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September 26, 2017

British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC
V6Z 2N3

Attention: Mr. Patrick Wruck, Commission Secretary and Manager, Regulatory Support

Dear Mr. Wruck:

Re: FortisBC Energy Inc. (FEI or the Company)

**Multi-Year Performance Based Ratemaking Plan for 2014 through 2019
approved by British Columbia Utilities Commission (the Commission) Order G-
138-14 (PBR Plan) – Annual Review for 2018 Rates (the Application)**

Evidentiary Update to the Application (Exhibit B-2)

On August 4, 2017, FEI filed the Application referenced above. On September 26, 2017, FEI filed its responses to information requests in the proceeding, which stated that the Company would be filing this Evidentiary Update concurrently with its responses. The following two items have resulted in changes to the Application and resulting revenue surplus effective January 1, 2018, which are reflected in this Evidentiary Update:

1. Change to the completion date for the Tilbury Expansion project; and
2. Update to AWE-BC.

Each of the two items is discussed in more detail below.

1. Tilbury Completion Date

As described in the response to CEC IR 1.19.2, the completion of the Tilbury Expansion Project has been delayed at least until the end of 2017. As a consequence, FEI has revised the date for the Tilbury Expansion to be included in rate base to January 1, 2018. The Tilbury Expansion Project will continue to attract Allowance for Funds Used During Construction (AFUDC) until December 31, 2017, and the reduction to the 2017 Revenue Surplus deferral account of \$5.177 million, as discussed in Section 12.4.1.1 of the Application, is consequently eliminated. As described in the response to BCUC IR 1.17.1, there is also a change to both 2017 Projected and 2018 Forecast gross O&M for the Tilbury Expansion due primarily to the delayed completion date.

The changes discussed above have also resulted in an amended projection of the 2017 Flow-Through deferral account related to changes in O&M, interest, and taxes on the Tilbury

Expansion Project of \$4.385 million¹ and a corresponding change to the 2018 amortization of this deferral account. FEI provides an amended Table 12-5 below to reflect these changes.

Amended Table 12-5: 2017 Flow-through Deferral Account Additions (\$ millions)

Line No.	Particulars	Reference	2017 Approved	2017 Projected	After-Tax Flow-Through Variance
	(1)	(2)	(3)	(4)	(5)
1	Delivery Margin				
2	Residential (Rate 1)		\$ (452.786)	\$ (452.833)	\$ (0.047)
3	Commercial (Rate 2, 3, 23)		(221.003)	(220.652)	0.351
4	Industrial (All Others)		(100.926)	(104.773)	(3.847)
5	Total Delivery Margin		(774.715)	(778.258)	(3.543)
6					
7	O&M Tracked outside of Formula				
8	Insurance		5.529	5.300	(0.229)
9	Bio-Methane		0.976	1.044	0.068
10	Bio-Methane O&M transferred to BVA		(0.912)	(1.001)	(0.089)
11	NGT O&M		1.557	1.365	(0.192)
12	LNG Production O&M		4.975	3.746	(1.229)
13					
14	Property and Sundry Taxes		67.450	65.210	(2.240)
15					
16	Depreciation and Amortization		199.526	200.141	0.615
17					
18	Other Operating Revenue		(42.958)	(42.555)	0.403
19					
20	Interest Expense		122.183	122.784	0.601
21					
22	Income Taxes		35.651	40.066	4.415
23					
24	2017 After-Tax Flow-Through Addition to Deferral Account (excluding Financing)				(1.420)
25					
26	2016 Ending Deferral Account Balance True-up				(10.431)
27	2017 Financing True-up				(0.651)
28	2018 Financing Addition to Deferral Account				(0.353)
29					
30	2018 After-Tax Amortization				(12.855)

2. Update to AWE-BC

At the time of filing the Application, the latest available AWE-BC result was for May 2017, which was used as a placeholder for June 2017. The June AWE-BC result is now available, and is \$944.56 as compared to \$939.99 used in the Application (June 2017 placeholder). During the issuance of the June AWE-BC results, Statistics Canada updated the May AWE-BC results to \$939.88, as compared to \$939.99 and this amount has also been updated in FEI's I-Factor calculation.

Summary of Impacts:

The combined impact of the items identified above, when added to the original \$3.824 million 2018 revenue surplus identified in the Application, is a 2018 revenue surplus of \$7.960

¹ Projected 2017 Flow-through Deferral account refund was \$8.470 million and is now a \$12.855 million.

million. This amount, in combination with the forecast 2017 revenue surplus of \$32.012 million (excluding AFUDC on the 2017 surplus), would result in a rate decrease of approximately 5.0 percent. To avoid this rate decrease in 2018, followed by a delivery rate increase in 2019 when the Lower Mainland Intermediate Presssure System Upgrade (LMIPSU) Project enters rate base, FEI is continuing to propose that instead of introducing this volatility into rates, FEI will hold 2018 delivery rates at existing levels (before consideration of riders), and record the forecast 2018 revenue surplus in the 2017-2018 Revenue Surplus account, to be used to offset future rate increases.

The impacts of each of the items and the amount to be recorded in the 2017-2018 Revenue Surplus deferral account in 2018 are set out in the table below.

Table 1: Revenue Requirement Impacts of Evidentiary Update

Evidentiary Update - 2018 Rates			
Line Item	Reference	Revenue Surplus Impact (\$ millions)	Delivery Rate Impact
August 4, 2017 Filing		\$ 3.824	0.48%
Tilbury Completion Date	CEC IR 1.19.2 & BCUC IR 1.17.1	4.181	0.53%
May/June AWE Update	Application, Page 20	(0.045)	-0.01%
September 26, 2017 Evidentiary Update (before Revenue Surplus deferral)		\$ 7.960	1.00%
Deferred Revenue Surplus		(7.960)	-1.00%
September 26, 2017 Evidentiary Update		\$ -	0.00%

FEI has completed the revisions to its financial schedules that result from the items listed above. Attached as Appendix A are revised Section 11 Financial Schedules which reflect the changes identified above. FEI has also attached an amended Draft Order to this Evidentiary Update as Appendix B.

If there are any further changes to FEI's 2018 delivery rates resulting from the Commission's decision in this Application, FEI proposes that amount be added to the revenue surplus deferral account so that delivery rates continue to remain at 2017 levels. Any such items will be reflected in the compliance filing following the Commission's decision in this Application.

If further information is required, please contact the undersigned.

Sincerely,

FORTISBC ENERGY INC.

Original signed:

Diane Roy

Attachments

cc (email only): Registered Parties

Appendix A

REVISED FINANCIAL SCHEDULES

**SUMMARY OF RATE CHANGE
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$millions)**

Schedule 1

Line No.	Particulars	2018 Forecast		Cross Reference
	(1)	(2)	(3)	(4)
1	VOLUME/REVENUE RELATED			
2	Customer Growth and Volume	\$ (47.318)		
3	Change in Other Revenue	(3.090)	(50.408)	
4				
5	O&M CHANGES			
6	Gross O&M Change	6.194		
7	Capitalized Overhead Change	(0.763)	5.431	
8				
9	DEPRECIATION EXPENSE			
10	Depreciation from Net Additions		21.639	
11				
12	AMORTIZATION EXPENSE			
13	CIAC from Net Additions	0.162		
14	Deferrals	0.885	1.047	
15				
16	FINANCING AND RETURN ON EQUITY			
17	Financing Rate Changes	(2.635)		
18	Financing Ratio Changes	(5.944)		
19	Rate Base Growth	43.249	34.670	
20				
21	TAX EXPENSE			
22	Property and Other Taxes	(0.293)		
23	Other Income Taxes Changes	11.966	11.673	
24				
25	2017 REVENUE SURPLUS		(32.012)	
26	2018 REVENUE SURPLUS		7.960	
27				
28	Revenue Deficiency (Surplus)	\$ -		Schedule 16, Line 11, Column 4
29				
30	Margin @ Existing Rates		822.033	Schedule 16, Line 15, Column 3
31	Rate Change		0.00%	

**UTILITY RATE BASE
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 2

Line No.	Particulars	2017 Approved (2)	2018 at Revised Rates (3)	Change (4)	Cross Reference (5)
1	Plant in Service, Beginning	\$ 5,666,380	\$ 5,831,382	\$ 165,002	Schedule 6.2, Line 35, Column 3
2	Opening Balance Adjustment	7,460	27,640	20,180	Schedule 6.2, Line 35, Column 4
3	Net Additions	148,052	787,647	639,595	Schedule 6.2, Line 35, Column 5+6+7
4	Plant in Service, Ending	5,821,892	6,646,669	824,777	
5					
6	Accumulated Depreciation Beginning	\$ (1,808,620)	\$ (1,931,842)	\$ (123,222)	Schedule 7.2, Line 35, Column 5
7	Opening Balance Adjustment	(133)	-	133	Schedule 7.2, Line 35, Column 6
8	Net Additions	(122,609)	(134,438)	(11,829)	Schedule 7.2, Line 35, Column 7+8
9	Accumulated Depreciation Ending	(1,931,362)	(2,066,280)	(134,918)	
10					
11	CIAC, Beginning	\$ (424,231)	\$ (427,702)	\$ (3,471)	Schedule 9, Line 6, Column 2
12	Opening Balance Adjustment	(270)	(1,167)	(897)	
13	Net Additions	(2,662)	(5,667)	(3,005)	Schedule 9, Line 6, Column 5+6
14	CIAC, Ending	(427,163)	(434,536)	(7,373)	
15					
16	Accumulated Amortization Beginning - CIAC	\$ 147,462	\$ 153,822	\$ 6,360	Schedule 9, Line 13, Column 2
17	Net Additions	6,071	8,828	2,757	Schedule 9, Line 13, Column 5+6
18	Accumulated Amortization Ending - CIAC	153,533	162,650	9,117	
19					
20	Net Plant in Service, Mid-Year	\$ 3,602,474	\$ 3,980,318	\$ 377,844	
21					
22	Adjustment for timing of Capital additions	\$ -	\$ 319,444	\$ 319,444	
23	Capital Work in Progress, No AFUDC	30,435	34,392	3,957	
24	Unamortized Deferred Charges	23,395	(16,030)	(39,425)	Schedule 11.1, Line 24, Column 10
25	Working Capital	48,842	51,921	3,079	Schedule 13, Line 14, Column 3
26	Deferred Income Taxes Regulatory Asset	407,048	435,237	28,189	Schedule 15, Line 6, Column 3
27	Deferred Income Taxes Regulatory Liability	(407,048)	(435,237)	(28,189)	Schedule 15, Line 6, Column 3
28	LIFO Benefit	(485)	(328)	157	
29					
30	Mid-Year Utility Rate Base	\$ 3,704,661	\$ 4,369,717	\$ 665,056	

**FORMULA INFLATION FACTORS
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Line No.	Particulars	Reference	2014	2015	2016	2017	2018	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Formula Cost Drivers							
2	CPI		0.473%	0.879%	0.980%	1.627%	1.979%	
3	AWE		2.277%	1.646%	2.050%	1.250%	1.473%	
4	Labour Split							
5	Non Labour		45.000%	45.000%	45.000%	45.000%	45.000%	
6	Labour		55.000%	55.000%	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%	1.420%	1.701%	
8	Productivity Factor		-1.100%	-1.100%	-1.100%	-1.100%	-1.100%	
9	Net Inflation Factor for Costs	Line 7 + Line 8	0.360%	0.201%	0.469%	0.320%	0.601%	
10								
11	Customer Growth Factor		0.260%	0.614%	0.567%	0.675%	0.715%	
12	Inflation Factor for Base Capital	(1 + Line 9) x (1 + Line 11)	100.621%	100.816%	101.039%	100.997%	101.320%	
13								
14	Service Line Additions Factor		-0.688%	-5.615%	16.249%	0.324%	11.302%	
15	Inflation Factor for Growth Capital	(1 + Line 9) x (1 + Line 14)	99.669%	94.575%	116.794%	100.645%	111.971%	

