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November 7, 2017

British Columbia Public Interest Advocacy Centre
Suite 208 – 1090 West Pender Street
Vancouver, B.C.
V6E 2N7

Attention: Ms. Leigha Worth, Executive Director

Dear Ms. Worth:

Re: FortisBC Energy Inc. (FEI)

Project No. 3698899

2016 Rate Design Application (the Application)

Response to the British Columbia Public Interest Advocacy Centre representing the British Columbia Old Age Pensioners' Organization, Active Support Against Poverty, Disability Alliance BC, Council of Senior Citizens' Organizations of BC, and the Tenant Resource and Advisory Centre *et al.* (BCOAPO) Information Request (IR) No. 2

On December 19, 2016, FEI filed the Application referenced above. In accordance with the British Columbia Utilities Commission Order G-109-17 setting out the Regulatory Timetable for the review of the Application, FEI respectfully submits the attached response to BCOAPO IR No. 2.

If further information is required, please contact the undersigned.

Sincerely,

FORTISBC ENERGY INC.

Original signed:

Diane Roy

Attachments

cc (email only): Commission Secretary
Registered Parties

1.0 Please provide by month since October 2015 to present the number of:

1.1 Final notices of disconnection for nonpayment (disaggregating by and explaining if different "final" notices are provided) for residential customers; and

Response:

This response also addresses BCOAPO-FEI IRs 2.1.2, 2.2.0 and 2.2.1.

Please refer to the table below which provides the number of notices of disconnection, the number of disconnections, the number of reconnections and the average number of days between disconnection and reconnection for Residential customers each month from October 2015 through September 2017.

Please note that a disconnection in one month may be related to a disconnection notice provided in a previous month.

RESIDENTIAL

2015	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total
NOTICES OF DISCONNECTION										2,406	2,292	1,631	6,329
DISCONNECTED										222	206	165	593
RECONNECTED										208	191	154	553
AVG DAYS BETWEEN DISC AND RECONN										35.0	31.7	39.2	
2016	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEP**	**OCT**	**NOV**	**DEC**	**Total**
NOTICES OF DISCONNECTION	5,821	5,747	7,386	6,716	5,276	4,687	3,309	3,155	2,555	1,898	1,936	1,387	49,873
DISCONNECTED	255	532	697	715	839	801	594	570	416	268	270	44	6,001
RECONNECTED	224	493	641	638	775	725	536	514	371	238	247	37	5,439
AVG DAYS BETWEEN DISC AND RECONN	49.3	45.0	47.5	60.2	59.6	51.3	47.7	33.7	23.8	21.3	18.6	34.4	
2017	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEP**	**OCT**	**NOV**	**DEC**	**Total**
NOTICES OF DISCONNECTION	5,887	6,105	10,050	6,583	7,684	6,649	4,516	3,973	3,070				54,517
DISCONNECTED	226	337	859	680	709	837	750	755	464				5,617
RECONNECTED	197	282	704	575	566	688	606	603	358				4,579
AVG DAYS BETWEEN DISC AND RECONN	18.9	22.9	22.7	28.8	29.4	30.2	25.0	17.5	6.9				

1.2 Residential disconnections for nonpayment.

Response:

Please refer to the response to BCOAPO-FEI IR 2.1.1.

2.0 Please provide by month since October 2015 to present the number of accounts reconnected subsequent to a disconnection for nonpayment.

Response:

Please refer to the response to BCOAPO-FEI IR 2.1.1.

2.1 The average time between disconnection and reconnection.

Response:

Please refer to the response to BCOAPO-FEI IR 2.1.1.

2.2 A distribution in reasonable bands of how long a customer was "off" the system (suggested bands; less than 1 day, 1-3 days, 3-7 days, 7-30 days, more than 30 days).

Response:

Please refer to the table below which has distributed the duration of disconnection by bands of less than 1 day, 1 day, 2-7 days, 8-30 days, 31-90 days, 91-270 days, 271+ days and finally, no reconnection.

A second table has been provided which shows the number of reconnections for each interval as a percentage of the disconnections each month, demonstrating that on average over a third of customers are disconnected for one day or less and approximately half or more of all disconnections are reconnected within one week.

RESIDENTIAL DISCONNECTION FOR NON-PAYMENT DURATION

2015	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total
less than 1 day										47	58	44	149
1 day										37	42	26	105
2-7 days										50	36	30	116
8-30 days										30	25	23	78
31-90 days										27	15	12	54
91-270 days										8	8	10	26
271+ days										9	7	9	25
No Reconnection for Customer										14	15	11	40
2016	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEP**	**OCT**	**NOV**	**DEC**	**Total**
less than 1 day	60	144	162	129	134	114	97	77	77	77	81	8	1,160
1 day	34	89	101	90	99	98	57	72	66	34	42	7	789
2-7 days	39	87	123	113	131	132	99	97	69	48	49	10	997
8-30 days	33	68	79	75	91	101	65	94	79	40	46	4	775
31-90 days	26	30	61	65	94	95	120	112	60	23	18	5	709
91-270 days	17	50	98	145	207	175	88	56	14	12	7	1	870
271+ days	15	25	17	21	19	10	10	6	6	4	4	2	139
No Reconnection for Customer	31	39	56	77	64	76	58	56	45	30	23	7	562
2017	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEP**	**OCT**	**NOV**	**DEC**	**Total**
less than 1 day	59	76	208	158	134	147	122	102	100				1,106
1 day	36	43	134	102	100	91	82	85	65				738
2-7 days	40	61	138	118	114	141	116	132	93				953
8-30 days	28	52	106	73	77	89	95	127	83				730
31-90 days	25	23	59	49	53	112	154	157	17				649
91-270 days	9	27	59	75	88	108	37	-	-				403
271+ days	-	-	-	-	-	-	-	-	-				-
No Reconnection for Customer	29	55	155	105	143	149	144	152	106				1,038

