$ 650.4</u>	<u>\$ 741.4</u>	<u>\$ 772.1</u>	<u>\$ 789.6</u>	<u>\$ 798.1</u>	<u>\$ 805.0</u>	<u>\$ 813.0</u>	<u>\$ 827.3</u>	<u>\$ 862.8</u>	<u>\$ 930.4</u>	<u>\$ 1,035.1</u>	
24														
25														
26	Tax Rate	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	
27														
28	Opening Balances (After-tax) - \$000	\$ 310.9	\$ 406.4	\$ 481.3	\$ 548.6	\$ 571.4	\$ 584.3	\$ 590.6	\$ 595.7	\$ 601.6	\$ 612.2	\$ 638.5	\$ 688.5	
29	Closing Balances (After-tax) - \$000	<u>\$ 406.4</u>	<u>\$ 481.3</u>	<u>\$ 548.6</u>	<u>\$ 571.4</u>	<u>\$ 584.3</u>	<u>\$ 590.6</u>	<u>\$ 595.7</u>	<u>\$ 601.6</u>	<u>\$ 612.2</u>	<u>\$ 638.5</u>	<u>\$ 688.5</u>	<u>\$ 766.0</u>	

Notes:

(a) Purchases include Sales & T-Service UAF quantities, but exclude Company Use Gas quantities.

Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
STATION 2 INDEX FORECAST
FOR THE PERIOD ENDING DECEMBER 31, 2018

Line No	Particulars	Forward Prices - November 8, 9, 10, 14, and 15, 2016 2016 Q4 Gas Cost Report	Forward Prices - August 17, 18, 19, 22, and 23, 2016 2016 Q3 Gas Cost Report	Change in Forward Prices (4) = (2) - (3)
	(1)	(2)	(3)	
1	Station 2 Index Prices - \$CDN/GJ ^(a)			
2	2016 July	\$ 1.90	Recorded \$ 1.90	\$ -
3	August	\$ 1.87	Projected \$ 1.97	\$ (0.10)
4	September	\$ 1.82	\$ 1.96	\$ (0.14)
5	October	Recorded \$ 2.18	\$ 1.97	\$ 0.22
6	November	Projected \$ 2.39	\$ 2.15	\$ 0.24
7	December	\$ 2.14	\$ 2.33	\$ (0.18)
8	Simple Average (Jul, 2016 - Jun, 2017)	\$ 2.09	\$ 2.18	-3.9% \$ (0.08)
9	Simple Average (Oct, 2016 - Sep, 2017)	\$ 2.15	\$ 2.23	-3.5% \$ (0.08)
10	2017 January	\$ 2.16	\$ 2.44	\$ (0.28)
11	February	\$ 2.22	\$ 2.45	\$ (0.23)
12	March	\$ 2.18	\$ 2.48	\$ (0.30)
13	April	\$ 2.11	\$ 2.22	\$ (0.11)
14	May	\$ 2.09	\$ 2.11	\$ (0.03)
15	June	\$ 2.06	\$ 2.15	\$ (0.09)
16	July	\$ 2.10	\$ 2.12	\$ (0.02)
17	August	\$ 2.10	\$ 2.17	\$ (0.06)
18	September	\$ 2.09	\$ 2.18	\$ (0.09)
19	October	\$ 2.14	\$ 2.16	\$ (0.03)
20	November	\$ 2.33	\$ 2.44	\$ (0.11)
21	December	\$ 2.58	\$ 2.63	\$ (0.05)
22	Simple Average (Jan, 2017 - Dec, 2017)	\$ 2.18	\$ 2.30	-5.1% \$ (0.12)
23	Simple Average (Apr, 2017 - Mar, 2018)	\$ 2.29	\$ 2.35	-2.3% \$ (0.05)
24	Simple Average (Jul, 2017 - Jun, 2018)	\$ 2.30	\$ 2.34	-1.6% \$ (0.04)
25	Simple Average (Oct, 2017 - Sep, 2018)	\$ 2.30	\$ 2.34	-1.4% \$ (0.03)
26	2018 January	\$ 2.71	\$ 2.72	\$ (0.01)
27	February	\$ 2.65	\$ 2.66	\$ (0.01)
28	March	\$ 2.54	\$ 2.57	\$ (0.04)
29	April	\$ 2.14	\$ 2.17	\$ (0.03)
30	May	\$ 2.14	\$ 2.09	\$ 0.05
31	June	\$ 2.08	\$ 2.13	\$ (0.05)
32	July	\$ 2.14	\$ 2.14	\$ 0.00
33	August	\$ 2.11	\$ 2.14	\$ (0.03)
34	September	\$ 2.10	\$ 2.19	\$ (0.10)
35	October	\$ 2.20		
36	November	\$ 2.27		
37	December	\$ 2.45		
38	Simple Average (Jan, 2018 - Dec, 2018)	\$ 2.29		