**CAPITAL EXPENDITURES
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 4

Line No.	Particulars	Growth CapEx	Other CapEx	Forecast CapEx	Total CapEx	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)
1	<u>2013</u>					
2	Base	\$ 21,881	\$ 99,243			
3	<u>2014</u>					
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	<u>2015</u>					
12	Net Inflation Factor	94.575%	100.816%			Schedule 3, Line 12 & 15, Column 4
13	Formula Capex	28,479	110,901			
14	<u>2016</u>					
15	Net Inflation Factor	116.794%	101.039%			Schedule 3, Line 12 & 15, Column 5
16	Formula Capex	33,262	112,053			
17	Less: Fort Nelson Intangible Plant	-	(66)			
18	Total	33,262	111,987			
19	<u>2017</u>					
20	Net Inflation Factor	100.645%	100.997%			Schedule 3, Line 12 & 15, Column 6
21	Formula Capex	\$ 33,477	\$ 113,104			
22	<u>2018</u>					
23	Net Inflation Factor	111.971%	101.320%			Schedule 3, Line 12 & 15, Column 7
24	Formula Capex	\$ 37,485	\$ 114,597		\$ 152,082	
25						
26	Capital Tracked Outside of Formula					
27	Pension & OPEB (Capital Portion)			\$ 3,128		
28	Biomethane Interconnect			840		
29	NGT Assets			7,690		
30	Total			\$ 11,658	11,658	
31						
32	Total Capital Expenditures Net of CIAC				\$ 163,740	
33						
34	Contributions in Aid of Construction				5,667	
35	System Extension Fund				1,000	
36						
37	Total Additions to Plant				<u>\$ 170,406</u>	
38						
39	<u>Notes</u>					
40	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, 2018
(\$000s)**

Schedule 5

Line No.	Particulars	2018 Formula	Cross Reference
	(1)	(2)	(3)
1	CAPEX		
2			
3	Growth Capital Expenditures	\$ 37,485	Schedule 4, Line 24, Column 2
4	Sustainment Capital Expenditures	114,597	Schedule 4, Line 24, Column 3
5	Forecast Capital Expenditures	11,658	Schedule 4, Line 30, Column 4
6	CIAC (Net of System Extension Fund)	6,666	Schedule 4, Lines 34 + 35, Column 5
7	Total Capital Expenditures	<u>\$ 170,406</u>	
8			
9	Special Projects and CPCN's		
10			
11	LMIPSU	\$ 164,618	
12	CTS	1,261	
13	Tilbury Expansion	25,000	
14	Total Capital Expenditures	<u>\$ 190,879</u>	
15			
16	Total Capital Expenditures	<u>\$ 361,285</u>	
17			
18			
19	RECONCILIATION OF CAPITAL EXPENDITURES TO PLANT		
20			
21	Regular Capital Expenditures	\$ 170,406	Line 7
22	Add - Capitalized Overheads	33,076	Schedule 20, Line 38, Column 4
23	Add - AFUDC	2,401	
24	Gross Capital Expenditures	<u>205,883</u>	
25	Change in Work in Progress	-	
26	Total Regular Additions to Plant	<u>\$ 205,883</u>	
27			
28	Special Projects and CPCN's Capital Expenditures	\$ 190,879	Line 14
29	Add - AFUDC	10,501	
30	Gross Capital Expenditures	<u>201,380</u>	
31	Change in Work in Progress	437,506	
32	Total Special Projects and CPCN Additions to Plant	<u>\$ 638,886</u>	
33			
34	Grand Total Additions to Plant	<u>\$ 844,769</u>	

**PLANT IN SERVICE CONTINUITY SCHEDULE
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 6

Line No.	Account	Particulars	12/31/2017	Opening Bal Adjustment	CPCN's	Additions	Retirements	12/31/2018	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1		INTANGIBLE PLANT							
2	175-10	Unamortized Conversion Expense	\$ 109	\$ -	\$ -	\$ -	\$ -	\$ 109	
3	175-00	Unamortized Conversion Expense - Squamish	777	-	-	-	-	777	
4	178-00	Organization Expense	728	-	-	-	-	728	
5	401-01	Franchise and Consents	297	-	-	-	-	297	
6	402-11	Utility Plant Acquisition Adjustment	62	-	-	-	-	62	
7	402-03	Other Intangible Plant	1,907	-	-	-	-	1,907	
8	440-02	Water/Land Rights Tilbury	-	-	-	-	-	-	
9	461-01	Transmission Land Rights	54,515	84	832	502	-	55,933	
10	461-02	Transmission Land Rights - Mt. Hayes	610	-	-	-	-	610	
11	461-12	Transmission Land Rights - Byron Creek	16	-	-	-	-	16	
12	461-13	IP Land Rights Whistler	87	-	-	-	-	87	
13	471-01	Distribution Land Rights	3,079	-	-	-	-	3,079	
14	471-11	Distribution Land Rights - Byron Creek	1	-	-	-	-	1	
15	402-01	Application Software - 12.5%	109,937	1,232	-	7,269	(7,157)	111,281	
16	402-02	Application Software - 20%	28,541	1,087	-	6,265	(3,098)	32,795	
17			\$ 200,666	\$ 2,403	\$ 832	\$ 14,036	\$ (10,255)	\$ 207,682	
18									
19		MANUFACTURED GAS / LOCAL STORAGE							
20	430-00	Manufact'd Gas - Land	\$ 31	\$ -	\$ -	\$ -	\$ -	\$ 31	
21	432-00	Manufact'd Gas - Struct. & Improvements	998	-	-	-	-	998	
22	433-00	Manufact'd Gas - Equipment	1,818	45	-	357	-	2,220	
23	434-00	Manufact'd Gas - Gas Holders	2,940	-	-	-	-	2,940	
24	436-00	Manufact'd Gas - Compressor Equipment	367	-	-	-	-	367	
25	437-00	Manufact'd Gas - Measuring & Regulating Equipment	875	-	-	-	-	875	
26	440-00	Land in Fee Simple and Land Rights (Tilbury)	15,164	-	-	-	-	15,164	
27	442-00	Structures & Improvements (Tilbury)	4,959	-	98,519	-	-	103,478	
28	443-00	Gas Holders - Storage (Tilbury)	16,499	-	70,371	-	-	86,870	
29	448-11	Piping (Tilbury)	-	-	60,988	-	-	60,988	
30	448-21	Pre-treatment (Tilbury)	-	-	46,914	-	-	46,914	
31	448-31	Liquefaction Equipment (Tilbury)	-	-	126,668	-	-	126,668	
32	449-00	Local Storage Equipment (Tilbury)	34,874	328	-	2,540	(21)	37,721	
33	440-01	Land in Fee Simple and Land Rights (Mount Hayes)	1,083	-	-	-	-	1,083	
34	442-01	Structures & Improvements (Mount Hayes)	17,310	-	-	-	-	17,310	
35	443-05	Gas Holders - Storage (Mount Hayes)	60,112	-	-	-	-	60,112	
36	448-41	Send out Equipment(Tilbury)	-	-	4,691	-	-	4,691	
37	448-51	Sub-station and Electric (Tilbury)	-	-	42,223	-	-	42,223	
38	448-61	Control Room (Tilbury)	-	-	14,074	-	-	14,074	
39	448-10	Piping (Mount Hayes)	11,488	-	-	-	-	11,488	
40	448-20	Pre-treatment (Mount Hayes)	28,714	-	-	-	-	28,714	
41	448-30	Liquefaction Equipment (Mount Hayes)	28,714	-	-	-	-	28,714	
42	448-40	Send out Equipment (Mount Hayes)	22,960	-	-	-	-	22,960	
43	448-50	Sub-station and Electric (Mount Hayes)	21,644	-	-	-	-	21,644	
44	448-60	Control Room (Mount Hayes)	5,900	-	-	-	-	5,900	
45	449-01	Local Storage Equipment (Mount Hayes)	6,363	-	-	-	-	6,363	
46			\$ 282,813	\$ 373	\$ 464,448	\$ 2,897	\$ (21)	\$ 750,510	

**PLANT IN SERVICE CONTINUITY SCHEDULE
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 6.1

Line No.	Account	Particulars	12/31/2017	Opening Bal Adjustment	CPCN's	Additions	Retirements	12/31/2018	Cross Reference
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
1		TRANSMISSION PLANT							
2	460-00	Land in Fee Simple	\$ 10,627	\$ -	\$ -	\$ -	\$ -	\$ 10,627	
3	461-00	Transmission Land Rights	1	-	-	-	-	1	
4	462-00	Compressor Structures	29,484	-	-	-	-	29,484	
5	463-00	Measuring Structures	14,018	-	-	-	-	14,018	
6	464-00	Other Structures & Improvements	6,485	-	-	-	-	6,485	
7	465-00	Mains	1,196,622	1,954	166,776	15,218	(1,364)	1,379,206	
8	465-20	Mains - INSPECTION	19,557	339	-	2,682	(790)	21,788	
9	465-11	IP Transmission Pipeline - Whistler	42,288	-	-	-	-	42,288	
10	465-30	Mt Hayes - Mains	6,299	-	-	-	-	6,299	
11	465-10	Mains - Byron Creek	974	-	-	-	-	974	
12	466-00	Compressor Equipment	183,375	372	-	2,945	(733)	185,959	
13	466-10	Compressor Equipment - OVERHAUL	3,856	-	-	-	(180)	3,676	
14	467-00	Mt. Hayes - Measuring and Regulating Equipment	5,342	-	-	-	-	5,342	
15	467-10	Measuring & Regulating Equipment	54,759	-	4,691	-	-	59,450	
16	467-20	Telemetry	14,580	47	-	353	(7)	14,973	
17	467-31	IP Intermediate Pressure Whistler	313	-	-	-	-	313	
18	467-30	Measuring & Regulating Equipment - Byron Creek	39	-	-	-	-	39	
19	468-00	Communication Structures & Equipment	3,795	-	-	-	-	3,795	
20			\$ 1,592,414	\$ 2,712	\$ 171,467	\$ 21,198	\$ (3,074)	\$ 1,784,717	
21									
22		DISTRIBUTION PLANT							
23	470-00	Land in Fee Simple	\$ 4,207	\$ -	\$ -	\$ -	\$ -	\$ 4,207	
24	472-00	Structures & Improvements	21,577	-	-	-	-	21,577	
25	472-10	Structures & Improvements - Byron Creek	107	-	-	-	-	107	
26	473-00	Services	1,148,921	6,077	-	48,877	(4,025)	1,199,850	
27	474-00	House Regulators & Meter Installations	188,227	-	-	-	(14,006)	174,221	
28	474-02	Meters/Regulators Installations	155,047	3,651	-	27,559	-	186,257	
29	475-00	Mains	1,395,701	4,017	-	31,255	(1,864)	1,429,109	
30	476-00	Compressor Equipment	1,110	-	-	-	-	1,110	
31	477-10	Measuring & Regulating Equipment	140,183	1,225	-	9,692	(556)	150,544	
32	477-20	Telemetry	12,560	137	-	1,073	(62)	13,708	
33	477-30	Measuring & Regulating Equipment - Byron Creek	163	-	-	-	-	163	
34	478-10	Meters	251,650	2,460	-	14,198	(6,888)	261,420	
35	478-20	Instruments	11,944	-	-	-	-	11,944	
36	479-00	Other Distribution Equipment	-	-	-	-	-	-	
37			\$ 3,331,397	\$ 17,567	\$ -	\$ 132,654	\$ (27,401)	\$ 3,454,217	
38									
39		BIO GAS							
40	472-00	Bio Gas Struct. & Improvements	\$ 745	\$ -	\$ -	\$ 87	\$ -	\$ 832	
41	475-10	Bio Gas Mains – Municipal Land	1,684	-	-	289	-	1,973	
42	475-20	Bio Gas Mains – Private Land	55	-	-	-	-	55	
43	418-10	Bio Gas Purification Overhaul	20	-	-	-	-	20	
44	418-20	Bio Gas Purification Upgrader	9,109	-	-	-	-	9,109	
45	477-40	Bio Gas Reg & Meter Equipment	2,802	-	-	474	-	3,276	
46	478-30	Bio Gas Meters	45	-	-	7	-	52	
47	474-10	Bio Gas Reg & Meter Installations	226	-	-	-	-	226	
48	483-25	RNG Comp S/W	138	-	-	-	-	138	
49			\$ 14,824	\$ -	\$ -	\$ 857	\$ -	\$ 15,681	