RESIDENTIAL DISCONNECTION FOR NON-PAYMENT DURATION (% of Total Disconnections)

2015	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	*Average*
less than 1 day										21%	28%	27%	*25%*
1 day										17%	20%	16%	*18%*
2-7 days										23%	17%	18%	*20%*
8-30 days										14%	12%	14%	*13%*
31-90 days										12%	7%	7%	*9%*
91-270 days										4%	4%	6%	*4%*
271+ days										4%	3%	5%	*4%*
No Reconnection for Customer										6%	7%	7%	*7%*
2016	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEP**	**OCT**	**NOV**	**DEC**	***Average***
less than 1 day	24%	27%	23%	18%	16%	14%	16%	14%	19%	29%	30%	18%	*19%*
1 day	13%	17%	14%	13%	12%	12%	10%	13%	16%	13%	16%	16%	*13%*
2-7 days	15%	16%	18%	16%	16%	16%	17%	17%	17%	18%	18%	23%	*17%*
8-30 days	13%	13%	11%	10%	11%	13%	11%	16%	19%	15%	17%	9%	*13%*
31-90 days	10%	6%	9%	9%	11%	12%	20%	20%	14%	9%	7%	11%	*12%*
91-270 days	7%	9%	14%	20%	25%	22%	15%	10%	3%	4%	3%	2%	*14%*
271+ days	6%	5%	2%	3%	2%	1%	2%	1%	1%	1%	1%	5%	*2%*
No Reconnection for Customer	12%	7%	8%	11%	8%	9%	10%	10%	11%	11%	9%	16%	*9%*
2017	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEP**	**OCT**	**NOV**	**DEC**	***Average***
less than 1 day	26%	23%	24%	23%	19%	18%	16%	14%	22%				*20%*
1 day	16%	13%	16%	15%	14%	11%	11%	11%	14%				*13%*
2-7 days	18%	18%	16%	17%	16%	17%	15%	17%	20%				*17%*
8-30 days	12%	15%	12%	11%	11%	11%	13%	17%	18%				*13%*
31-90 days	11%	7%	7%	7%	7%	13%	21%	21%	4%				*12%*
91-270 days	4%	8%	7%	11%	12%	13%	5%	0%	0%				*7%*
271+ days	0%	0%	0%	0%	0%	0%	0%	0%	0%				*0%*
No Reconnection for Customer	13%	16%	18%	15%	20%	18%	19%	20%	23%				*18%*

3.0 By month since October 2015 to present inclusive, please provide the total number of customers taking service under levelized budget billing disaggregated by residential customers and by low-income customers (if available).

Response:

FEI interprets the levelized budget billing as asked in the IR as the Equal Payment Plan (EPP). The table below provides the total number of Residential customers on the Equal Payment Plan (by month) from October 2015 to September 2017.

FEI does not have billing information based on income levels and as such, does not have data specific to low-income customers.

Total # of EPP Customers

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015										276,070	277,612	281,472
2016	280,603	284,075	284,284	283,054	278,996	260,737	270,491	270,250	269,418	270,180	271,929	275,290
2017	274,767	278,711	279,045	278,403	274,323	258,407	266,958	266,270	265,283			

4.0 By month since October 2015 to present inclusive, please provide the total number of customers taking service under levelized budget billing, along with a disaggregation of that total number by residential customers and by low-income customers (if available), who had:

4.1 A bill balance in that month;

Response:

This response also addresses BCOAPO-FEI IR 2.4.2, 2.4.3 and 2.4.4

Please refer to the three tables below which provide the monthly amounts owing to the Company or customers with respect to the Equal Payment Plan (EPP), the number of accounts each month in each category and a calculation of the average balance for each category for October 2015 through September 2017.

Total EPP Balance ($)

	Balance Owed to Company	Balance Owed to Customer	Net Balance of EPP Accounts
Oct-15	$ 582,646	$ (46,077,187)	$ (45,494,541)
Nov-15	$ 1,499,523	$ (38,612,578)	$ (37,113,055)
Dec-15	$ 6,520,832	$ (23,474,439)	$ (16,953,608)
Jan-16	$ 18,899,160	$ (8,627,184)	$ 10,271,976
Feb-16	$ 26,592,567	$ (3,843,863)	$ 22,748,705
Mar-16	$ 31,668,681	$ (1,981,797)	$ 29,686,884
Apr-16	$ 29,380,593	$ (1,880,634)	$ 27,499,959
May-16	$ 19,215,132	$ (3,960,732)	$ 15,254,400
Jun-16	$ 10,139,684	$ (7,217,158)	$ 2,922,526
Jul-16	$ 4,078,404	$ (13,827,973)	$ (9,749,568)
Aug-16	$ 1,259,798	$ (24,610,835)	$ (23,351,038)
Sep-16	$ 808,646	$ (34,437,373)	$ (33,628,728)
Oct-16	$ 759,995	$ (36,721,235)	$ (35,961,240)
Nov-16	$ 1,193,385	$ (32,010,544)	$ (30,817,159)
Dec-16	$ 6,945,258	$ (17,981,861)	$ (11,036,604)
Jan-17	$ 26,682,625	$ (3,196,272)	$ 23,486,354
Feb-17	$ 42,701,584	$ (1,029,886)	$ 41,671,698
Mar-17	$ 53,797,428	$ (655,036)	$ 53,142,391
Apr-17	$ 53,770,540	$ (722,369)	$ 53,048,171
May-17	$ 43,324,600	$ (1,808,266)	$ 41,516,334
Jun-17	$ 25,796,139	$ (5,708,624)	$ 20,087,514
Jul-17	$ 13,140,943	$ (12,851,030)	$ 289,913
Aug-17	$ 3,970,643	$ (24,406,122)	$ (20,435,479)
Sep-17	$ 1,055,542	$ (37,450,887)	$ (36,395,345)