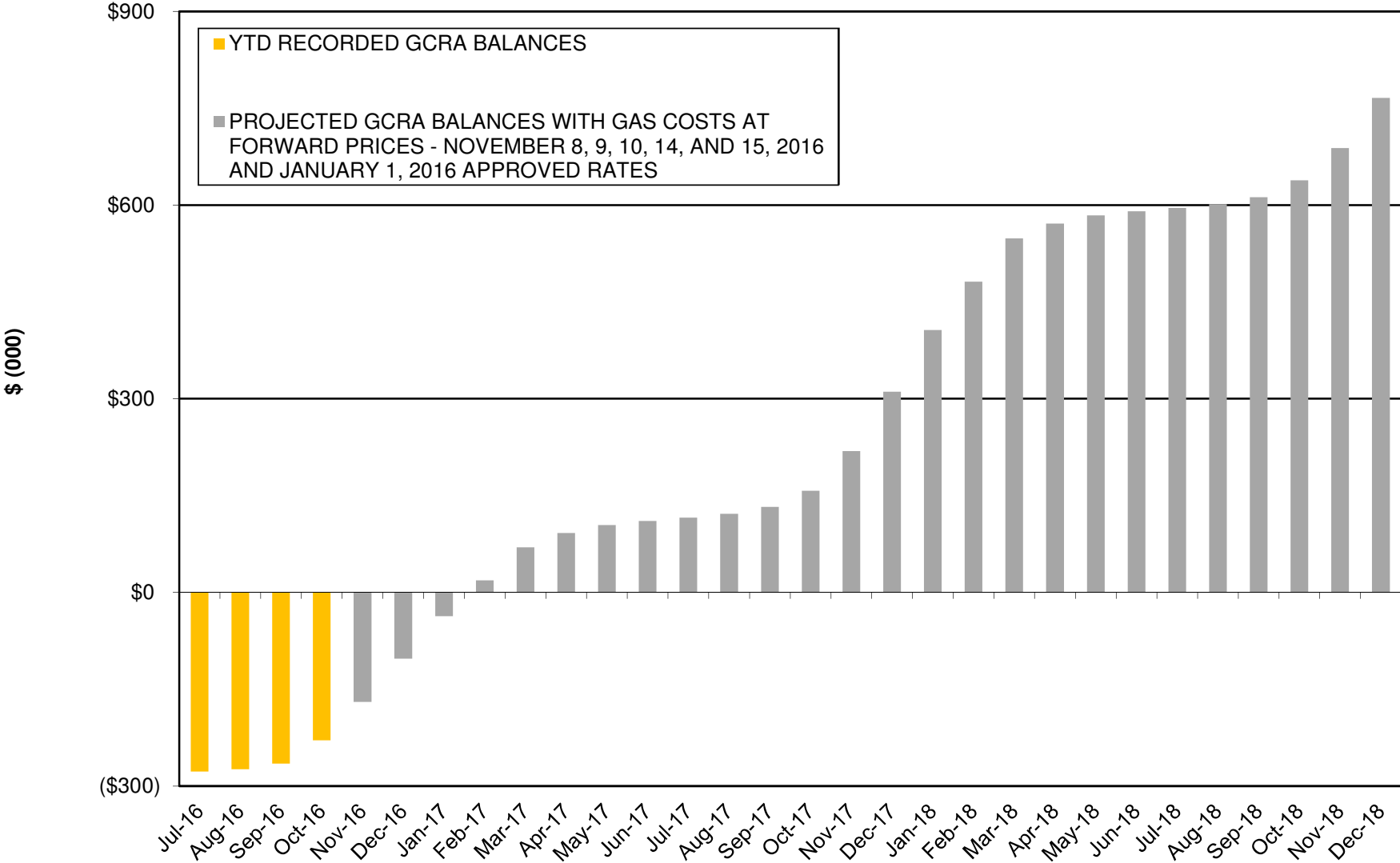
Notes:

(a) Average of daily prices is used for recorded months.

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
GCRA AFTER-TAX BALANCES (\$000)
FOR THE PERIOD ENDING DECEMBER 31, 2018
AT EXISTING GAS COST RECOVERY RATES

Line No.	Particulars	2016 Q4 Gas Cost Report January 1, 2016 Rates Forward Prices - November 8, 9, 10, 14, and 15, 2016		2016 Q3 Gas Cost Report January 1, 2016 Rates Forward Prices - August 17, 18, 19, 22, and 23, 2016	
		(1)	(2)	(3)	
1	2016 Jul		\$ (277.7)	Recorded	\$ (277.7)
2	Aug		\$ (273.9)	Projected	\$ (272.5)
3	Sep		\$ (265.1)		\$ (263.3)
4	Oct		\$ (229.3)		\$ (242.9)
5	Nov		\$ (169.7)		\$ (191.1)
6	Dec		\$ (102.8)		\$ (115.0)
7	2017 Jan		\$ (36.9)		\$ (35.7)
8	Feb		\$ 18.7		\$ 29.0
9	Mar		\$ 69.8		\$ 90.9
10	Apr		\$ 92.2		\$ 116.1
11	May		\$ 104.5		\$ 128.8
12	Jun		\$ 110.7		\$ 135.8
13	Jul		\$ 115.7		\$ 140.8
14	Aug		\$ 121.7		\$ 147.3
15	Sep		\$ 132.4		\$ 159.1
16	Oct		\$ 157.5		\$ 184.9
17	Nov		\$ 219.0		\$ 251.2
18	Dec		\$ 310.9		\$ 346.9
19	2018 Jan		\$ 406.4		\$ 443.9
20	Feb		\$ 481.3		\$ 520.2
21	Mar		\$ 548.6		\$ 589.7
22	Apr		\$ 571.4		\$ 613.2
23	May		\$ 584.3		\$ 625.3
24	Jun		\$ 590.6		\$ 632.0
25	Jul		\$ 595.7		\$ 637.0
26	Aug		\$ 601.6		\$ 643.1
27	Sep		\$ 612.2		\$ 655.0
28	Oct		\$ 638.5		
29	Nov		\$ 688.5		
30	Dec		\$ 766.0		

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
 GCRA AFTER TAX BALANCES BY MONTH
 FOR THE PERIOD ENDING DECEMBER 2018



**FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
RECOVERED AND INCURRED COSTS SUMMARY
FOR THE PERIOD JANUARY 1, 2017 TO DECEMBER 31, 2017
AT PROPOSED GAS COST RECOVERY RATES
FORWARD PRICES - NOVEMBER 8, 9, 10, 14, AND 15, 2016**