**PLANT IN SERVICE CONTINUITY SCHEDULE
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 6.2

Line No.	Account	Particulars	12/31/2017	Opening Bal Adjustment	CPCN's	Additions	Retirements	12/31/2018	Cross Reference
(1)	(2)		(3)	(4)	(5)	(6)	(7)	(8)	(9)
1		Natural Gas for Transportation							
2	476-10	NG Transportation CNG Dispensing Equipment	\$ 12,310	\$ -	\$ -	\$ 6,110	\$ -	\$ 18,420	
3	476-20	NG Transportation LNG Dispensing Equipment	12,578	-	-	1,730	-	14,308	
4	476-30	NG Transportation CNG Foundations	1,950	-	-	-	-	1,950	
5	476-40	NG Transportation LNG Foundations	1,313	-	-	-	-	1,313	
6	476-50	NG Transportation LNG Pumps (Pumps only apply to L	1,497	-	-	-	-	1,497	
7	476-60	NG Transportation CNG Dehydrator	473	-	-	-	-	473	
8	476-70	NG Transportation LNG Dehydrator	-	-	-	-	-	-	
9			<u>\$ 30,121</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,840</u>	<u>\$ -</u>	<u>\$ 37,961</u>	
10									
11		GENERAL PLANT & EQUIPMENT							
12	480-00	Land in Fee Simple	\$ 30,877	\$ 68	\$ 1,952	\$ 392	\$ -	\$ 33,289	
13	482-10	Frame Buildings	16,822	-	187	-	-	17,009	
14	482-20	Masonry Buildings	130,778	1,060	-	6,083	(155)	137,766	
15	482-30	Leasehold Improvement	4,961	35	-	201	(35)	5,162	
16	483-30	GP Office Equipment	5,068	102	-	587	(425)	5,332	
17	483-40	GP Furniture	22,812	344	-	1,968	(898)	24,226	
18	483-10	GP Computer Hardware	49,256	1,675	-	9,684	(10,749)	49,866	
19	483-20	GP Computer Software	3,787	-	-	-	-	3,787	
20	484-00	Vehicles	17,492	476	-	2,727	-	20,695	
21	484-10	Vehicles - Leased	24,713	-	-	-	(1,458)	23,255	
22	485-10	Heavy Work Equipment	858	-	-	-	-	858	
23	485-20	Heavy Mobile Equipment	5,857	-	-	-	-	5,857	
24	486-00	Small Tools & Equipment	51,736	608	-	3,483	(1,529)	54,298	
25	487-20	Equipment on Customer's Premises	12	-	-	-	-	12	
26	488-10	Telephone	3,356	-	-	-	(451)	2,905	
27	488-20	Radio	10,762	217	-	1,276	(671)	11,584	
28	489-00	Other General Equipment	-	-	-	-	-	-	
29			<u>\$ 379,147</u>	<u>\$ 4,585</u>	<u>\$ 2,139</u>	<u>\$ 26,401</u>	<u>\$ (16,371)</u>	<u>\$ 395,901</u>	
30									
31		UNCLASSIFIED PLANT							
32	499-00	Plant Suspense	-	-	-	-	-	-	
33			<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
34									
35		Total Plant in Service	<u>\$ 5,831,382</u>	<u>\$ 27,640</u>	<u>\$ 638,886</u>	<u>\$ 205,883</u>	<u>\$ (57,122)</u>	<u>\$ 6,646,669</u>	
36									
37		Cross Reference			Schedule 5, Line 32, Column 2	Schedule 5, Line 26, Column 2			

**ACCUMULATED DEPRECIATION CONTINUITY SCHEDULE
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 7

Line No.	Account	Particulars	Gross Plant for Depreciation	Depreciation Rate	12/31/2017	1/1/2018 Opening Adj	Depreciation Expense	Retirements	Cost of Removal	Adjustments	12/31/2018	Cross Reference
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
1		INTANGIBLE PLANT										
2	175-10	Unamortized Conversion Expense	\$ 109	1.00%	\$ 60	\$ -	\$ 1	\$ -	\$ -	\$ -	\$ 61	
3	175-00	Unamortized Conversion Expense - Squamish	777	10.00%	778	-	-	-	-	-	778	
4	178-00	Organization Expense	728	1.00%	428	-	7	-	-	-	435	
5	401-01	Franchise and Consents	297	5.39%	205	-	11	-	-	-	216	
6	402-11	Utility Plant Acquisition Adjustment	62	0.00%	62	-	-	-	-	-	62	
7	402-03	Other Intangible Plant	1,907	2.01%	1,069	-	38	-	-	-	1,107	
8	440-02	Water/Land Rights Tilbury	-	0.00%	-	-	-	-	-	-	-	
9	461-01	Transmission Land Rights	55,431	0.00%	1,766	-	-	-	-	-	1,766	
10	461-02	Transmission Land Rights - Mt. Hayes	610	0.00%	-	-	-	-	-	-	-	
11	461-12	Transmission Land Rights - Byron Creek	16	0.00%	19	-	-	-	-	-	19	
12	461-13	IP Land Rights Whistler	87	0.00%	10	-	-	-	-	-	10	
13	471-01	Distribution Land Rights	3,079	0.00%	238	-	-	-	-	-	238	
14	471-11	Distribution Land Rights - Byron Creek	1	0.00%	1	-	-	-	-	-	1	
15	402-01	Application Software - 12.5%	111,169	12.50%	65,816	-	13,896	(7,157)	-	-	72,555	
16	402-02	Application Software - 20%	29,628	20.00%	11,801	-	5,925	(3,098)	-	-	14,628	
17			\$ 203,901		\$ 82,253	\$ -	\$ 19,878	\$ (10,255)	\$ -	\$ -	\$ 91,876	
18												
19		MANUFACTURED GAS / LOCAL STORAGE										
20	430-00	Manufact'd Gas - Land	\$ 31	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
21	432-00	Manufact'd Gas - Struct. & Improvements	998	2.82%	315	-	28	-	-	-	343	
22	433-00	Manufact'd Gas - Equipment	1,863	4.66%	338	-	85	-	-	-	423	
23	434-00	Manufact'd Gas - Gas Holders	2,940	2.45%	584	-	72	-	-	-	656	
24	436-00	Manufact'd Gas - Compressor Equipment	367	3.68%	126	-	13	-	-	-	139	
25	437-00	Manufact'd Gas - Measuring & Regulating Equipment	875	2.34%	927	-	20	-	-	-	947	
26	440-00	Land in Fee Simple and Land Rights (Tilbury)	15,164	0.00%	1	-	-	-	-	-	1	
27	442-00	Structures & Improvements (Tilbury)	103,478	3.03%	3,647	-	3,135	-	-	-	6,782	
28	443-00	Gas Holders - Storage (Tilbury)	86,870	1.88%	12,305	-	1,635	-	-	-	13,940	
29	448-11	Piping (Tilbury)	60,988	2.46%	-	-	1,500	-	-	-	1,500	
30	448-21	Pre-treatment (Tilbury)	46,914	3.88%	-	-	1,820	-	-	-	1,820	
31	448-31	Liquefaction Equipment (Tilbury)	126,668	2.46%	-	-	3,116	-	-	-	3,116	
32	449-00	Local Storage Equipment (Tilbury)	35,202	3.83%	16,643	-	1,336	(21)	-	-	17,958	
33	440-01	Land in Fee Simple and Land Rights (Mount Hayes)	1,083	0.00%	-	-	-	-	-	-	-	
34	442-01	Structures & Improvements (Mount Hayes)	17,310	3.88%	4,531	-	672	-	-	-	5,203	
35	443-05	Gas Holders - Storage (Mount Hayes)	60,112	1.65%	6,595	-	992	-	-	-	7,587	
36	448-41	Send out Equipment(Tilbury)	4,691	2.44%	-	-	114	-	-	-	114	
37	448-51	Sub-station and Electric (Tilbury)	42,223	2.44%	-	-	1,030	-	-	-	1,030	
38	448-61	Control Room (Tilbury)	14,074	6.30%	-	-	887	-	-	-	887	
39	448-10	Piping (Mount Hayes)	11,488	2.46%	1,886	-	283	-	-	-	2,169	
40	448-20	Pre-treatment (Mount Hayes)	28,714	3.88%	7,525	-	1,114	-	-	-	8,639	
41	448-30	Liquefaction Equipment (Mount Hayes)	28,714	2.46%	4,713	-	706	-	-	-	5,419	
42	448-40	Send out Equipment (Mount Hayes)	22,960	2.44%	3,764	-	560	-	-	-	4,324	
43	448-50	Sub-station and Electric (Mount Hayes)	21,644	2.44%	3,548	-	528	-	-	-	4,076	
44	448-60	Control Room (Mount Hayes)	5,900	6.30%	2,570	-	371	-	-	-	2,941	
45	449-01	Local Storage Equipment (Mount Hayes)	6,363	2.86%	381	-	182	-	-	-	563	
46			\$ 747,634		\$ 70,399	\$ -	\$ 20,199	\$ (21)	\$ -	\$ -	\$ 90,577	