1

Total EPP Customers

	Balance Owed to Company	Balance Owed to Customer	Total
Oct-15	8,829	267,241	276,070
Nov-15	40,292	237,320	277,612
Dec-15	100,774	180,698	281,472
Jan-16	169,169	111,434	280,603
Feb-16	217,267	66,808	284,075
Mar-16	246,228	38,056	284,284
Apr-16	239,076	43,978	283,054
May-16	190,022	88,974	278,996
Jun-16	138,046	122,691	260,737
Jul-16	81,917	188,574	270,491
Aug-16	28,360	241,890	270,250
Sep-16	12,181	257,237	269,418
Oct-16	14,431	255,749	270,180
Nov-16	36,624	235,305	271,929
Dec-16	105,942	169,348	275,290
Jan-17	215,882	58,885	274,767
Feb-17	259,130	19,581	278,711
Mar-17	268,061	10,984	279,045
Apr-17	263,102	15,301	278,403
May-17	230,182	44,141	274,323
Jun-17	174,694	83,713	258,407
Jul-17	130,310	136,648	266,958
Aug-17	71,360	194,910	266,270
Sep-17	19,507	245,776	265,283

Average EPP Balance per Customer ($ per customer)

	Balance Owed to Company	Balance Owed to Customer	Average
Oct-15	$ 66	$ (172)	$ (165)
Nov-15	$ 37	$ (163)	$ (134)
Dec-15	$ 65	$ (130)	$ (60)
Jan-16	$ 112	$ (77)	$ 37
Feb-16	$ 122	$ (58)	$ 80
Mar-16	$ 129	$ (52)	$ 104
Apr-16	$ 123	$ (43)	$ 97
May-16	$ 101	$ (45)	$ 55
Jun-16	$ 73	$ (59)	$ 11
Jul-16	$ 50	$ (73)	$ (36)
Aug-16	$ 44	$ (102)	$ (86)
Sep-16	$ 66	$ (134)	$ (125)
Oct-16	$ 53	$ (144)	$ (133)
Nov-16	$ 33	$ (136)	$ (113)
Dec-16	$ 66	$ (106)	$ (40)
Jan-17	$ 124	$ (54)	$ 85
Feb-17	$ 165	$ (53)	$ 150
Mar-17	$ 201	$ (60)	$ 190
Apr-17	$ 204	$ (47)	$ 191
May-17	$ 188	$ (41)	$ 151
Jun-17	$ 148	$ (68)	$ 78
Jul-17	$ 101	$ (94)	$ 1
Aug-17	$ 56	$ (125)	$ (77)
Sep-17	$ 54	$ (152)	$ (137)

4.2 Separately provide the aggregate bill balance;

Response:

Please refer to the response to BCOAPO-FEI IR 2.4.1.

4.3 A bill credit in that month; and

Response:

Please refer to the response to BCOAPO-FEI IR 2.4.1.

4.4 Separately provide the aggregate bill credit.

Response:

Please refer to the response to BCOAPO-FEI IR 2.4.1.

5.0 By month since October 2015 to present inclusive, please provide the number of budget billing customers who entered the levelized budget billing plan with a pre-existing arrearage.

Response:

FEI does not track the data as requested and is therefore unable to provide the information requested with reasonable efforts.

While it would depend on the specific and unique circumstances of the customer, it is unlikely that FEI would set a customer up on the equal payment plan if the customer had a pre-existing arrearage and such, FEI expects that the analysis as requested would result in a minimal number of customers. Further, to the extent that it does occur, payment arrangements to address the pre-existing arrearage would be agreed upon between the customer and FEI.

6.0 By month since October 2015 to present inclusive, please provide the number of budget billing customers who were removed from levelized budget billing due to a failure to pay.

Response:

FEI does not track the data as requested and is therefore unable to provide the information with reasonable efforts. The individual customer approach taken by FEI with regard to collections activities would make it administratively onerous to track and categorize each unique situation and resolution.

To the extent that a customer on the equal payment plan may be having difficulty paying their bill, FEI would work with that customer to understand the options that may be best suited to their situation. This may include creating separate payment arrangements to address an arrearage and would not necessarily include removing the customer from the equal payment plan as a result of these arrangements.

7.0 Of the residential accounts receiving a notice of an impending disconnection for nonpayment, for each month from January 2012 to present inclusive, please provide:

7.1 The total number of accounts that did not have their service disconnected by the date specified in the disconnect notice;

Response:

FEI does not have the information as requested. The Notice of Disconnection provides a final payment date, and does not provide a disconnection date. As such, a disconnection for non-payment always occurs sometime after the final payment date specified on the letter.