Line No.	Particulars	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	1-12 month Forecast Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	<u>RECOVERED GAS COSTS</u>													
2	Total Sales - TJ	90.3	73.0	68.9	35.8	19.9	10.1	7.4	9.2	17.3	38.8	68.9	90.7	530.3
3	T-Service UAF - TJ	0.0	0.0	0.0	0.0	0.0	-	-	-	0.0	0.0	0.0	0.0	0.1
4														
5	Recovery on Sales - \$000	\$ 188.4	\$ 152.3	\$ 143.7	\$ 74.7	\$ 41.5	\$ 21.1	\$ 15.4	\$ 19.2	\$ 36.1	\$ 80.9	\$ 143.7	\$ 189.2	\$ 1,106.2
6	Recovery on T-Service UAF - \$000	0.1	0.0	0.0	0.0	0.0	-	-	-	0.0	0.0	0.0	0.1	0.3
7	Total Forecast Recovered Gas Costs - \$000	<u>\$ 188.4</u>	<u>\$ 152.3</u>	<u>\$ 143.8</u>	<u>\$ 74.7</u>	<u>\$ 41.5</u>	<u>\$ 21.1</u>	<u>\$ 15.4</u>	<u>\$ 19.2</u>	<u>\$ 36.1</u>	<u>\$ 80.9</u>	<u>\$ 143.8</u>	<u>\$ 189.3</u>	<u>\$ 1,106.5</u>
8														
9														
10														
11	<u>INCURRED GAS COSTS</u>													
12	Total Purchases Incl. UAF - TJ	90.6	73.2	69.1	35.9	20.0	10.1	7.4	9.2	17.4	38.9	69.1	91.0	532.0
13														
14	Incurred Cost - \$/GJ	2.273	2.317	2.289	2.130	2.125	2.124	2.190	2.172	2.124	2.161	2.492	2.656	
15														
16	Forecast Incurred Gas Costs - \$000	<u>\$ 205.9</u>	<u>\$ 169.7</u>	<u>\$ 158.3</u>	<u>\$ 76.5</u>	<u>\$ 42.4</u>	<u>\$ 21.5</u>	<u>\$ 16.3</u>	<u>\$ 20.0</u>	<u>\$ 36.9</u>	<u>\$ 84.1</u>	<u>\$ 172.3</u>	<u>\$ 241.7</u>	<u>\$ 1,245.6</u>
17														
18														
19														
20	<u>GCRA BALANCE</u>													
21	Opening Balances (Pre-Tax) - \$000 ^(a)	\$ (138.9)	\$ (121.4)	\$ (104.0)	\$ (89.5)	\$ (87.7)	\$ (86.8)	\$ (86.4)	\$ (85.6)	\$ (84.7)	\$ (84.0)	\$ (80.8)	\$ (52.3)	
22	Forecast Activity - \$000	17.5	17.4	14.5	1.8	0.9	0.4	0.8	0.8	0.8	3.2	28.5	52.5	\$ 139.1
23	Closing Balances (Pre-tax) - \$000	<u>\$ (121.4)</u>	<u>\$ (104.0)</u>	<u>\$ (89.5)</u>	<u>\$ (87.7)</u>	<u>\$ (86.8)</u>	<u>\$ (86.4)</u>	<u>\$ (85.6)</u>	<u>\$ (84.7)</u>	<u>\$ (84.0)</u>	<u>\$ (80.8)</u>	<u>\$ (52.3)</u>	<u>\$ 0.2</u>	
24														
25														
26	Tax Rate	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	
27														
28	Opening Balances (After-Tax) - \$000	\$ (102.8)	\$ (89.8)	\$ (77.0)	\$ (66.3)	\$ (64.9)	\$ (64.3)	\$ (63.9)	\$ (63.3)	\$ (62.7)	\$ (62.1)	\$ (59.8)	\$ (38.7)	
29	Closing Balances (After Tax) - \$000	<u>\$ (89.8)</u>	<u>\$ (77.0)</u>	<u>\$ (66.3)</u>	<u>\$ (64.9)</u>	<u>\$ (64.3)</u>	<u>\$ (63.9)</u>	<u>\$ (63.3)</u>	<u>\$ (62.7)</u>	<u>\$ (62.1)</u>	<u>\$ (59.8)</u>	<u>\$ (38.7)</u>	<u>\$ 0.1</u>	

Notes:

(a) Pre-tax opening balances are restated based on current income taxes, to reflect grossed-up after tax amounts.

Slight differences in totals due to rounding.

**FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
RECOVERED AND INCURRED COSTS SUMMARY
FOR THE PERIOD JANUARY 1, 2018 TO DECEMBER 31, 2018
AT PROPOSED GAS COST RECOVERY RATES
FORWARD PRICES - NOVEMBER 8, 9, 10, 14, AND 15, 2016**