**ACCUMULATED DEPRECIATION CONTINUITY SCHEDULE
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 7.1

Line No.	Account	Particulars	Gross Plant for Depreciation	Depreciation Rate	12/31/2017	1/1/2018 Opening Adj	Depreciation Expense	Retirements	Cost of Removal	Adjustments	12/31/2018	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1		TRANSMISSION PLANT										
2	460-00	Land in Fee Simple	\$ 10,627	0.00%	\$ 503	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 503	
3	461-00	Transmission Land Rights	1	0.00%	-	-	-	-	-	-	-	
4	462-00	Compressor Structures	29,484	3.51%	16,646	-	1,035	-	-	-	17,681	
5	463-00	Measuring Structures	14,018	2.29%	7,092	-	321	-	-	-	7,413	
6	464-00	Other Structures & Improvements	6,485	3.66%	2,883	-	237	-	-	-	3,120	
7	465-00	Mains	1,365,352	1.47%	393,611	-	20,042	(1,364)	-	-	412,289	
8	465-20	Mains - INSPECTION	19,896	15.20%	9,738	-	2,972	(790)	-	-	11,920	
9	465-11	IP Transmission Pipeline - Whistler	42,288	1.53%	5,134	-	647	-	-	-	5,781	
10	465-30	Mt Hayes - Mains	6,299	1.51%	693	-	95	-	-	-	788	
11	465-10	Mains - Byron Creek	974	5.03%	1,231	-	49	-	-	-	1,280	
12	466-00	Compressor Equipment	183,747	2.89%	87,230	-	5,300	(733)	-	-	91,797	
13	466-10	Compressor Equipment - OVERHAUL	3,856	10.19%	3,056	-	393	(180)	-	-	3,269	
14	467-00	Mt. Hayes - Measuring and Regulating Equipment	5,342	2.58%	1,314	-	138	-	-	-	1,452	
15	467-10	Measuring & Regulating Equipment	59,450	2.41%	25,037	-	1,433	-	-	-	26,470	
16	467-20	Telemetering	14,627	9.75%	8,013	-	1,422	(7)	-	-	9,428	
17	467-31	IP Intermediate Pressure Whistler	313	2.55%	97	-	8	-	-	-	105	
18	467-30	Measuring & Regulating Equipment - Byron Creek	39	2.41%	11	-	1	-	-	-	12	
19	468-00	Communication Structures & Equipment	3,795	0.56%	4,381	-	21	-	-	-	4,402	
20			<u>\$ 1,766,593</u>		<u>\$ 566,670</u>	<u>\$ -</u>	<u>\$ 34,114</u>	<u>\$ (3,074)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 597,710</u>	
21												
22		DISTRIBUTION PLANT										
23	470-00	Land in Fee Simple	\$ 4,207	0.00%	\$ (9)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (9)	
24	472-00	Structures & Improvements	21,577	2.41%	9,206	-	520	-	-	-	9,726	
25	472-10	Structures & Improvements - Byron Creek	107	4.67%	58	-	5	-	-	-	63	
26	473-00	Services	1,154,998	2.45%	290,023	-	28,148	(4,025)	-	-	314,146	
27	474-00	House Regulators & Meter Installations	188,227	5.99%	82,326	-	11,275	(14,006)	-	-	79,595	
28	474-02	Meters/Regulators Installations	158,698	4.55%	17,295	-	7,056	-	-	-	24,351	
29	475-00	Mains	1,399,718	1.54%	474,498	-	21,493	(1,864)	-	-	494,127	
30	476-00	Compressor Equipment	1,110	0.00%	687	-	-	-	-	-	687	
31	477-10	Measuring & Regulating Equipment	141,408	3.05%	51,720	-	4,276	(556)	-	-	55,440	
32	477-20	Telemetering	12,697	2.82%	6,335	-	354	(62)	-	-	6,627	
33	477-30	Measuring & Regulating Equipment - Byron Creek	163	0.00%	216	-	-	-	-	-	216	
34	478-10	Meters	254,110	7.09%	134,996	-	17,842	(6,888)	-	-	145,950	
35	478-20	Instruments	11,944	2.99%	3,160	-	357	-	-	-	3,517	
36	479-00	Other Distribution Equipment	-	0.00%	-	-	-	-	-	-	-	
37			<u>\$ 3,348,964</u>		<u>\$ 1,070,511</u>	<u>\$ -</u>	<u>\$ 91,326</u>	<u>\$ (27,401)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,134,436</u>	
38												
39		BIO GAS										
40	472-00	Bio Gas Struct. & Improvements	\$ 745	2.72%	\$ 72	\$ -	\$ 19	\$ -	\$ -	\$ -	\$ 91	
41	475-10	Bio Gas Mains – Municipal Land	1,684	1.55%	69	-	25	-	-	-	94	
42	475-20	Bio Gas Mains – Private Land	55	1.55%	6	-	1	-	-	-	7	
43	418-10	Bio Gas Purification Overhaul	20	5.00%	4	-	1	-	-	-	5	
44	418-20	Bio Gas Purification Upgrader	9,109	4.89%	1,381	-	445	-	-	-	1,826	
45	477-40	Bio Gas Reg & Meter Equipment	2,802	3.24%	289	-	91	-	-	-	380	
46	478-30	Bio Gas Meters	45	5.02%	9	-	2	-	-	-	11	
47	474-10	Bio Gas Reg & Meter Installations	226	5.24%	29	-	12	-	-	-	41	
48	483-25	RNG Comp S/W	138	20.00%	28	-	28	-	-	-	56	
49			<u>\$ 14,824</u>		<u>\$ 1,887</u>	<u>\$ -</u>	<u>\$ 624</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,511</u>	

**ACCUMULATED DEPRECIATION CONTINUITY SCHEDULE
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 7.2

Line No.	Account	Particulars	Gross Plant for Depreciation	Depreciation Rate	12/31/2017	1/1/2018 Opening Adj	Depreciation Expense	Retirements	Cost of Removal	Adjustments	12/31/2018	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1		Natural Gas for Transportation										
2	476-10	NG Transportation CNG Dispensing Equipment	12,310	5.00%	\$ 1,835	-	615	-	-	-	\$ 2,450	
3	476-20	NG Transportation LNG Dispensing Equipment	12,578	5.00%	1,661	-	629	-	-	-	2,290	
4	476-30	NG Transportation CNG Foundations	1,950	5.00%	280	-	99	-	-	-	379	
5	476-40	NG Transportation LNG Foundations	1,313	5.00%	231	-	66	-	-	-	297	
6	476-50	NG Transportation LNG Pumps (Pumps only apply to L	1,497	10.00%	319	-	150	-	-	-	469	
7	476-60	NG Transportation CNG Dehydrator	473	5.00%	77	-	24	-	-	-	101	
8	476-70	NG Transportation LNG Dehydrator	-	5.00%	-	-	-	-	-	-	-	
9			<u>\$ 30,121</u>		<u>\$ 4,403</u>	<u>\$ -</u>	<u>\$ 1,583</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,986</u>	
10												
11		GENERAL PLANT & EQUIPMENT										
12	480-00	Land in Fee Simple	\$ 32,897	0.00%	\$ 17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17	
13	482-10	Frame Buildings	17,009	6.04%	8,765	-	1,016	-	-	-	9,781	
14	482-20	Masonry Buildings	131,838	1.95%	27,931	-	2,571	(155)	-	-	30,347	
15	482-30	Leasehold Improvement	4,996	9.49%	2,467	-	474	(35)	-	-	2,906	
16	483-30	GP Office Equipment	5,170	6.67%	3,720	-	345	(425)	-	-	3,640	
17	483-40	GP Furniture	23,156	5.00%	7,945	-	1,158	(898)	-	-	8,205	
18	483-10	GP Computer Hardware	50,931	20.00%	22,273	-	10,186	(10,749)	-	-	21,710	
19	483-20	GP Computer Software	3,787	12.50%	2,707	-	473	-	-	-	3,180	
20	484-00	Vehicles	17,968	10.55%	8,283	-	1,896	-	-	-	10,179	
21	484-10	Vehicles - Leased	24,713	9.44%	21,440	-	1,511	(1,458)	-	-	21,493	
22	485-10	Heavy Work Equipment	858	6.38%	563	-	55	-	-	-	618	
23	485-20	Heavy Mobile Equipment	5,857	9.85%	3,042	-	577	-	-	-	3,619	
24	486-00	Small Tools & Equipment	52,344	5.00%	21,508	-	2,617	(1,529)	-	-	22,596	
25	487-20	Equipment on Customer's Premises	12	6.67%	9	-	1	-	-	-	10	
26	488-10	Telephone	3,356	6.67%	2,012	-	224	(451)	-	-	1,785	
27	488-20	Radio	10,979	6.67%	3,037	-	732	(671)	-	-	3,098	
28	489-00	Other General Equipment	-	0.00%	-	-	-	-	-	-	-	
29			<u>\$ 385,871</u>		<u>\$ 135,719</u>	<u>\$ -</u>	<u>\$ 23,836</u>	<u>\$ (16,371)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 143,184</u>	
30												
31		UNCLASSIFIED PLANT										
32	499-00	Plant Suspense	-	0.00%	-	-	-	-	-	-	-	
33			<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
34												
35		Total	<u>\$ 6,497,908</u>		<u>\$ 1,931,842</u>	<u>\$ -</u>	<u>\$ 191,560</u>	<u>\$ (57,122)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,066,280</u>	
36		Less: Depreciation & Amortization Transferred to Biomethane BVA					(471)					
37		Less: Vehicle Depreciation Allocated To Capital Projects					(1,260)					
38		Net Depreciation Expense					<u>\$ 189,829</u>					
39												
40		Cross Reference	Schedule 6.2, Line 35, Column 3+4+5									

**NON-REG PLANT CONTINUITY SCHEDULE
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 8

Line No.	Particulars	1/1/2018								
		12/31/2017	Opening Adj	CPCN's	Additions	Retirements	12/31/2018	Cross Reference		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Non-Regulated Plant									
2	NRB Depreciation @ 0%		\$ 1,054	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,054	
3	NRB Depreciation @ 2.4%		176,594	-	-	-	-	-	176,594	
4									-	
5	Total		\$ 177,648	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 177,648	

**NON-REG PLANT ACCUMULATED DEPRECIATION CONTINUITY SCHEDULE
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Line No.	Particulars	Gross Plant for Depreciation	Depreciation Rate	12/31/2017	1/1/2018 Opening Adj	Depreciation Expense	Depreciation Retirements	Cost of Removal	12/31/2018	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
18	Non-Regulated Plant Depreciation									
19	NRB Depreciation @ 0%	\$ 1,054	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
20	NRB Depreciation @ 2.4%	176,594	2.40%	121,461	-	4,238	-	-	125,699	
21									-	
22	Total	\$ 177,648		\$ 121,461	\$ -	\$ 4,238	\$ -	\$ -	\$ 125,699	

**CONTRIBUTIONS IN AID OF CONSTRUCTION CONTINUITY SCHEDULE
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Line No.	Particulars	12/31/2017	CPCN / Open Bal Adj	Adjustment	Additions	Retirements	12/31/2018	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	CIAC							
2	Distribution Contributions	\$ 280,339	\$ 1,085	\$ -	\$ 5,197	\$ -	\$ 286,621	
3	Transmission Contributions	146,075	82	-	470	-	146,627	
4	Others	722	-	-	-	-	722	
5	Biomethane	566	-	-	-	-	566	
6	Total	\$ 427,702	\$ 1,167	\$ -	\$ 5,667	\$ -	\$ 434,536	
7								
8	Amortization							
9	Distribution Contributions	\$ (102,757)	\$ -	\$ -	\$ (6,529)	\$ -	\$ (109,286)	
10	Transmission Contributions	(50,188)	-	-	(2,163)	-	(52,351)	
11	Others	(716)	-	-	(108)	-	(824)	
12	Biomethane	(161)	-	-	(28)	-	(189)	
13	Total	\$ (153,822)	\$ -	\$ -	\$ (8,828)	\$ -	\$ (162,650)	
14								
15	Net CIAC	\$ 273,880	\$ 1,167	\$ -	\$ (3,161)	\$ -	\$ 271,886	
16								
17								
18	Total CIAC Amortization Expense per Line 13				\$ (8,828)			
19	Less: CIAC Amortization Transferred to Biomethane BVA				28			
20	Net CIAC Amortization Expense				\$ (8,800)			