7.2 The total number of accounts that did not have their service disconnected by the utility for nonpayment after receiving a disconnect notice for non-payment that voluntarily terminated their accounts;

Response:

This response also addresses BCOAPO-FEI IRs 2.7.3, 2.7.5 and 2.7.6.

FEI does not maintain records that would provide the information as requested; however, for Residential customers FEI is able to provide the total number of notices of disconnections issued, the number of disconnection service orders requested (which would indicate the number of disconnections that were anticipated each month), the actual number of disconnections that occurred, and the number of accounts closed following disconnection for each month from January 2012 to September 2017.

While there may be circumstances other than a payment on the account that led to the avoidance of a disconnection, such as those described in the response to BCOAPO-FEI IR 2.38.1, the difference between the number of notices of disconnections and the number of disconnection service orders may generally represent the number of customers that have made a payment or payment arrangements following receipt of the notice. Please note that this could result in some customers maintaining a balance in arrears that may be greater than the $200 trigger for a notice of disconnection; however, FEI would continue to monitor the account and work with the customer on a payment arrangement plan that would have any remaining arrears balance addressed while maintaining service and avoiding disconnection. The difference between the service orders for disconnections and actual disconnections would include customers that may have made a payment or payment arrangements on their account following further contact from FEI regarding the disconnection. Finally, the accounts closed following disconnection are accounts that were automatically closed by FEI 15 days following the completion of the disconnection because the customer did not make a reconnection payment, call for a reconnection and/or FEI's efforts to contact the customer were unsuccessful.

As shown in the table below, on average each year approximately 90 percent of customers who receive a notice of disconnection remain connected to the system.[1]

[1] The column labeled "% of NOD" reflects the number of customers in each category as a percent of the total notices of disconnection issued each year. The conclusion that 90 percent remain connected to the system is based on the number of customers disconnected for non-payment as compared to the notices of disconnection issues (1-the percentage reflected in the column for this row).

RESIDENTIAL

2012	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	*Total*	*% of NOD*
Notices of Disconnection Issued	15,995	17,885	21,070	16,239	15,433	15,399	9,603	8,531	6,605	5,368	3,060	4,150	*139,338*	
Disconnection Service Orders	340	4,449	3,043	2,827	2,306	1,271	1,587	1,412	965	806	358	345	*19,709*	*14%*
Disconnected for Non-payment	177	2,427	1,963	1,911	1,628	907	1,245	1,122	754	580	218	203	*13,135*	*9%*
Closed after Disconnection	2	243	576	358	339	359	295	475	306	161	55	44	*3,213*	*2%*
2013	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEP**	**OCT**	**NOV**	**DEC**	***Total***	***% of NOD***
Notices of Disconnection Issued	8,653	7,503	14,002	10,981	9,903	8,059	6,659	5,168	4,191	4,253	4,405	3,476	*87,253*	
Disconnection Service Orders	909	1,292	1,554	2,144	2,338	1,721	1,593	1,037	899	714	533	408	*15,142*	*17%*
Disconnected for Non-payment	592	718	692	1,030	1,261	1,176	1,092	720	623	490	377	251	*9,022*	*10%*
Closed after Disconnection	58	129	164	165	415	375	397	379	242	117	64	49	*2,554*	*3%*
2014	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEP**	**OCT**	**NOV**	**DEC**	***Total***	***% of NOD***
Notices of Disconnection Issued	5,992	6,583	8,356	8,858	8,655	7,193	6,105	4,829	4,918	4,544	3,421	2,372	*71,826*	
Disconnection Service Orders	607	1,128	1,434	1,351	1,741	1,716	1,539	1,299	1,092	796	575	368	*13,646*	*19%*
Disconnected for Non-payment	467	668	907	887	1,161	1,214	1,101	928	722	591	390	264	*9,300*	*13%*
Closed after Disconnection	37	70	132	219	287	483	446	438	281	188	98	48	*2,727*	*4%*
2015	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEP**	**OCT**	**NOV**	**DEC**	***Total***	***% of NOD***
Notices of Disconnection Issued	7,777	6,259	8,639	6,559	5,760	5,675	4,407	2,727	2,842	2,406	2,292	1,631	*56,974*	
Disconnection Service Orders	690	1,233	1,266	1,236	1,079	1,085	991	604	463	391	332	225	*9,595*	*17%*
Disconnected for Non-payment	506	923	963	849	780	807	693	426	334	222	206	165	*6,874*	*12%*
Closed after Disconnection	65	121	245	252	268	370	344	211	166	98	72	26	*2,238*	*4%*
2016	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEP**	**OCT**	**NOV**	**DEC**	***Total***	***% of NOD***
Notices of Disconnection Issued	5,821	5,747	7,386	6,716	5,276	4,687	3,309	3,155	2,555	1,898	1,936	1,387	*49,873*	
Disconnection Service Orders	467	946	969	1,266	1,225	1,048	835	777	608	362	322	144	*8,969*	*18%*
Disconnected for Non-payment	255	532	697	715	839	801	594	570	416	268	270	44	*6,001*	*12%*
Closed after Disconnection	49	77	157	227	287	382	261	254	182	109	65	19	*2,069*	*4%*
2017	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEP**	**OCT**	**NOV**	**DEC**	***Total***	***% of NOD***
Notices of Disconnection Issued	5,887	6,105	10,050	6,583	7,684	6,649	4,516	3,973	3,070	-	-	-	*54,517*	
Disconnection Service Orders	429	725	1,203	1,065	1,326	1,347	1,033	896	658	-	-	-	*8,682*	*16%*
Disconnected for Non-payment	226	337	859	680	709	837	750	755	464	-	-	-	*5,617*	*10%*
Closed after Disconnection	25	59	128	192	243	259	307	294	212	-	-	-	*1,719*	*3%*

7.3 The total number of accounts that did not have their service disconnected because the customers paid their bills in full prior to their scheduled disconnection;

Response:

FEI is unable to determine whether customers paid in full or made a partial payment and deferred payment arrangement to avoid disconnection. Further, as discussed in the response to BCOAPO-FEI IR 2.38.1, there are circumstances other than full or partial payment that may result in the avoidance of a disconnection.