Line No.	Particulars	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	13-24 month Forecast Total
	(1)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)
1	<u>RECOVERED GAS COSTS</u>													
2	Total Sales - TJ	88.6	71.5	67.6	35.1	19.5	10.0	7.3	9.0	17.0	38.1	67.6	89.0	520.3
3	T-Service UAF - TJ	0.0	0.0	0.0	0.0	0.0	-	-	-	0.0	0.0	0.0	0.0	0.1
4														
5	Recovery on Sales - \$000	\$ 184.8	\$ 149.1	\$ 141.0	\$ 73.2	\$ 40.7	\$ 20.9	\$ 15.2	\$ 18.8	\$ 35.5	\$ 79.5	\$ 141.0	\$ 185.7	\$ 1,085.3
6	Recovery on T-Service UAF - \$000	0.0	0.0	0.0	0.0	0.0	-	-	-	0.0	0.0	0.0	0.1	0.3
7	Total Forecast Recovered Gas Costs - \$000	<u>\$ 184.9</u>	<u>\$ 149.2</u>	<u>\$ 141.1</u>	<u>\$ 73.2</u>	<u>\$ 40.7</u>	<u>\$ 20.9</u>	<u>\$ 15.2</u>	<u>\$ 18.8</u>	<u>\$ 35.5</u>	<u>\$ 79.5</u>	<u>\$ 141.1</u>	<u>\$ 185.7</u>	<u>\$ 1,085.6</u>
8														
9														
10														
11	<u>INCURRED GAS COSTS</u>													
12	Total Purchases Incl. UAF - TJ	88.9	71.7	67.8	35.2	19.6	10.0	7.3	9.0	17.1	38.2	67.8	89.3	522.0
13														
14	Incurred Cost - \$/GJ	2.741	2.702	2.632	2.165	2.182	2.138	2.228	2.179	2.132	2.217	2.288	2.463	
15														
16	Forecast Incurred Gas Costs - \$000	<u>\$ 243.6</u>	<u>\$ 193.8</u>	<u>\$ 178.5</u>	<u>\$ 76.2</u>	<u>\$ 42.7</u>	<u>\$ 21.4</u>	<u>\$ 16.3</u>	<u>\$ 19.7</u>	<u>\$ 36.4</u>	<u>\$ 84.7</u>	<u>\$ 155.2</u>	<u>\$ 219.9</u>	<u>\$ 1,288.5</u>
17														
18														
19														
20	<u>GCRA BALANCE</u>													
21	Opening Balances (Pre-Tax) - \$000 ^(a)	\$ 0.2	\$ 59.0	\$ 103.6	\$ 141.0	\$ 144.0	\$ 146.0	\$ 146.6	\$ 147.7	\$ 148.6	\$ 149.5	\$ 154.7	\$ 168.8	
22	Forecast Activity - \$000	58.8	44.6	37.4	3.0	2.0	0.6	1.1	0.9	0.9	5.3	14.1	34.2	\$ 202.9
23	Closing Balances (Pre-tax) - \$000	<u>\$ 59.0</u>	<u>\$ 103.6</u>	<u>\$ 141.0</u>	<u>\$ 144.0</u>	<u>\$ 146.0</u>	<u>\$ 146.6</u>	<u>\$ 147.7</u>	<u>\$ 148.6</u>	<u>\$ 149.5</u>	<u>\$ 154.7</u>	<u>\$ 168.8</u>	<u>\$ 203.0</u>	
24														
25														
26	Tax Rate	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	
27														
28	Opening Balances (After-Tax) - \$000	\$ 0.1	\$ 43.6	\$ 76.7	\$ 104.4	\$ 106.6	\$ 108.1	\$ 108.5	\$ 109.3	\$ 109.9	\$ 110.6	\$ 114.5	\$ 124.9	
29	Closing Balances (After Tax) - \$000	<u>\$ 43.6</u>	<u>\$ 76.7</u>	<u>\$ 104.4</u>	<u>\$ 106.6</u>	<u>\$ 108.1</u>	<u>\$ 108.5</u>	<u>\$ 109.3</u>	<u>\$ 109.9</u>	<u>\$ 110.6</u>	<u>\$ 114.5</u>	<u>\$ 124.9</u>	<u>\$ 150.3</u>	

Notes:

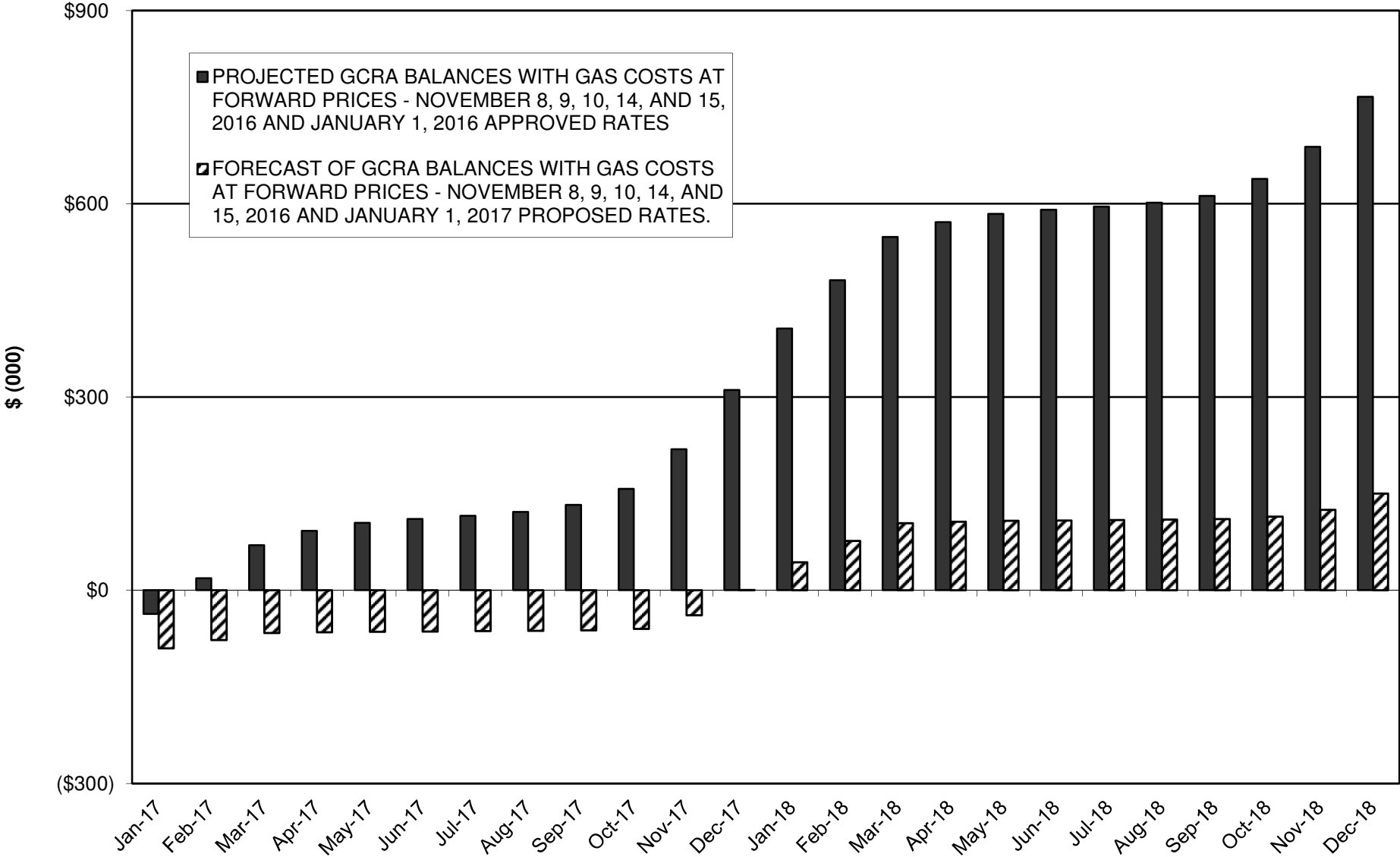
(a) Pre-tax opening balances are restated based on current income taxes, to reflect grossed-up after tax amounts.

Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
GCRA AFTER TAX BALANCES (\$000)
FOR THE PERIOD ENDING DECEMBER 31, 2018
AT PROPOSED GAS COST RECOVERY RATES

Line No.	Particulars	2016 Q4 Gas Cost Report January 1, 2017 Proposed Rates Forward Prices - November 8, 9, 10, 14, and 15, 2016		2016 Q4 Gas Cost Report January 1, 2016 Rates Forward Prices - November 8, 9, 10, 14, and 15, 2016	
		(1)	(2)	(3)	(3)
1	2016 Nov	Projected	\$ (169.7)	Projected	\$ (169.7)
2	Dec	↓	\$ (102.8)	↓	\$ (102.8)
3	2017 Jan	↓	\$ (89.8)	↓	\$ (36.9)
4	Feb	↓	\$ (77.0)	↓	\$ 18.7
5	Mar		\$ (66.3)		\$ 69.8
6	Apr		\$ (64.9)		\$ 92.2
7	May		\$ (64.3)		\$ 104.5
8	Jun		\$ (63.9)		\$ 110.7
9	Jul		\$ (63.3)		\$ 115.7
10	Aug		\$ (62.7)		\$ 121.7
11	Sep		\$ (62.1)		\$ 132.4
12	Oct		\$ (59.8)		\$ 157.5
13	Nov		\$ (38.7)		\$ 219.0
14	Dec		\$ 0.1		\$ 310.9
15	2018 Jan		\$ 43.6		\$ 406.4
16	Feb		\$ 76.7		\$ 481.3
17	Mar		\$ 104.4		\$ 548.6
18	Apr		\$ 106.6		\$ 571.4
19	May		\$ 108.1		\$ 584.3
20	Jun		\$ 108.5		\$ 590.6
21	Jul		\$ 109.3		\$ 595.7
22	Aug		\$ 109.9		\$ 601.6
23	Sep		\$ 110.6		\$ 612.2
24	Oct		\$ 114.5		\$ 638.5
25	Nov		\$ 124.9		\$ 688.5
26	Dec		\$ 150.3		\$ 766.0

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
GCRA AFTER TAX BALANCES BY MONTH
FOR THE PERIOD ENDING DECEMBER 2018



FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY FOR
RATE 1 DOMESTIC SERVICE
PROPOSED January 1, 2017 RATES
BCUC ORDER NO. G-162-16 G-XX-16

Line No.	Schedule (1)	Tariff Page (2)	Particulars (3)	January 1, 2016 Existing Rates (4)	Proposed ^(1*) Changes (5)	January 1, 2017 Proposed Rates (6)
1	Rate 1	No. 1	Option A			
2						
3			Minimum Daily Charge			
4			plus \$0.0391 times			
5			the amount of the promotional			
6			incentive divided by \$100			
7			(includes the first 2 Gigajoules per month prorated to daily basis)			
8						
9			Delivery Charge per Day	\$0.4048	\$0.0273	\$0.4321
10			Revenue Stabilization Adjustment Amount per Day	\$0.0051	\$0.0125	\$0.0176
11			Gas Cost Recovery Charge Prorated to Daily Basis	\$0.0850	\$0.0521	\$0.1371
12			Minimum Daily Charge (includes first 2 gigajoules)	\$0.4949	\$0.0919	\$0.5868
13						
14			Delivery Charge per GJ	\$3.138	\$0.212	\$3.350
15			Revenue Stabilization Adjustment Amount per GJ	\$0.078	\$0.190	\$0.268
16			Gas Cost Recovery Charge per GJ	\$1.294	\$0.792	\$2.086
17			Next 28 Gigajoules in any month	\$4.510	\$1.194	\$5.704
18						
19			Delivery Charge per GJ	\$3.048	\$0.206	\$3.254
20			Revenue Stabilization Adjustment Amount per GJ	\$0.078	\$0.190	\$0.268
21			Gas Cost Recovery Charge per GJ	\$1.294	\$0.792	\$2.086
22			Excess of 30 Gigajoules in any month	\$4.420	\$1.188	\$5.608
23						
24						
25	Rate 1	No. 1.1	Option B			
26						
27			Delivery Charge per Day	\$0.4048	\$0.0273	\$0.4321
28			Revenue Stabilization Adjustment Amount per Day	\$0.0051	\$0.0125	\$0.0176
29			Gas Cost Recovery Charge Prorated to Daily Basis	\$0.0850	\$0.0521	\$0.1371
30			Minimum Daily Charge (includes first 2 gigajoules)	\$0.4949	\$0.0919	\$0.5868
31						
32			Delivery Charge per GJ	\$3.138	\$0.212	\$3.350
33			Revenue Stabilization Adjustment Amount per GJ	\$0.078	\$0.190	\$0.268
34			Gas Cost Recovery Charge per GJ	\$1.294	\$0.792	\$2.086
35			Next 28 Gigajoules in any month	\$4.510	\$1.194	\$5.704
36						
37			Delivery Charge per GJ	\$3.048	\$0.206	\$3.254
38			Revenue Stabilization Adjustment Amount per GJ	\$0.078	\$0.190	\$0.268
39			Gas Cost Recovery Charge per GJ	\$1.294	\$0.792	\$2.086
40			Excess of 30 Gigajoules in any month	\$4.420	\$1.188	\$5.608

Note: (1*) The RSAM Rider is approved and the Delivery charges are proposed, subject to compliance filing pursuant to Order G-162-16, regarding the FEI 2017-2018 Revenue Requirements and Rates Application for the Fort Nelson Service Area.