**NET SALVAGE CONTINUITY SCHEDULE
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 10

Line No.	Account	Particulars	Gross Plant for Depreciation	Salvage Rate	12/31/2017	Net Salv Provision	Retirement Costs / 12/31/2018	12/31/2018	Cross Reference
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
1		MANUFACTURED GAS / LOCAL STORAGE							
2	442-00	Structures & Improvements (Tilbury)	\$ 103,478	0.36%	\$ 107	\$ 373	\$ -	\$ 480	
3	443-00	Gas Holders - Storage (Tilbury)	86,870	0.45%	404	391	-	795	
4	448-11	Piping (Tilbury)	60,988	0.27%	-	165	-	165	
5	448-21	Pre-treatment (Tilbury)	46,914	0.46%	-	216	-	216	
6	448-31	Liquefaction Equipment (Tilbury)	126,668	0.54%	-	684	-	684	
7	449-00	Local Storage Equipment (Tilbury)	35,202	0.39%	610	136	-	746	
8	442-01	Structures & Improvements (Mount Hayes)	17,310	0.45%	78	78	-	156	
9	443-05	Gas Holders - Storage (Mount Hayes)	60,112	0.35%	210	210	-	420	
10	448-41	Send out Equipment(Tilbury)	4,691	0.27%	-	13	-	13	
11	448-51	Sub-station and Electric (Tilbury)	42,223	0.54%	-	228	-	228	
12	448-10	Piping (Mount Hayes)	11,488	0.27%	31	31	-	62	
13	448-20	Pre-treatment (Mount Hayes)	28,714	0.46%	132	132	-	264	
14	448-30	Liquefaction Equipment (Mount Hayes)	28,714	0.54%	155	155	-	310	
15	448-40	Send out Equipment (Mount Hayes)	22,960	0.27%	62	62	-	124	
16	448-50	Sub-station and Electric (Mount Hayes)	21,644	0.54%	117	117	-	234	
17	449-01	Local Storage Equipment (Mount Hayes)	6,363	0.28%	18	18	-	36	
18		<u>\$ 704,339</u>			<u>\$ 1,924</u>	<u>\$ 3,009</u>	<u>\$ -</u>	<u>\$ 4,933</u>	
19									
20		TRANSMISSION PLANT							
21	462-00	Compressor Structures	\$ 29,484	-0.02%	\$ 460	\$ (6)	\$ -	\$ 454	
22	463-00	Measuring Structures	14,018	0.57%	221	80	-	301	
23	464-00	Other Structures & Improvements	6,485	0.22%	44	14	-	58	
24	465-00	Mains	1,365,352	0.37%	13,680	5,045	-	18,725	
25	465-11	IP Transmission Pipeline - Whistler	42,288	0.34%	144	144	-	288	
26	465-30	Mt Hayes - Mains	6,299	0.32%	20	20	-	40	
27	466-00	Compressor Equipment	183,747	-0.12%	2,698	(221)	-	2,477	
28	467-00	Mt. Hayes - Measuring and Regulating Equipment	5,342	0.21%	196	11	-	207	
29	467-10	Measuring & Regulating Equipment	59,450	0.22%	333	131	-	464	
30	467-31	IP Intermediate Pressure Whistler	313	0.22%	1	1	-	2	
31	468-00	Communication Structures & Equipment	3,795	-0.38%	430	(15)	-	415	
32		<u>\$ 1,716,573</u>			<u>\$ 18,227</u>	<u>\$ 5,204</u>	<u>\$ -</u>	<u>\$ 23,431</u>	
33									
34		DISTRIBUTION PLANT							
35	472-00	Structures & Improvements	\$ 21,577	0.32%	\$ 256	\$ 69	\$ -	\$ 325	
36	473-00	Services	1,154,998	1.61%	17,657	18,497	(9,823)	26,331	
37	474-00	House Regulators & Meter Installations	188,227	1.77%	(5,193)	3,331	(3,565)	(5,427)	
38	474-02	Meters/Regulators Installations	158,698	0.00%	1,594	-	-	1,594	
39	475-00	Mains	1,399,718	0.43%	24,434	6,002	(549)	29,887	
40	476-00	Compressor Equipment	1,110	0.00%	711	-	-	711	
41	477-10	Measuring & Regulating Equipment	141,408	0.46%	3,030	645	-	3,675	
42	477-20	Telemetering	12,697	0.42%	36	53	-	89	
43	478-10	Meters	254,110	-0.26%	3,808	(654)	-	3,154	
44		<u>\$ 3,332,543</u>			<u>\$ 46,333</u>	<u>\$ 27,943</u>	<u>\$ (13,937)</u>	<u>\$ 60,339</u>	
45									
46		BIO GAS							
47	472-00	Bio Gas Struct. & Improvements	\$ 745	0.29%	\$ 2	\$ 2	\$ -	\$ 4	
48	475-10	Bio Gas Mains – Municipal Land	1,684	0.39%	17	7	-	24	
49	475-20	Bio Gas Mains – Private Land	55	0.39%	1	-	-	1	
50	418-20	Bio Gas Purification Upgrader	9,109	0.26%	22	24	-	46	
51	478-30	Bio Gas Meters	45	-0.21%	-	-	-	-	
52	474-10	Bio Gas Reg & Meter Installations	226	1.35%	3	3	-	6	
53		<u>\$ 11,864</u>			<u>\$ 45</u>	<u>\$ 36</u>	<u>\$ -</u>	<u>\$ 81</u>	
54									
55		Natural Gas for Transportation							
56									
57	476-10	NG Transportation CNG Dispensing Equipment	\$ 12,310	0.00%	\$ (1)	\$ -	\$ -	\$ (1)	
58		<u>\$ 12,310</u>			<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1)</u>	
59									
60		GENERAL PLANT & EQUIPMENT							
61	482-10	Frame Buildings	\$ 17,009	0.00%	\$ (12)	\$ -	\$ -	\$ (12)	
62	482-20	Masonry Buildings	131,838	0.25%	311	330	-	641	
63	484-00	Vehicles	17,968	-1.00%	(148)	(180)	-	(328)	
64	485-10	Heavy Work Equipment	858	-0.68%	(6)	(6)	-	(12)	
65	485-20	Heavy Mobile Equipment	5,857	-2.89%	(169)	(169)	-	(338)	
66		<u>\$ 173,530</u>			<u>\$ (24)</u>	<u>\$ (25)</u>	<u>\$ -</u>	<u>\$ (49)</u>	
67									
68		Total	<u>\$ 5,951,159</u>		<u>\$ 66,504</u>	<u>\$ 36,167</u>	<u>\$ (13,937)</u>	<u>\$ 88,734</u>	
69		Less: Depreciation & Amortization Transferred to Biomethane BVA				(24)			
70		Net Salvage Depreciation Expense			<u>\$ 36,143</u>				
71		Cross Reference	Schedule 6-6.2, Column 3+4+5						

**UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION - RATE BASE
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 11

Line No.	Particulars	12/31/2017	Opening Bal./ Transfer/Adj.	Gross Additions	Less Taxes	Amortization Expense	Rider	Tax on Rider	12/31/2018	Mid-Year Average	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	1. Forecasting Variance Accounts										
2	Midstream Cost Reconciliation Account (MCRA)	\$ (11,644)	\$ -	\$ -	\$ -	\$ -	\$ 7,867	\$ (2,045)	\$ (5,822)	\$ (8,733)	
3	Commodity Cost Reconciliation Account (CCRA)	(15,507)	-	20,956	(5,449)	-	-	-	-	(7,754)	
4	Revenue Stabilization Adjustment Mechanism (RSAM)	(8,476)	-	-	-	-	5,727	(1,489)	(4,238)	(6,357)	
5	Interest on CCRA / MCRA / RSAM / Gas Storage	(4,995)	-	2,378	(618)	149	33	(8)	(3,061)	(4,028)	
6	Revelstoke Propane Cost Deferral Account	(51)	-	69	(18)	-	-	-	-	(26)	
7	SCP Mitigation Revenues Variance Account	330	-	-	-	(132)	-	-	198	264	
8	Pension & OPEB Variance	(3,289)	-	-	-	1,433	-	-	(1,856)	(2,573)	
9	BCUC Levies Variance	(739)	-	-	-	739	-	-	-	(370)	
10	Customer Service Variance Account	(3,458)	-	-	-	3,458	-	-	-	(1,729)	
11	TESDA Overhead Allocation Variance	612	-	-	-	(612)	-	-	-	306	
12		<u>\$ (47,217)</u>	<u>\$ -</u>	<u>\$ 23,403</u>	<u>\$ (6,085)</u>	<u>\$ 5,035</u>	<u>\$ 13,627</u>	<u>\$ (3,542)</u>	<u>\$ (14,779)</u>	<u>\$ (31,000)</u>	
13	2. Rate Smoothing Accounts										
14											
15	3. Benefits Matching Accounts										
16	Energy Efficiency & Conservation (EEC)	\$ 88,558	\$ 12,822	\$ 15,000	\$ (3,900)	\$ (11,599)	\$ -	\$ -	\$ 100,881	\$ 101,131	
17	NGV Conversion Grants	53	-	13	(3)	(14)	-	-	49	51	
18	Emissions Regulations	(1,442)	-	-	-	360	-	-	(1,082)	(1,262)	
19	On-Bill Financing Pilot Program	8	-	(1)	-	-	-	-	7	8	
20	Greenhouse Gas Reduction Regulation Incentives	26,615	-	12,275	(3,192)	(3,378)	-	-	32,320	29,468	
21	CNG and LNG Recoveries	(105)	-	-	-	105	-	-	-	(53)	
22	2014-2019 PBR	489	-	-	-	(244)	-	-	245	367	
23	AES Inquiry Cost	47	-	-	-	(47)	-	-	-	24	
24	2016 Cost of Capital Application	1,256	-	-	-	(419)	-	-	837	1,047	
25	2015-2019 Annual Review Costs	89	-	100	(26)	(89)	-	-	74	82	
26	2017 Rate Design Application	1,192	-	400	(104)	-	-	-	1,488	1,340	
27	2017 Long Term Resource Plan Application	443	-	432	(112)	-	-	-	763	603	
28	LMIPSU Application Costs	119	-	-	-	(119)	-	-	-	60	
29	2015 System Extension Application	(2)	-	-	-	2	-	-	-	(1)	
30	BERC Rate Methodology Application	19	-	-	-	(19)	-	-	-	10	
31	All-Inclusive Code of Conduct/Transfer Pricing Policy Application	(65)	-	-	-	65	-	-	-	(33)	
32		<u>\$ 117,274</u>	<u>\$ 12,822</u>	<u>\$ 28,219</u>	<u>\$ (7,337)</u>	<u>\$ (15,396)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 135,582</u>	<u>\$ 132,842</u>	

UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION - RATE BASE
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)