Please refer to the response to BCOAPO-FEI IR 2.7.2 which shows that approximately 90 percent of customers each year who receive a notice of disconnection remain connected to the system.

7.4 The total number of accounts that did not have their service disconnected because the customer paid their bills less than in full but paid a sufficient amount to avoid their scheduled disconnection;

Response:

Please refer to the response to BCOAPO-FEI IR 2.7.3.

7.5 The total number of accounts that did not have their service disconnected by the utility even though they retained an arrears that was sufficiently large (or sufficiently old) to trigger a disconnection; and

Response:

Please refer to the response to BCOAPO-FEI IR 2.7.2.

7.6 The total number of accounts on which no payments were made prior to the issuance of the next bill after issuance of the disconnect notice.

Response:

Please refer to the response to BCOAPO-FEI IR 2.7.2.

8.0 Please provide, disaggregated by heating and non-heating residential accounts, in ranges of 100 kWh, a monthly usage distribution, by month since October 2015 to present, for:

8.1 All residential customers;

Response:

FEI does not deliver gas in kWh but rather GJ. Nor do many[2] residential customers consume 100 GJ in any one month. Therefore, FEI has provided the response based on usage increments of 0.1 to 5 GJ per month, 5.1 to 10 GJ per month, 10.1 to 20 GJ per month and greater than 20 GJ per month for the months of October 2015 through September 2017 in the table below.[3]

FEI has not provided the response disaggregated between heating and non-heating because FEI does not disaggregate customer data in that way and, as such, it is not available.

[2] 0.016 percent of records indicate a customer consumed greater than 100 GJ in any month between October 2015 and September 2017.

[3] Please note that this includes customers from Fort Nelson. Please also note that this analysis counts all customers who have consumed gas, within the various ranges, and have been billed within that month. This means that if a customer has not consumed gas they will not be included in this total. Thus, this may result in a different number than what is used for Financial Reporting purposes which is based on the number of active customers at the mid-point of each month.

Residential Customers by GJ Usage Intervals

Year	Month	0.1 - 5 GJ	5.1 -10 GJ	10.1 -20 GJ	>20 GJ
2015	October	651,960	190,189	29,929	4,238
2015	November	296,764	349,943	196,005	22,725
2015	December	140,789	268,127	393,078	81,411
2016	January	101,976	153,908	431,604	179,388
2016	February	158,852	304,120	356,339	65,263
2016	March	199,865	363,830	281,811	37,918
2016	April	367,332	361,194	137,822	14,694
2016	May	705,280	153,203	20,853	3,764
2016	June	766,116	103,472	13,224	4,648
2016	July	781,339	64,211	9,044	4,847
2016	August	830,649	44,954	7,776	4,637
2016	September	811,979	61,673	8,622	4,928
2016	October	552,183	246,613	53,303	5,961
2016	November	333,662	379,610	159,330	19,438
2016	December	139,962	229,714	373,065	121,320
2017	January	89,268	108,056	401,305	298,798
2017	February	112,465	198,394	431,252	121,385
2017	March	138,478	263,593	379,755	117,403
2017	April	209,054	344,691	235,640	32,152
2017	May	445,288	330,671	110,059	14,117
2017	June	739,689	132,236	21,884	5,785
2017	July	794,920	57,000	8,666	4,668
2017	August	841,218	45,874	7,424	4,668
2017	September	808,475	43,095	6,973	4,898

8.2 All residential customers in arrears.

Response:

FEI has provided the response based on usage increments of 0.1 to 5 GJ per month, 5.1 to 10 GJ per month, 10.1 to 20 GJ per month and greater than 20 GJ per month for the months of October 2015 through September 2017 in the table below.[4]

[4] Please note that this includes customers from Fort Nelson. Please also note that this analysis counts all customers who have consumed gas, within the various ranges, and have been billed within that month. This means that if a customer has not consumed gas they will not be included in this total.

FEI has not provided the response disaggregated between heating and non-heating because FEI does not disaggregate customer data in that way and, as such, it is not available.

Residential Customers in Arrears by GJ Intervals

Year	Month	0.1 - 5 GJ	5.1 -10 GJ	10.1 -20 GJ	>20 GJ
2015	October	79,799	21,006	3,254	606
2015	November	36,722	35,838	18,676	2,316
2015	December	18,410	31,047	44,527	9,854
2016	January	15,120	21,549	56,110	22,372
2016	February	20,255	35,380	41,004	7,935
2016	March	24,325	40,620	31,441	4,564
2016	April	42,170	40,281	15,615	1,742
2016	May	74,516	15,913	2,138	363
2016	June	100,658	13,205	1,689	595
2016	July	80,687	6,069	840	442
2016	August	84,760	4,363	732	428
2016	September	79,402	5,702	772	388
2016	October	59,867	22,857	4,847	615
2016	November	34,433	35,694	15,128	2,020
2016	December	19,418	28,935	40,067	12,168
2017	January	9,845	10,650	36,027	26,835
2017	February	13,078	21,001	44,784	12,613
2017	March	16,492	28,683	43,009	16,475
2017	April	31,761	51,702	35,956	5,283
2017	May	51,299	38,145	13,423	1,849
2017	June	81,874	15,097	2,722	554
2017	July	88,921	6,009	848	465
2017	August	89,778	4,931	750	449
2017	September	88,702	4,766	691	499

8.3 If usage ranges of 100 kWh are not available, provide data in those usage ranges reasonably available.

Response:

Please refer to the response to BCOAPO-FEI IR 2.8.1.