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY FOR
RATES 2.1, 2.2 & 2.3 GENERAL SERVICE
PROPOSED January 1, 2017 RATES
BCUC ORDER NO. G-162-16 G-XX-16

Line No.	Schedule (1)	Tariff Page (2)	Particulars (3)	January 1, 2016 Existing Rates (4)	Proposed ⁽¹⁾ Changes (5)	January 1, 2017 Proposed Rates (6)
1	Rate 2.1	No. 2	Delivery Charge per Day	\$1.1782	\$0.0784	\$1.2566
2			Revenue Stabilization Adjustment Amount per Day	\$0.0051	\$0.0125	\$0.0176
3			Gas Cost Recovery Charge Prorated to Daily Basis	\$0.0850	\$0.0521	\$0.1371
4			Minimum Daily Charge (includes first 2 gigajoules)	\$1.2683	\$0.1430	\$1.4113
5						
6			Delivery Charge per GJ	\$3.531	\$0.245	\$3.776
7			Revenue Stabilization Adjustment Amount per GJ	\$0.078	\$0.190	\$0.268
8			Gas Cost Recovery Charge per GJ	\$1.294	\$0.792	\$2.086
9			Next 298 Gigajoules in any month	\$4.903	\$1.227	\$6.130
10						
11			Delivery Charge per GJ	\$3.421	\$0.228	\$3.649
12			Revenue Stabilization Adjustment Amount per GJ	\$0.078	\$0.190	\$0.268
13			Gas Cost Recovery Charge per GJ	\$1.294	\$0.792	\$2.086
14			Excess of 300 Gigajoules in any month	\$4.793	\$1.210	\$6.003
15						
16	Rate 2.2	No. 2	Delivery Charge per Day	\$1.1782	\$0.0784	\$1.2566
17			Revenue Stabilization Adjustment Amount per Day	\$0.0051	\$0.0125	\$0.0176
18			Gas Cost Recovery Charge Prorated to Daily Basis	\$0.0850	\$0.0521	\$0.1371
19			Minimum Daily Charge (includes first 2 gigajoules)	\$1.2683	\$0.1430	\$1.4113
20						
21			Delivery Charge per GJ	\$3.531	\$0.245	\$3.776
22			Revenue Stabilization Adjustment Amount per GJ	\$0.078	\$0.190	\$0.268
23			Gas Cost Recovery Charge per GJ	\$1.294	\$0.792	\$2.086
24			Next 298 Gigajoules in any month	\$4.903	\$1.227	\$6.130
25						
26			Delivery Charge per GJ	\$3.421	\$0.228	\$3.649
27			Revenue Stabilization Adjustment Amount per GJ	\$0.078	\$0.190	\$0.268
28			Gas Cost Recovery Charge per GJ	\$1.294	\$0.792	\$2.086
29			Excess of 300 Gigajoules in any month	\$4.793	\$1.210	\$6.003
30						
31	Rate 2.3	No. 2.1	Delivery Charge per Month	\$36.480	\$2.430	\$38.910
32			Gas Cost Recovery Charge per Month	\$2.588	\$1.584	\$4.172
33			Minimum Monthly Charge (includes first 2 gigajoules)	\$39.07	\$4.014	\$43.08
34						
35			Delivery Charge per GJ	\$4.483	\$0.298	\$4.781
36			Gas Cost Recovery Charge per GJ	\$1.294	\$0.792	\$2.086
37			Next 298 Gigajoules in any month	\$5.777	\$1.090	\$6.867
38						
39			Delivery Charge per GJ	\$4.368	\$0.291	\$4.659
40			Gas Cost Recovery Charge per GJ	\$1.294	\$0.792	\$2.086
41			Excess of 300 Gigajoules in any month	\$5.662	\$1.083	\$6.745

Note: (1*) The RSAM Rider is approved and the Delivery charges are proposed, subject to compliance filing pursuant to Order G-162-16, regarding the FEI 2017-2018 Revenue Requirements and Rates Application for the Fort Nelson Service Area.

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY FOR
RATES 3.1, 3.2 & 3.3 INDUSTRIAL SERVICE
PROPOSED January 1, 2017 RATES
BCUC ORDER NO. G-162-16 G-XX-16

Line No.	Schedule (1)	Tariff Page (2)	Particulars (3)	January 1, 2016 Existing Rates (4)	Proposed ⁽¹⁾ Changes (5)	January 1, 2017 Proposed Rates (6)
1	Rate 3.1	No. 3	Delivery Charge			
2						
3			First 20 Gigajoules in any month	\$3.873	\$0.313	\$4.186
4			Next 260 Gigajoules in any month	\$3.590	\$0.294	\$3.884
5			Excess over 280 Gigajoules in any month	\$2.929	\$0.250	\$3.179
6						
7			Rider 5 - Revenue Stabilization Adjustment Charge per GJ	\$0.078	\$0.190	\$0.268
8			Gas Cost Recovery Charge per Gigajoule	\$1.294	\$0.792	\$2.086
9						
10			Minimum Monthly Delivery Charge	\$1,826.00	\$0.00	\$1,826.00
11						
12						
13	Rate 3.2	No. 3	Delivery Charge			
14						
15			First 20 Gigajoules in any month	\$3.873	\$0.313	\$4.186
16			Next 260 Gigajoules in any month	\$3.590	\$0.294	\$3.884
17			Excess over 280 Gigajoules in any month	\$2.929	\$0.250	\$3.179
18						
19			Rider 5 - Revenue Stabilization Adjustment Charge per GJ	\$0.078	\$0.190	\$0.268
20			Gas Cost Recovery Charge per Gigajoule	\$1.294	\$0.792	\$2.086
21						
22			Minimum Monthly Delivery Charge	\$1,826.00	\$0.00	\$1,826.00
23						
24						
25	Rate 3.3	No. 3.1	Delivery Charge			
26						
27			First 20 Gigajoules in any month	\$3.873	\$0.313	\$4.186
28			Next 260 Gigajoules in any month	\$3.590	\$0.294	\$3.884
29			Excess over 280 Gigajoules in any month	\$2.929	\$0.250	\$3.179
30						
31			Rider 5 - Revenue Stabilization Adjustment Charge per GJ	\$0.078	\$0.190	\$0.268
32			Gas Cost Recovery Charge per Gigajoule	\$1.294	\$0.792	\$2.086
33						
34			Minimum Monthly Delivery Charge	\$1,826.00	\$0.00	\$1,826.00

Note: (1*) The RSAM Rider is approved and the Delivery charges are proposed, subject to compliance filing pursuant to Order G-162-16, regarding the FEI 2017-2018 Revenue Requirements and Rates Application for the Fort Nelson Service Area.