Schedule 11.1

Line No.	Particulars	12/31/2017	Opening Bal./ Transfer/Adj.	Gross Additions	Less Taxes	Amortization Expense	Rider	Tax on Rider	12/31/2018	Mid-Year Average	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	3. Benefits Matching Accounts (cont'd)										
2	Whistler Pipeline Conversion	\$ 8,668	\$ -	\$ -	\$ -	\$ (739)	\$ -	\$ -	\$ 7,929	\$ 8,299	
3	2010-2011 Customer Service O&M and COS	8,057	-	-	-	(3,251)	-	-	4,806	6,432	
4	Gas Asset Records Project	2,018	-	762	(198)	(302)	-	-	2,280	2,149	
5	BC OneCall Project	514	-	88	(23)	(74)	-	-	505	510	
6	Gains and Losses on Asset Disposition	24,429	-	-	-	(3,985)	-	-	20,444	22,437	
7	Net Salvage Provision/Cost	(65,334)	-	13,937	-	(36,167)	-	-	(87,564)	(76,449)	
8	PCEC Start Up Costs	788	-	-	-	(44)	-	-	744	766	
9	Huntingdon CPCN Pre-Feasibility Costs	122	-	-	-	(122)	-	-	-	61	
10	LMIPSU Development Costs	781	-	-	-	(781)	-	-	-	391	
11	2020 Revenue Requirement Proceeding	22	-	70	(18)	-	-	-	74	48	
12	City of Surrey Operating Terms Application Costs	148	-	40	(10)	(50)	-	-	128	138	
13		<u>\$ (19,787)</u>	<u>\$ -</u>	<u>\$ 14,897</u>	<u>\$ (249)</u>	<u>\$ (45,515)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (50,654)</u>	<u>\$ (35,218)</u>	
14	4. Retroactive Expense Accounts										
15											
16	5. Other Accounts										
17	Pension & OPEB Funding	\$ (181,874)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (181,874)	\$ (181,874)	
18	US GAAP Pension & OPEB Funded Status	97,373	-	-	-	-	-	-	97,373	97,373	
19	BFI Costs and Recoveries	(442)	-	-	-	-	-	-	(442)	(442)	
20	Residual Delivery Rate Riders	-	748	-	-	(748)	-	-	-	374	
21	BVA Balance Transfer	3,830	-	-	-	-	(5,176)	1,346	-	1,915	
22		<u>\$ (81,113)</u>	<u>\$ 748</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (748)</u>	<u>\$ (5,176)</u>	<u>\$ 1,346</u>	<u>\$ (84,943)</u>	<u>\$ (82,654)</u>	
23											
24	Total	<u>\$ (30,843)</u>	<u>\$ 13,570</u>	<u>\$ 66,519</u>	<u>\$ (13,671)</u>	<u>\$ (56,624)</u>	<u>\$ 8,451</u>	<u>\$ (2,196)</u>	<u>\$ (14,794)</u>	<u>\$ (16,030)</u>	
25	Less: Net Salvage Amortization Transferred to Biomethane BVA					24					
26	Net Rate Base Deferred Amortization Expense					<u>\$ (56,600)</u>					

**UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION - NON-RATE BASE
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 12

Line No.	Particulars	12/31/2017	Opening Bal./ Transfer/Adj.	Gross Additions	Less Taxes	Amortization Expense	Rider	Tax on Rider	12/31/2018	Mid-Year Average	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	1. Forecasting Variance Accounts										
2	Biomethane Variance Account	\$ 13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13	\$ 13	
3	Flow-Through Account	(12,502)	-	(353)	-	12,855	-	-	-	(6,251)	
4	Marketer Cost Variance	17	-	(23)	6	-	-	-	-	9	
5		<u>\$ (12,472)</u>	<u>\$ -</u>	<u>\$ (376)</u>	<u>\$ 6</u>	<u>\$ 12,855</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13</u>	<u>\$ (6,229)</u>	
6	2. Rate Smoothing Accounts										
7	Phase-In-Rider Balancing Account	\$ 1,233	\$ (1,233)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
8	Rate Stabilization Deferral Account (RSDA)	(611)	611	-	-	-	-	-	-	-	
9	2017 & 2018 Revenue Surplus	(24,619)	-	(9,621)	2,070	-	-	-	(32,170)	(28,395)	
10		<u>\$ (23,997)</u>	<u>\$ (622)</u>	<u>\$ (9,621)</u>	<u>\$ 2,070</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (32,170)</u>	<u>\$ (28,395)</u>	
11	3. Benefits Matching Accounts										
12	EEC-Incentives	\$ 12,822	\$ (12,822)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
13	Amalgamation Regulatory Account	126	(126)	-	-	-	-	-	-	-	
14	PEC Pipeline Development Costs and Commitment Fees	6,266	-	-	-	-	-	-	6,266	6,266	
15		<u>\$ 19,214</u>	<u>\$ (12,948)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,266</u>	<u>\$ 6,266</u>	
16	4. Retroactive Expense Accounts										
17											
18	5. Other Accounts										
19	Mark to Market - Hedging Transactions	\$ 13,724	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,724	\$ 13,724	
20	2014-2019 Earning Sharing Account	(2,491)	-	(71)	-	2,562	-	-	-	(1,246)	
21		<u>\$ 11,233</u>	<u>\$ -</u>	<u>\$ (71)</u>	<u>\$ -</u>	<u>\$ 2,562</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,724</u>	<u>\$ 12,478</u>	
22											
23											
24	Total Non Rate Base Deferral Accounts	<u>\$ (6,022)</u>	<u>\$ (13,570)</u>	<u>\$ (10,068)</u>	<u>\$ 2,076</u>	<u>\$ 15,417</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12,167)</u>	<u>\$ (15,880)</u>	

**WORKING CAPITAL ALLOWANCE
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 13

Line No.	Particulars (1)	2017 Approved (2)	2018 Forecast (3)	Change (4)	Cross Reference (5)
1	Cash Working Capital				
2	Cash Working Capital	\$ 14,290	\$ 14,061	\$ (229)	Schedule 14, Line 29, Column 5
3					
4	Less: Funds Available				
5	Reserve for bad debts	(4,947)	(5,162)	(215)	
6	Employee Withholdings	(5,326)	(5,432)	(106)	
7					
8	Other Working Capital Items				
9	Transmission Line Pack Gas	1,537	1,827	290	
10	Gas In Storage	42,032	45,346	3,314	
11	Inventory - Materials and Supplied	1,567	1,598	31	
12	Refundable Contributions	(311)	(317)	(6)	
13					
14	Total	<u>\$ 48,842</u>	<u>\$ 51,921</u>	<u>\$ 3,079</u>	

**CASH WORKING CAPITAL
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 14

Line No.	Particulars (1)	2018 at Revised Rates (2)	Lag (Lead) Days (3)	Extended (4)	Weighted Average Lag (Lead) Days (5)	Cross Reference (6)
1	REVENUE					
2	Sales Revenue					
3	Residential & Commercial Tariff Revenue	\$ 1,130,706	38.3	\$ 43,335,909		
4	Industrial Tariff Revenue	84,680	45.1	3,820,536		
5	Bypass and Special Rates	30,922	44.2	1,365,565		
6						
7	Other Revenue					
8	Late Payment Charges	2,688	38.3	102,950		
9	Connection Charges	3,148	38.3	120,568		
10	Other Utility Income	40,212	38.3	1,540,120		
11						
12	Total	<u>\$ 1,292,356</u>		<u>\$ 50,285,648</u>	38.9	
13						
14	EXPENSES					
15	Energy Purchases	\$ 424,275	(40.2)	\$ (17,055,855)		
16	Operating and Maintenance	241,481	(25.5)	(6,157,766)		
17	Property Taxes	67,157	(2.0)	(134,314)		
18	Franchise Fees	8,150	(420.3)	(3,425,392)		
19	Carbon Tax	202,347	(29.1)	(5,888,298)		
20	GST	10,830	(38.8)	(420,204)		
21	PST	4,456	(37.1)	(165,318)		
22	Income Tax	47,617	(15.2)	(723,778)		
23						
24	Total	<u>\$ 1,006,313</u>		<u>\$ (33,970,925)</u>	(33.8)	
25						
26	Net Lag (Lead) Days				5.1	
27	Total Expenses				\$ 1,006,313	
28						
29	Cash Working Capital				<u>\$ 14,061</u>	

**DEFERRED INCOME TAX LIABILITY / ASSET
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 15

Line No.	Particulars	2017 APPROVED	2018 FORECAST	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)
1	Total DIT Liability- After Tax	\$ (305,906)	\$ (327,225)	\$ (21,319)	
2	Tax Gross Up	(107,481)	(114,971)	(7,490)	
3	DIT Liability/Asset - End of Year	\$ (413,387)	\$ (442,196)	\$ (28,809)	
4	DIT Liability/Asset - Opening Balance	(400,709)	(428,277)	(27,568)	
5					
6	DIT Liability/Asset - Mid Year	\$ (407,048)	\$ (435,237)	\$ (28,189)	

**UTILITY INCOME AND EARNED RETURN
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 16

Line No.	Particulars (1)	2017 Approved (2)	2018 FORECAST		Change (6)	Cross Reference (7)
		at Existing Rates (3)	Revised Revenue (4)	at Revised Rates (5)		
1	ENERGY VOLUMES					
2	Sales Volume (TJ)	125,119	135,822		135,822	10,703
3	Transportation Volume (TJ)	89,522	92,366		92,366	2,844
4		214,641	228,188	-	228,188	13,547
5						Schedule 17, Line 25, Column 3
6	REVENUE AT EXISTING RATES					
7	Sales	\$ 949,086	\$ 1,121,022	\$ -	\$ 1,121,022	\$ 171,936
8	Deficiency (Surplus)	-	-	-	-	-
9	Transportation	121,032	125,286	-	125,286	4,254
10	Deficiency (Surplus)	-	-	-	-	-
11	Total	1,070,118	1,246,308	-	1,246,308	176,190
12						Schedule 19, Line 31, Column 8
13	COST OF ENERGY	295,403	424,275	-	424,275	128,872
14						Schedule 18, Line 25, Column 3
15	MARGIN	774,715	822,033	-	822,033	47,318
16						
17	EXPENSES					
18	O&M Expense (net)	236,050	241,481	-	241,481	5,431
19	Depreciation & Amortization	199,526	222,212	-	222,212	22,686
20	Property Taxes	67,450	67,157	-	67,157	(293)
21	Other Revenue	(42,958)	(46,048)	-	(46,048)	(3,090)
22	2017 & 2018 Revenue Surplus	32,012	7,960	-	7,960	(24,052)
23	Utility Income Before Income Taxes	282,635	329,271	-	329,271	46,636
24						
25	Income Taxes	35,651	47,617	-	47,617	11,966
26						Schedule 24, Line 13, Column 3
27	EARNED RETURN	\$ 246,984	\$ 281,654	\$ -	\$ 281,654	\$ 34,670
28						Schedule 26, Line 5, Column 7
29	UTILITY RATE BASE	\$ 3,704,661	\$ 4,369,717		\$ 4,369,717	\$ 665,056
30	RATE OF RETURN ON UTILITY RATE BASE	6.67%	6.45%		6.45%	-0.22%
						Schedule 2, Line 30, Column 3
						Schedule 26, Line 5, Column 6

FORTISBC ENERGY INC.