9.0 Disaggregated by heating and non-heating, for each usage range provided in the immediately preceding data request, please provide:

9.1 The average consumption within that range; and

Response:

FEI has provided the response based on usage increments of 0.1 to 5 GJ per month, 5.1 to 10 GJ per month, 10.1 to 20 GJ per month and greater than 20 GJ per month for the months of October 2015 through September 2017 in the table below.[5]

FEI has not provided the response disaggregated between heating and non-heating because FEI does not disaggregate customer data in that way and as such, it is not available.

Average Residential Customer Usage (GJ) within GJ Intervals

Year	Month	0.1 - 5 GJ	5.1 -10 GJ	10.1 -20 GJ	>20 GJ
2015	October	2.5	6.7	12.7	34.8
2015	November	2.8	7.4	13.2	27.5
2015	December	2.4	7.8	13.8	27.1
2016	January	2.2	7.9	14.7	27.4
2016	February	2.5	7.8	13.6	27.3
2016	March	2.7	7.6	13.3	27.0
2016	April	2.8	7.2	13.1	28.6
2016	May	2.5	6.6	12.7	35.1
2016	June	2.2	6.6	13.0	36.4
2016	July	2.0	6.5	13.3	36.4
2016	August	1.7	6.5	13.5	36.1
2016	September	1.9	6.5	13.5	36.3
2016	October	2.6	6.9	12.7	33.6
2016	November	2.8	7.2	13.1	28.2
2016	December	2.4	7.7	14.2	27.3
2017	January	2.1	7.9	15.1	29.4
2017	February	2.3	7.9	14.2	27.3
2017	March	2.4	7.8	14.0	28.8
2017	April	2.8	7.5	13.3	27.4
2017	May	2.8	7.1	13.1	30.5
2017	June	2.3	6.7	12.9	36.0
2017	July	1.9	6.5	13.4	35.9
2017	August	1.7	6.5	13.6	36.3
2017	September	1.8	6.5	13.7	36.1

[5] Please note that this includes customers from Fort Nelson. Please also note that this analysis counts all customers who have consumed gas, within the various ranges, and have been billed within that month. This means that if a customer has not consumed gas they will not be included in this total.

9.2 The monthly bill for that range at current residential rates.

Response:

FEI has provided the response based on usage increments of 0.1 to 5 GJ per month, 5.1 to 10 GJ per month, 10.1 to 20 GJ per month and greater than 20 GJ per month for the months of October 2015 through September 2017 in the table below.[6]

FEI has not provided the response disaggregated between heating and non-heating because FEI does not disaggregate customer data in that way and, as such, it is not available.

FEI has calculated an approximate average Residential bill per month using the average use per customer in each range (as provided in the response to BCOAPO-FEI IR 2.9.1), at the current rates (including rate riders) as at October 1, 2017, and excluding taxes and fees.

Approximate Average Residential Bill ($) at Average Use and Existing Rates

Year	Month	0.1 - 5 GJ	5.1 -10 GJ	10.1 -20 GJ	>20 GJ
2015	October	$ 30.06	$ 60.27	$ 103.00	$ 261.30
2015	November	$ 31.64	$ 64.39	$ 106.29	$ 208.51
2015	December	$ 29.57	$ 68.01	$ 110.99	$ 206.20
2016	January	$ 28.16	$ 68.46	$ 116.97	$ 208.21
2016	February	$ 29.34	$ 66.84	$ 108.59	$ 206.39
2016	March	$ 31.22	$ 66.54	$ 107.49	$ 205.49
2016	April	$ 32.03	$ 63.14	$ 105.14	$ 216.42
2016	May	$ 29.67	$ 59.56	$ 103.19	$ 263.70
2016	June	$ 27.63	$ 58.67	$ 104.63	$ 272.24
2016	July	$ 26.15	$ 58.81	$ 107.61	$ 272.35
2016	August	$ 24.48	$ 58.92	$ 109.02	$ 270.29
2016	September	$ 25.46	$ 58.15	$ 108.25	$ 271.44
2016	October	$ 30.61	$ 61.55	$ 103.20	$ 252.53
2016	November	$ 31.86	$ 63.51	$ 105.76	$ 213.41
2016	December	$ 29.44	$ 67.39	$ 113.97	$ 207.60
2017	January	$ 26.92	$ 68.42	$ 120.09	$ 222.62
2017	February	$ 27.09	$ 67.38	$ 112.80	$ 206.30
2017	March	$ 29.55	$ 67.75	$ 111.95	$ 218.03
2017	April	$ 31.82	$ 65.83	$ 107.55	$ 208.43
2017	May	$ 32.22	$ 62.66	$ 105.58	$ 230.42
2017	June	$ 27.96	$ 59.44	$ 104.32	$ 269.30
2017	July	$ 25.57	$ 58.95	$ 108.14	$ 269.32
2017	August	$ 24.29	$ 58.82	$ 109.36	$ 272.28
2017	September	$ 24.52	$ 57.97	$ 109.97	$ 269.83

[6] Please note that this includes customers from Fort Nelson. Please also note that this analysis counts all customers who have consumed gas, within the various ranges, and have been billed within that month. This means that if a customer has not consumed gas they will not be included in this total.