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
IMPACT ON CUSTOMERS BILLS
BCUC ORDER NO. G-162-16 G-XX-16

RATE 1 - DOMESTIC (RESIDENTIAL) SERVICE - OPTION B

Line No.	Existing January 1, 2016 Rates				January 1, 2017 Proposed Rates				Annual Increase/(Decrease)		
	Volume		Rate	Annual \$	Volume		Rate	Annual \$	Rate	Annual \$	% of Previous Annual Bill
1	Rate 1 Domestic Service Option B										
2											
3	<u>Monthly Charge</u>										
4	365.25	days x	\$0.4048	\$147.8532	365.25	days x	\$0.4321	\$157.8245	\$0.0273	\$9.9713	1.46%
5	365.25	days x	\$0.0051	1.8628	365.25	days x	\$0.0176	6.4284	\$0.0125	\$4.5656	0.67%
6	365.25	days x	\$0.0850	31.0463	365.25	days x	\$0.1371	50.0758	\$0.0521	\$19.0295	2.79%
7			\$0.4949	\$180.76			\$0.5868	\$214.33	\$0.0919	\$33.57	4.93%
8											
9	<u>Next 28 Gigajoules in any month</u>										
10	111	GJ x	\$3.138	\$348.3180	111	GJ x	\$3.350	\$371.8500	\$0.212	\$23.532	3.45%
11	111	GJ x	0.078	8.6580	111	GJ x	0.268	29.7480	0.190	21.090	3.10%
12	111	GJ x	1.294	143.6340	111	GJ x	2.086	231.5460	0.792	87.912	12.90%
13			\$4.510	\$500.61			\$5.704	\$633.14	\$1.194	\$132.53	19.45%
14											
15	<u>Excess of 30 Gigajoules in any month</u>										
16	0	GJ x	\$3.048	\$0.0000	0	GJ x	\$3.254	\$0.0000	\$0.206	\$0.000	0.00%
17	0	GJ x	0.078	0.0000	0	GJ x	0.268	0.0000	0.190	0.000	0.00%
18	0	GJ x	1.294	0.0000	0	GJ x	2.086	0.0000	0.792	0.000	0.00%
19			\$4.420	\$0.00			\$5.608	\$0.00	\$1.188	\$0.00	0.00%
20											
21	<u>135</u>	GJ	\$681.37		<u>135</u>	GJ	\$847.47		\$166.10		24.38%
22											
23	<u>Summary of Annual Delivery and Commodity Charges</u>										
24				\$506.69				\$565.85	\$59.16	8.68%	
25				174.68				281.62	106.94	15.69%	
26				\$681.37				\$847.47	\$166.10	24.38%	

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

**FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
IMPACT ON CUSTOMERS BILLS
BCUC ORDER NO. G-162-16 G-XX-16**

RATE 2.1 - GENERAL (COMMERCIAL) SERVICE

Line No.	Existing January 1, 2016 Rates					January 1, 2017 Proposed Rates					Annual Increase/(Decrease)			
	Volume		Rate		Annual \$	Volume		Rate		Annual \$	Rate	Annual \$	% of Previous Annual Bill	
1	Rate 2.1 General Service													
2														
3	<u>Monthly Charge</u>													
4	365.25	days x	\$1.1782	=	\$430.3376	365.25	days x	\$1.2566	=	\$458.9732	\$0.0784	\$28.6356	1.14%	
5	365.25	days x	\$0.0051	=	1.8628	365.25	days x	\$0.0176	=	6.4284	\$0.0125	\$4.5656	0.18%	
6	365.25	days x	\$0.0850	=	31.0463	365.25	days x	\$0.1371	=	50.0758	\$0.0521	\$19.0295	0.76%	
7	Minimum Monthly Charge (includes the first 2 gigajoules)										\$0.1430	\$52.23	2.09%	
8														
9	<u>Next 298 Gigajoules in any month</u>													
10	416	GJ x	\$3.531	=	\$1,468.8960	416	GJ x	\$3.776	=	\$1,570.8160	\$0.245	\$101.920	4.07%	
11	416	GJ x	0.078	=	32.4480	416	GJ x	0.268	=	111.4880	0.190	79.040	3.16%	
12	416	GJ x	1.294	=	538.3040	416	GJ x	2.086	=	867.7760	0.792	329.472	13.16%	
13	Total Charges per GJ										\$1.227	\$510.43	20.39%	
14														
15	<u>Excess of 300 Gigajoules in any month</u>													
16	0	GJ x	\$3.421	=	\$0.0000	0	GJ x	\$3.649	=	\$0.0000	\$0.228	\$0.000	0.00%	
17	0	GJ x	0.078	=	0.0000	0	GJ x	0.268	=	0.0000	0.190	0.000	0.00%	
18	0	GJ x	1.294	=	0.0000	0	GJ x	2.086	=	0.0000	0.792	0.000	0.00%	
19	Total Charges per GJ										\$1.210	\$0.00	0.00%	
20														
21	Total		440	GJ	\$2,502.90	440	GJ	\$3,065.56					\$562.66	22.48%
22														
23	<u>Summary of Annual Delivery and Commodity Charges</u>													
24	Delivery Charge (including RSAM)										\$214.16		8.56%	
25	Commodity Charge										348.50		13.92%	
26	Total										\$562.67		22.48%	