September 26, 2017

Section 11

**VOLUME AND REVENUE
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 17

Line No.	Particulars	2017 Approved	2018 Forecast	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)
1	ENERGY VOLUME SOLD (TJ)				
2	Residential				
3	Rate Schedule 1	74,272.9	81,227.4	6,954.5	
4	Commercial				
5	Rate Schedule 2	28,527.0	30,296.5	1,769.5	
6	Rate Schedule 3	18,680.6	20,091.1	1,410.5	
7	Rate Schedule 23	9,175.6	10,315.4	1,139.8	
8	Industrial				
9	Rate Schedule 4	148.2	146.9	(1.3)	
10	Rate Schedule 5	2,189.0	2,674.6	485.6	
11	Rate Schedule 6	54.2	28.0	(26.2)	
12	Rate Schedule 7	148.8	246.0	97.2	
13	Rate Schedule 22 - Firm Service	11,193.8	11,263.5	69.7	
14	Rate Schedule 22 - Interruptible Service	18,486.9	18,445.3	(41.6)	
15	Rate Schedule 25	13,650.5	14,017.0	366.5	
16	Rate Schedule 27	6,414.5	7,269.1	854.6	
17	Bypass and Special Rates				
18	Rate Schedule 22 - Firm Service	8,298.0	8,582.0	284.0	
19	Rate Schedule 25	884.8	1,072.9	188.1	
20	Rate Schedule 46	1,098.2	1,111.2	13.0	
21	Byron Creek	247.6	230.8	(16.8)	
22	Burrard Thermal	-	-	-	
23	BC Hydro IG	16,425.0	16,425.0	-	
24	VIGJV	4,745.0	4,745.0	-	
25	Total	214,640.6	228,187.7	13,547.1	
26					
27	REVENUE AT EXISTING RATES				
28	Residential				
29	Rate Schedule 1	\$ 629,064	\$ 739,420	\$ 110,356	
30	Commercial				
31	Rate Schedule 2	194,598	228,598	34,000	
32	Rate Schedule 3	104,808	127,547	22,739	
33	Rate Schedule 23	31,404	35,141	3,737	
34	Industrial				
35	Rate Schedule 4	558	678	120	
36	Rate Schedule 5	10,202	14,352	4,150	
37	Rate Schedule 6	331	197	(134)	
38	Rate Schedule 7	525	1,056	531	
39	Rate Schedule 22 - Firm Service	6,834	6,539	(295)	
40	Rate Schedule 22 - Interruptible Service	19,666	19,286	(380)	
41	Rate Schedule 25	31,423	31,484	61	
42	Rate Schedule 27	9,909	11,088	1,179	
43	Bypass and Special Rates				
44	Rate Schedule 22 - Firm Service	1,038	788	(250)	
45	Rate Schedule 25	315	482	167	
46	Rate Schedule 46	9,000	9,174	174	
47	Byron Creek	122	106	(16)	
48	Burrard Thermal	-	-	-	
49	BC Hydro IG	15,735	15,735	-	
50	VIGJV	4,586	4,637	51	
51	Total	\$ 1,070,118	\$ 1,246,308	\$ 176,190	

**COST OF ENERGY
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 18

Line No.	Particulars	2017 Approved	2018 Forecast	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)
1	COST OF GAS				
2	Residential				
3	Rate Schedule 1	\$ 176,278	\$ 255,047	\$ 78,769	
4	Commercial				
5	Rate Schedule 2	68,277	95,759	27,482	
6	Rate Schedule 3	41,394	60,192	18,798	
7	Rate Schedule 23	136	176	40	
8	Industrial				
9	Rate Schedule 4	270	394	124	
10	Rate Schedule 5	3,988	7,157	3,169	
11	Rate Schedule 6	80	66	(14)	
12	Rate Schedule 7	271	659	388	
13	Rate Schedule 22 - Firm Service	241	279	38	
14	Rate Schedule 22 - Interruptible Service	199	227	28	
15	Rate Schedule 25	191	227	36	
16	Rate Schedule 27	95	124	29	
17	Bypass and Special Rates				
18	Rate Schedule 22 - Firm Service	123	146	23	
19	Rate Schedule 25	13	18	5	
20	Rate Schedule 46	3,847	3,804	(43)	
21	Byron Creek	-	-	-	
22	Burrard Thermal	-	-	-	
23	BC Hydro IG	-	-	-	
24	VIGJV	-	-	-	
25	Total	\$ 295,403	\$ 424,275	\$ 128,872	

**MARGIN AND REVENUE AT EXISTING AND REVISED RATES
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 19

Line No.	Particulars	2017 Approved Margin	2018 FORECAST			2018 FORECAST			Average Number of Customers	Terajoules	Cross Reference
			Margin at Existing Rates	Effective Increase	Margin at Revised Rates	Revenue at Existing Rates	Effective Increase	Revenue at Revised Rates			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	NON - BYPASS										
2	Residential										
3	Rate Schedule 1	\$ 452,786	\$ 484,373	\$ -	\$ 484,373	\$ 739,420	\$ -	\$ 739,420	911,429	81,227.4	
4	Commercial										
5	Rate Schedule 2	126,321	132,839	-	132,839	228,598	-	228,598	87,636	30,296.5	
6	Rate Schedule 3	63,414	67,355	-	67,355	127,547	-	127,547	5,225	20,091.1	
7	Rate Schedule 23	31,268	34,965	-	34,965	35,141	-	35,141	1,911	10,315.4	
8	Industrial										
9	Rate Schedule 4	288	284	-	284	678	-	678	18	146.9	
10	Rate Schedule 5	6,214	7,195	-	7,195	14,352	-	14,352	253	2,674.6	
11	Rate Schedule 6	251	131	-	131	197	-	197	6	28.0	
12	Rate Schedule 7	254	397	-	397	1,056	-	1,056	6	246.0	
13	Rate Schedule 22 - Firm Service	6,593	6,260	-	6,260	6,539	-	6,539	14	11,263.5	
14	Rate Schedule 22 - Interruptible Service	19,467	19,059	-	19,059	19,286	-	19,286	27	18,445.3	
15	Rate Schedule 25	31,232	31,257	-	31,257	31,484	-	31,484	550	14,017.0	
16	Rate Schedule 27	9,814	10,964	-	10,964	11,088	-	11,088	109	7,269.1	
17	Total Non-Bypass	\$ 747,902	\$ 795,079	\$ -	\$ 795,079	\$ 1,215,386	\$ -	\$ 1,215,386	1,007,184	196,020.8	
18											
19											
20	Bypass and Special Rates										
21	Rate Schedule 22 - Firm Service	\$ 915	\$ 642		\$ 642	\$ 788		\$ 788	6	8,582.0	
22	Rate Schedule 25	302	464		464	482		482	4	1,072.9	
23	Rate Schedule 46	5,153	5,370		5,370	9,174		9,174	30	1,111.2	
24	Byron Creek	122	106		106	106		106	1	230.8	
25	Burrard Thermal	-	-		-	-		-	-	-	
26	BC Hydro IG	15,735	15,735		15,735	15,735		15,735	1	16,425.0	
27	VIGJV	4,586	4,637		4,637	4,637		4,637	1	4,745.0	
28	Total Bypass & Special	\$ 26,813	\$ 26,954	\$ -	\$ 26,954	\$ 30,922	\$ -	\$ 30,922	43	32,166.9	
29											
30											
31	Total	\$ 774,715	\$ 822,033	\$ -	\$ 822,033	\$ 1,246,308	\$ -	\$ 1,246,308	1,007,227	228,187.7	
32											
33	Effective Increase			0.00%			0.00%				

**OPERATING AND MAINTENANCE EXPENSE
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 20

Line No.	Particulars	Formula O&M	Forecast O&M	Total O&M	Cross Reference
	(1)	(2)	(3)	(4)	(5)
1	2013				
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	2014				
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	2015				
14	Net Inflation Factor	100.816%			Schedule 3, Line 12, Column 4
15	Formula O&M	235,619			
16	2016				
17	Net Inflation Factor	101.039%			Schedule 3, Line 12, Column 5
18	Formula O&M	238,068			
19	Less: Fort Nelson Line Heater and Communications Cost	(30)			
20	Formula O&M	238,038			
21	2017				
22	Net Inflation Factor	100.997%			Schedule 3, Line 12, Column 6
23	Formula O&M	\$ 240,412			
24	2018				
25	Net Inflation Factor	101.320%			Schedule 3, Line 12, Column 7
26	Formula O&M	\$ 243,585		\$ 243,585	
27					
28	O&M Tracked Outside of Formula				
29	Pension & OPEB (O&M Portion)		\$ 17,077		
30	Insurance		5,360		
31	Biomethane O&M		1,121		
32	NGT Stations O&M		1,838		
33	LNG O&M		6,650		
34	Total		\$ 32,046	32,046	
35					
36	Total Gross O&M			\$ 275,631	
37	O&M Transferred to Biomethane BVA			(1,074)	
38	Capitalized Overhead			(33,076)	
39	Net O&M Expense			<u>\$ 241,481</u>	

**DEPRECIATION AND AMORTIZATION EXPENSE
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 21

Line No.	Particulars	2017 Approved	2018 Forecast	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)
1	Depreciation				
2	Depreciation Expense	\$ 169,923	\$ 191,560	\$ 21,637	Schedule 7.2, Line 35, Column 7
3	Depreciation & Amortization Transferred to Biomethane BVA	(399)	(471)	(72)	Schedule 7.2, Line 36, Column 7
4	Vehicle Depreciation Allocated To Capital Projects	(1,334)	(1,260)	74	Schedule 7.2, Line 37, Column 7
5		168,190	189,829	21,639	
6					
7	Amortization				
8	Rate Base Deferrals	\$ 49,265	\$ 56,624	\$ 7,359	Schedule 11.1, Line 24, Column 6
9	Rate Base Deferrals - Net Salvage Amortization Transferred to Biomethane BVA	(22)	(24)	(2)	Schedule 11.1, Line 25, Column 6
10	Non-Rate Base Deferrals	(8,945)	(15,417)	(6,472)	Schedule 12, Line 24, Column 6
11	CIAC	(8,989)	(8,828)	161	Schedule 9, Line 13, Column 5
12	CIAC Amortization Transferred to Biomethane BVA	27	28	1	Schedule 9, Line 19, Column 5
13		31,336	32,383	1,047	
14					
15	Total	\$ 199,526	\$ 222,212	\$ 22,686	

**PROPERTY AND SUNDRY TAXES
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 22

Line No.	Particulars (1)	2017 APPROVED (2)	2018 FORECAST (3)	Change (4)	Cross Reference (5)
1	General School and Other	\$ 54,832	\$ 56,296	\$ 1,464	
2	1% In-Lieu of Municipal Taxes	12,629	10,880	(1,749)	
3					
4	Total	<u>\$ 67,461</u>	<u>\$ 67,176</u>	<u>\$ (285)</u>	
5					
6	Total Property Tax Expense per Line 4	\$ 67,461	\$ 67,176		
7	Less: Property Tax Transferred to Biomethane BVA	(11)	(19)		
8	Net Property Tax Expense	<u>\$ 67,450</u>	<u>\$ 67,157</u>		

**OTHER REVENUE
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 23

Line No.	Particulars	2017 Approved	2018 Forecast	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)
1	Late Payment Charge	\$ 2,180	\$ 2,688	\$ 508	
2	Connection Charge	3,118	3,148	30	
3	NSF Returned Cheque Charges	76	80	4	
4	Other Recoveries	243	288	45	
5	SCP Third Party Revenue	14,347	16,976	2,629	
6	NGT Tanker Rental Revenue	448	583	135	
7	NGT Overhead and Marketing Recovery	332	320	(12)	
8	Biomethane Other Revenue	448	532	84	
9	LNG Mitigation Revenue from FEI	18,039	18,039	-	
10	CNG & LNG Service Revenues	3,727	3,394	(333)	
11					
12	Total	\$ 42,958	\$ 46,048	\$ 3,090	

INCOME TAXES
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)