10.0 Please provide by month for each month since October 2015, the dollars of arrears by aging bucket for residential customers using the following aging bands: 0-30 days; 31-60 days; 61-90 days; 91-180 days; and more than 180 days. If aging bands other than those identified are used by the company, provide this information using the bands that the Company uses.

Response:

Please refer to the table below which provides Residential customer arrears by the aging bands used by FEI, which are different than the aging bands identified in the question.

Residential Customer Arrears ($) by Days Outstanding

Year	Month	1-30	31-60	61-90	91-120	120+
2015	October	$4,101,282	$1,129,550	$448,933	$262,680	$437,759
2015	November	$4,525,375	$1,315,661	$456,448	$186,953	$371,495
2015	December	$8,682,908	$1,315,246	$562,099	$214,102	$324,327
2016	January	$11,224,769	$2,520,810	$534,528	$230,125	$304,806
2016	February	$10,388,185	$2,129,307	$729,577	$187,505	$292,771
2016	March	$8,382,416	$2,583,510	$736,549	$287,774	$292,604
2016	April	$7,381,088	$2,575,928	$981,513	$330,028	$364,322
2016	May	$5,421,171	$2,320,023	$1,055,790	$434,922	$864,000
2016	June	$5,364,072	$1,748,861	$886,618	$429,006	$575,913
2016	July	$3,641,670	$1,444,969	$723,948	$414,816	$547,087
2016	August	$3,613,755	$1,428,813	$708,180	$396,144	$494,882
2016	September	$3,061,242	$1,210,554	$579,899	$311,558	$502,438
2016	October	$3,462,787	$1,088,967	$516,607	$233,259	$443,275
2016	November	$4,641,735	$1,064,308	$416,442	$203,622	$373,432
2016	December	$7,320,382	$1,672,441	$437,210	$196,089	$370,150
2017	January	$8,005,217	$1,806,098	$568,531	$152,701	$299,568
2017	February	$10,810,153	$2,143,617	$517,397	$172,136	$257,156
2017	March	$10,867,957	$2,644,750	$570,795	$175,501	$242,046
2017	April	$12,783,561	$3,104,458	$933,255	$236,128	$274,554
2017	May	$7,962,433	$2,813,461	$1,103,989	$414,435	$338,897
2017	June	$6,451,776	$2,428,384	$1,040,402	$459,532	$457,478
2017	July	$5,341,672	$2,210,733	$1,043,807	$442,623	$552,965
2017	August	$4,595,162	$1,609,297	$892,024	$465,220	$570,184
2017	September	$4,172,216	$1,529,577	$641,870	$382,929	$572,799

11.0 Please provide by month for each month since October 2015, the number of accounts by arrearage aging bucket for residential customers using the following aging bands: 0-30 days; 31-60 days; 61-90 days; 91-180 days; and more than 180 days. If aging bands other than those identified are used by the company, provide this information using the bands that the Company uses.

Response:

Please refer to the table below which provides the number of Residential customers in arrears in the aging bands used by FEI, which are different than those requested in the question.

Number of Residential Customers in Arrears by Days

Year	Month	1-30	31-60	61-90	91-120	120+
2015	October	97,571	30,385	12,980	8,226	15,710
2015	November	84,091	37,524	15,020	6,374	15,639
2015	December	105,955	30,661	22,574	8,999	15,606
2016	January	119,687	40,287	14,673	15,637	18,303
2016	February	114,886	32,629	14,980	5,831	24,216
2016	March	114,147	36,319	13,587	6,852	24,224
2016	April	110,936	38,874	15,721	6,542	24,766
2016	May	100,481	37,168	17,069	7,413	25,748
2016	June	115,958	39,068	18,675	8,528	25,891
2016	July	86,845	34,437	18,344	9,838	26,171
2016	August	86,088	34,149	18,087	9,604	25,963
2016	September	80,245	31,640	16,025	9,295	27,033
2016	October	83,236	30,665	15,558	7,710	26,774
2016	November	81,041	28,074	13,847	7,564	26,418
2016	December	105,749	33,308	13,398	7,500	26,894
2017	January	87,813	34,266	14,205	6,131	26,824
2017	February	111,103	31,893	13,449	6,152	26,758
2017	March	120,254	35,708	11,656	5,702	26,821
2017	April	154,122	40,835	14,881	5,479	26,981
2017	May	116,267	40,366	16,387	6,633	26,926
2017	June	109,806	37,366	16,223	7,320	26,877
2017	July	103,986	39,712	17,542	7,644	27,540
2017	August	95,394	33,640	18,317	8,904	27,778
2017	September	95,434	35,103	15,931	9,269	28,435

12.0 Please provide by month for each month October 2015 to present, a distribution of the number of residential accounts in arrears by the size of arrears by the following bands: (1) $0; (2) $1 - $100; (3) $101 - $200; (4) $201 - $300; (5) $301 - $500; (6) $501 - $750; (7) $751 - $1,000; (8) $1,001 - $2,000; and (9) $2,001 and above. If these bands are not available, please provide the numbers of accounts by those bands which are available.