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

**FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA
IMPACT ON CUSTOMERS BILLS
BCUC ORDER NO. G-162-16 G-XX-16**

RATE 2.2 - GENERAL (COMMERCIAL) SERVICE

Line No.		Existing January 1, 2016 Rates			January 1, 2017 Proposed Rates			Annual Increase/(Decrease)		
		Volume	Rate	Annual \$	Volume	Rate	Annual \$	Rate	Annual \$	% of Previous Annual Bill
1	Rate 2.2 General Service									
2										
3	<u>Monthly Charge</u>									
4	Delivery Charge per Day	365.25	days x \$1.1782	= \$430.3376	365.25	days x \$1.2566	= \$458.9732	\$0.0784	\$28.6356	0.07%
5	Rider 5 - RSAM per Day	365.25	days x \$0.0051	= 1.8628	365.25	days x \$0.0176	= 6.4284	\$0.0125	\$4.5656	0.01%
6	Gas Cost Recovery Charge Prorated to Daily Basis	365.25	days x \$0.0850	= 31.0463	365.25	days x \$0.1371	= 50.0758	\$0.0521	\$19.0295	0.05%
7	Minimum Monthly Charge (includes the first 2 gigajoules)		\$1.2683	\$463.25		\$1.4113	\$515.48	\$0.1430	\$52.23	0.13%
8										
9	<u>Next 298 Gigajoules in any month</u>									
10	Delivery Charge per GJ	3,576	GJ x \$3.531	= \$12,626.8560	3,576	GJ x \$3.776	= \$13,502.9760	\$0.245	\$876.120	2.21%
11	Rider 5 - RSAM per GJ	3,576	GJ x 0.078	= 278.9280	3,576	GJ x 0.268	= 958.3680	0.190	679.440	1.72%
12	Gas Cost Recovery Charge per GJ	3,576	GJ x 1.294	= 4,627.3440	3,576	GJ x 2.086	= 7,459.5360	0.792	2,832.192	7.16%
13	Total Charges per GJ		\$4.903	\$17,533.13		\$6.130	\$21,920.88	\$1.227	\$4,387.75	11.09%
14										
15	<u>Excess of 300 Gigajoules in any month</u>									
16	Delivery Charge per GJ	4,500	GJ x \$3.421	= \$15,394.5000	4,500	GJ x \$3.649	= \$16,420.5000	\$0.228	\$1,026.000	2.59%
17	Rider 5 - RSAM per GJ	4,500	GJ x 0.078	= 351.0000	4,500	GJ x 0.268	= 1,206.0000	0.190	855.000	2.16%
18	Gas Cost Recovery Charge per GJ	4,500	GJ x 1.294	= 5,823.0000	4,500	GJ x 2.086	= 9,387.0000	0.792	3,564.000	9.01%
19	Total Charges per GJ		\$4.793	\$21,568.50		\$6.003	\$27,013.50	\$1.210	\$5,445.00	13.76%
20										
21	Total	<u>8,100</u>	GJ	\$39,564.88	<u>8,100</u>	GJ	\$49,449.86	\$9,884.98	24.98%	
22										
23	<u>Summary of Annual Delivery and Commodity Charges</u>									
24	Delivery Charge (including RSAM)			\$29,083.48			\$32,553.25	\$3,469.76		8.77%
25	Commodity Charge			10,481.39			16,896.61	6,415.22		16.21%
26	Total			\$39,564.87			\$49,449.86	\$9,884.99		24.98%

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



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 Fourth Quarter Gas Cost Report

And Rate Changes effective January 1, 2017

For the Fort Nelson Service Area

BEFORE:

Panel Chair/Commissioner

Commissioner

Commissioner

on Date

ORDER

WHEREAS:

- A. By Order No. G-189-15 dated December 3, 2015 the British Columbia Utilities Commission (the Commission) approved the Gas Cost Recovery Charge for the Fort Nelson Service Area, effective January 1, 2016;
- B. On November 23, 2016, FEI filed its 2016 Fourth Quarter Report on the Gas Cost Reconciliation Account (GCRA) balance and Gas Cost Recovery Charges for the Fort Nelson Service Area effective January 1, 2017, that were based on the five-day average of the November 8, 9, 10, 14, and 15, 2016 forward gas prices (the 2016 Fourth Quarter Report);
- C. The 2016 Fourth Quarter Report forecast that commodity cost recoveries at the existing rate would be 62.0 percent of costs for the following 12 months, and the proposed rate increase related to the forecast under recovery of gas costs would be \$0.792/GJ, which exceeds the rate change threshold indicating that a change to the commodity rate is required effective January 1, 2017;
- D. FEI requested approval to flow-through an increase of \$0.792/GJ to the Gas Cost Recovery Charge from \$1.294/GJ to \$2.086/GJ effective January 1, 2017;
- E. The proposed Gas Cost Recovery Charge requested within the 2016 Fourth Quarter Report would be equivalent to an increase of approximately \$107 or 15.7 percent per year on a typical Fort Nelson residential customer's annual bill based on an average annual consumption of 135 GJ;
- F. FEI requests that the forecast gas cost information in Tab 5 of the Application be held confidential, on the basis that it contains market sensitive information;
- G. The Commission has determined that the requested changes, as outlined in the 2016 Fourth Quarter Report, should be approved.

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

1. The Commission approves a \$0.792/GJ increase in the Gas Cost Recovery Charge for Fort Nelson Service Area to \$2.086/GJ effective January 1, 2017, as set out in FEI's 2016 Fourth Quarter Report for Fort Nelson Service Area.
2. FEI will notify all customers that are affected by the rate changes with a bill insert or bill message to be included with the next monthly gas billing.
3. The Commission will hold the information in Tab 5 of the Application confidential.

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

BY ORDER

(X. X. last name)
Commissioner