Schedule 24

Line No.	Particulars (1)	EXISTING		DIFFERENCE		Change (4)	Cross Reference (5)
		2017 Approved (2)	2018 FORECAST at Existing Rates	2018 FORECAST Revised Revenue	2018 Forecast (3)		
1	EARNED RETURN	\$ 246,984	\$ 281,654	\$ -	\$ 281,654	\$ 34,670	Schedule 16, Line 27, Column 5
2	Deduct: Interest on Debt	(122,183)	(134,449)	-	(134,449)	(12,266)	Schedule 26, Line 1+2, Column 7
3	Adjustments to Taxable Income	(23,333)	(11,680)	-	(11,680)	11,653	Schedule 24, Line 37
4	Accounting Income After Tax	\$ 101,468	\$ 135,525	\$ -	\$ 135,525	\$ 34,057	
5							
6	1 - Current Income Tax Rate	74.00%	74.00%	74.00%	74.00%	0.00%	
7	Taxable Income	\$ 137,119	\$ 183,142	\$ -	\$ 183,142	\$ 46,023	
8							
9	Current Income Tax Rate	26.00%	26.00%	26.00%	26.00%	0.00%	
10	Income Tax - Current	\$ 35,651	\$ 47,617	\$ -	\$ 47,617	\$ 11,966	
11							
12	Previous Year Adjustment	-	-	-	-	-	
13	Total Income Tax	\$ 35,651	\$ 47,617	\$ -	\$ 47,617	\$ 11,966	
14							
15							
16	ADJUSTMENTS TO TAXABLE INCOME						
17	Addbacks:						
18	Non-tax Deductible Expenses	\$ 1,000	\$ 1,300	\$ -	\$ 1,300	\$ 300	
19	Depreciation	168,190	189,829	-	189,829	21,639	Schedule 21, Line 5, Column 3
20	Amortization of Deferred Charges	40,298	41,183	-	41,183	885	Schedule 21, Line 8+9+10, Column 3
21	Amortization of Debt Issue Expenses	881	1,020	-	1,020	139	
22	Vehicles: Interest & Capitalized Depreciation	1,543	1,352	-	1,352	(191)	
23	Pension Expense	12,044	11,933	-	11,933	(111)	
24	OPEB Expense	7,500	10,128	-	10,128	2,628	
25							
26	Deductions:						
27	Capital Cost Allowance	(196,055)	(213,970)	-	(213,970)	(17,915)	Schedule 25, Line 26, Column 6
28	CIAC Amortization	(8,962)	(8,800)	-	(8,800)	162	Schedule 21, Line 11+12, Column 3
29	Cumulative Eligible Capital Allowance	(1,577)	-	-	-	1,577	
30	Debt Issue Costs	(1,202)	(1,379)	-	(1,379)	(177)	
31	Vehicle Lease Payment	(2,259)	(1,603)	-	(1,603)	656	
32	Pension Contributions	(15,496)	(13,659)	-	(13,659)	1,837	
33	OPEB Contributions	(3,324)	(2,112)	-	(2,112)	1,212	
34	Overheads Capitalized Expensed for Tax Purposes	(10,772)	(11,025)	-	(11,025)	(253)	
35	Removal Costs	(13,233)	(13,937)	-	(13,937)	(704)	Schedule 11.1, Line 7, Column 4
36	Major Inspection Costs	(1,909)	(1,940)	-	(1,940)	(31)	
37	Total	\$ (23,333)	\$ (11,680)	\$ -	\$ (11,680)	\$ 11,653	

**CAPITAL COST ALLOWANCE
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 25

Line No.	Class	CCA Rate	12/31/2017 UCC Balance	Adjustments	2018 Additions	2018 CCA	12/31/2018 UCC Balance
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	1	4%	\$ 1,092,511	\$ -	\$ 9,316	\$ (43,887)	\$ 1,057,940
2	1 (LNG Plant - post Feb 2015)	4%	14,164	-	-	(567)	13,597
3	1(b)	6%	74,883	-	27,916	(5,330)	97,469
4	2	6%	104,593	-	-	(6,276)	98,317
5	3	5%	1,970	-	-	(99)	1,871
6	6	10%	91	-	-	(9)	82
7	7	15%	21,168	-	2,497	(3,362)	20,303
8	8	20%	25,881	-	7,278	(5,904)	27,255
9	10	30%	10,686	-	2,727	(3,615)	9,798
10	10.1	30%	78	-	-	(23)	55
11	12	100%	6,536	-	13,279	(13,176)	6,639
12	13	manual	3,585	-	199	(487)	3,297
13	14	manual	125	-	-	(25)	100
14	14.1 (pre 2017)	7%	20,133	-	-	(1,409)	18,724
15	14.1 (post 2016)	5%	460	-	479	(35)	904
16	17	8%	1,343	-	-	(107)	1,236
17	38	30%	312	-	-	(94)	218
18	43.2	50%	1,992	-	-	(996)	996
19	45	45%	11	-	-	(5)	6
20	47	8%	211,204	-	-	(16,896)	194,308
21	47 (LNG Plant - post Feb 2015)	8%	227,020	-	6,513	(18,422)	215,111
22	49	8%	307,497	-	248,223	(34,529)	521,191
23	50	55%	10,620	-	9,592	(8,479)	11,733
24	51	6%	776,060	-	122,491	(50,238)	848,313
25							
26	Total		\$ 2,912,923	\$ -	\$ 450,510	\$ (213,970)	\$ 3,149,463

**RETURN ON CAPITAL
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 26

Line No.	Particulars	2017 APPROVED Earned Return	Amount	Ratio	2018 Average Embedded Cost	Cost Component	Earned Return	Earned Return Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Long Term Debt	\$ 121,630	\$ 2,465,174	56.41%	5.26%	2.97%	\$ 129,783	\$ 8,153	Schedule 27, Line 29&31, Column 5&6&7
2	Short Term Debt	553	222,202	5.09%	2.10%	0.11%	4,666	4,113	
3	Common Equity	124,801	1,682,341	38.50%	8.75%	3.37%	147,205	22,404	
4									
5	Total	<u>\$ 246,984</u>	<u>\$ 4,369,717</u>	<u>100.00%</u>		<u>6.45%</u>	<u>\$ 281,654</u>	<u>\$ 34,670</u>	
6									
7	Cross Reference		Schedule 2, Line 30, Column 3						

**EMBEDDED COST OF LONG TERM DEBT
FOR THE YEAR ENDING DECEMBER 31, 2018
(\$000s)**

Schedule 27

Line No.	Particulars	Issue Date	Maturity Date	Net Proceeds of Issue	Average Principal Outstanding	Interest * Rate	Interest Expense	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Medium Term Note - Series 11	September 21, 1999	September 21, 2029	\$ 147,710	\$ 150,000	7.073%	\$ 10,610	
2	2004 Long Term Debt Issue - Series 18	April 29, 2004	May 1, 2034	148,085	150,000	6.598%	9,897	
3	2005 Long Term Debt Issue - Series 19	February 25, 2005	February 25, 2035	148,337	150,000	5.980%	8,970	
4	2006 Long Term Debt Issue - Series 21	September 25, 2006	September 25, 2036	119,216	120,000	5.595%	6,714	
5	2007 Medium Term Debt Issue - Series 22	October 2, 2007	October 2, 2037	247,697	250,000	6.067%	15,168	
6	2008 Medium Term Debt Issue - Series 23	May 13, 2008	May 13, 2038	247,588	250,000	5.869%	14,673	
7	2009 Med.Term Debt Issue- Series 24	February 24, 2009	February 24, 2039	98,766	100,000	6.645%	6,645	
8	2011 Medium Term Debt Issue - Series 25	December 9, 2011	December 9, 2041	98,590	100,000	4.334%	4,334	
9	2015 Medium Term Debt Issue - Series 26 (Series A Renewal)	April 13, 2015	April 13, 2045	148,938	150,000	3.413%	5,120	
10	2016 Medium Term Debt Issue - Series 27 (Series B Renewal)	April 8, 2016	April 8, 2026	119,964	120,805	2.644%	3,194	
11	2016 Medium Term Debt Issue - Series 28	April 8, 2016	April 9, 2046	148,746	150,000	3.716%	5,574	
12	2016 Medium Term Debt Issue - Series 29	December 13, 2016	March 6, 2047	148,751	150,000	3.827%	5,741	
13	2017 Medium Term Debt Issue	November 1, 2017	November 1, 2047	148,500	150,000	3.655%	5,483	
14	2018 Medium Term Debt Issue	July 1, 2018	July 1, 2048	148,500	75,616	4.058%	3,068	
15								
16	FEVI L/T Debt Issue - 2008	February 16, 2008	February 15, 2038	247,999	250,000	6.109%	15,273	
17	FEVI L/T Debt Issue - 2010	December 6, 2010	December 6, 2040	98,836	100,000	5.278%	5,278	
18								
19	LILO Obligations - Kelowna				17,248	6.563%	1,132	
20	LILO Obligations - Nelson				2,834	8.539%	242	
21	LILO Obligations - Vernon				8,323	9.912%	825	
22	LILO Obligations - Prince George				21,942	8.750%	1,920	
23	LILO Obligations - Creston				2,106	7.835%	165	
24								
25	Vehicle Lease Obligation				2,515	3.658%	92	
26								
27	Sub-Total				\$ 2,471,389		\$ 130,118	
28	Less: Fort Nelson Division Portion of Long Term Debt				(6,215)		(335)	
29	Total				\$ 2,465,174		\$ 129,783	
30								
31	Average Embedded Cost					5.26%		
32								
33	* Interest Rate is Effective interest rate as it includes amortization of debt issue costs							

Appendix B

REVISED DRAFT ORDER

ORDER NUMBER

G-xx-xx

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

and

FortisBC Energy Inc.
Annual Review of 2018 Delivery Rates

BEFORE:

[Panel Chair]
Commissioner
Commissioner

on **Date**

ORDER

WHEREAS:

- A. On September 15, 2014, the British Columbia Utilities Commission (Commission) issued its Decision and Order G-138-14 approving for FortisBC Energy Inc. (FEI) a Multi-Year Performance Based Ratemaking (PBR) Plan for 2014 through 2019 (the PBR Decision). In accordance with the PBR Decision, FEI is to conduct an Annual Review process to set rates for each year;
- B. By letter dated July 24, 2017, FEI proposed a regulatory timetable for its annual review of 2018 delivery rates;
- C. By Order G-115-17 dated July 27, 2017, the Commission established the regulatory timetable for the annual review of 2018 delivery rates which included the anticipated date for FEI to file its annual review materials, the deadline for intervener registration, one round of information requests, a workshop, FEI's response to undertakings requested at the workshop, and written final and reply arguments;
- D. On August 4, 2017, FEI submitted its Annual Review for 2018 Rates Application materials (Application);
- E. On September 26, 2017, FEI submitted an Evidentiary Update to its Annual Review for 2018 Rates Application materials (Evidentiary Update);
- F. The Commission has reviewed the Application and evidence filed in the proceeding and makes the following determinations.

NOW THEREFORE pursuant to sections 59 to 61 of the *Utilities Commission Act*, the Commission orders as follows:

1. FortisBC Energy Inc. is approved to maintain 2018 delivery rates at the approved 2017 levels, before consideration of rate riders, effective January 1, 2018.
2. The following deferral account requests are approved:
 - a. Creation of a rate base deferral account for the 2020 Revenue Requirement regulatory proceeding with an amortization period to be proposed when that application is filed;
 - b. Creation of a rate base deferral account for the Surrey Operating Agreement regulatory proceeding with a three-year amortization period;
 - c. A three-year amortization period for the existing 2016 Cost of Capital Application deferral account, commencing in 2018;
 - d. A name change of the 2017 Revenue Surplus account to the 2017-2018 Revenue Surplus account, and an addition of the 2018 surplus of \$7.960 million to the 2017-2018 Revenue Surplus account; and
 - e. The transfer of the ending 2017 balances in the Rate Stabilization Deferral Account Phase-in Rider Balancing Account and Amalgamation Regulatory Account to the Residual Delivery Rate Riders deferral account.
3. The following rate rider requests are approved:
 - a. A Biomethane Variance Account Rate Rider for 2018 in the amount of \$0.026 per gigajoule; and
 - b. Revenue Stabilization Adjustment Mechanism riders for 2018 in the amounts set out in Table 10-9 of the Application.

DATED at the City of Vancouver, in the Province of British Columbia, this (xx) day of (Month Year).

BY ORDER

(X. X. last name)
Commissioner

Deleted: , the inclusion of a \$5.177 million reduction to the deferral account balance in 2017

Deleted: 3.8247