Response:

Please refer to the table below which provides the number of Residential customers in arrears in the $ amount bands requested in the question.[7]

Year	Month	$0	$1-100	$101-200	$201-300	$301-500	$501-750	$751-1,000	$1,001-2,000	> $2,000
2015	October	801,475	109,767	15,979	3,762	1,415	356	93	93	21
2015	November	821,527	98,344	17,891	3,912	1,338	286	92	111	29
2015	December	820,871	83,712	34,278	8,951	3,048	494	138	153	54
2016	January	800,886	83,228	39,345	13,742	6,330	1,085	223	182	71
2016	February	821,322	76,549	33,010	12,059	6,565	1,449	268	191	54
2016	March	830,980	80,312	30,634	9,366	5,211	1,270	284	191	40
2016	April	838,236	84,695	27,922	8,699	4,477	1,065	283	160	41
2016	May	853,282	88,119	20,821	7,152	3,587	964	305	223	28
2016	June	848,062	115,845	18,737	5,418	2,257	490	137	95	25
2016	July	882,107	96,804	14,798	4,195	1,655	354	94	71	19
2016	August	883,406	95,802	14,716	4,147	1,568	313	87	63	19
2016	September	894,505	96,073	12,925	3,536	1,245	233	58	47	17
2016	October	707,147	101,866	13,351	3,195	1,048	188	72	62	31
2016	November	828,302	91,591	18,226	3,770	1,032	171	59	59	21
2016	December	817,834	93,672	29,238	6,894	2,331	361	84	84	41
2017	January	847,016	66,619	26,230	11,177	5,128	828	162	119	50
2017	February	838,530	69,441	30,928	13,766	7,831	1,737	362	200	55
2017	March	837,447	73,892	35,097	13,153	7,571	1,814	415	261	56
2017	April	809,294	99,739	43,763	12,930	7,629	1,835	447	317	63
2017	May	850,558	87,235	29,307	9,750	5,395	1,343	351	234	47
2017	June	874,832	92,354	23,113	7,974	4,168	1,076	232	218	37
2017	July	880,042	100,101	20,172	6,532	3,378	872	208	150	29
2017	August	894,529	98,725	17,685	5,524	2,599	639	154	112	28
2017	September	897,964	105,405	17,136	4,794	2,075	474	118	85	24

[7] Please note that data includes customers from Fort Nelson. The total number of customers may appear to be different than the response to BCOAPO-FEI IR 2.11. For purposes of the response to BCOAPO-FEI IR 2.11, it is possible that the same customer may have multiple debts categorized in various aging intervals. Further, the data above will include customers that have closed their accounts.

13.0 For the most recent twelve month period available, please provide the monthly rate at which residential billings are translated into collected receipts. One possible way in which this might be portrayed is by completing the table below:

Month	$s of Billed Revenue	Collected Receipts in Dollars													
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	After Dec	Total
JAN															
FEB		---													
MAR		---	---												
APR		---	---	---											
MAY		---	---	---	---										
JUN		---	---	---	---	---									
JUL		---	---	---	---	---	---								
AUG		---	---	---	---	---	---	---							
SEP		---	---	---	---	---	---	---	---						
OCT		---	---	---	---	---	---	---	---	---					
NOV		---	---	---	---	---	---	---	---	---	---				
DEC		---	---	---	---	---	---	---	---	---	---	---			
Etc.															

13.1 Notwithstanding this possible means of presentation, provide the rate at which billings are translated into actual collected receipts in any form available.

<u>Response:</u>

FEI does not track the data requested and is therefore unable to provide the information requested with reasonable efforts. However, FEI provides a general response below.

First, a high level approximation of the percentage revenue collected each month from October 2016 through September 2017 has been calculated below and is shown in column 6. This analysis makes the simplifying assumption that the total value of Residential customer arrears of 30 days or less was not collected in that month and that the arrears are based on billings from that month (i.e. effectively accounting for every dollar in this category as being 30 days outstanding and billed at the start of the month). As such, using this approach, the percentage of approximate revenue collected for that month may not be exact, but the results presented should provide a reasonable approximation.

Second, FEI's low bad debt experience rate of less than 0.3 percent demonstrates that the vast majority of billed revenue is ultimately collected within the year.

Finally, the data provided in the response to BCOAPO-FEI IR 2.10 indicates that most billed revenue is collected within the three month period following the initial billing.

1

Residential Billed Revenue and Arrears and Approximate Collected Revenue Within the Month ($)					
Year	**Month**	**Billed Revenue**	**1-30 Days Arrears**	**Net Collected**	**% of Billed**
			BCOAPO-FEI IR 2.10	*Column 3 - Column 4*	*Column 5 / Column 3*
(1)	(2)	(3)	(4)	(5)	(6)
2016	October	41,415,197	3,462,787	37,952,410	92%
2016	November	59,087,228	4,641,735	54,445,492	92%
2016	December	88,127,176	7,320,382	80,806,794	92%
2017	January	131,385,009	8,005,217	123,379,792	94%
2017	February	108,276,538	10,810,153	97,466,384	90%
2017	March	115,958,566	10,867,957	105,090,610	91%
2017	April	83,418,502	12,783,561	70,634,942	85%
2017	May	78,986,701	7,962,433	71,024,269	90%
2017	June	62,003,353	6,451,776	55,551,578	90%
2017	July	48,308,242	5,341,672	42,966,570	89%
2017	August	46,723,894	4,595,162	42,128,732	90%
2017	September	40,159,344	4,172,216	35,987,128	90%

14.0 Assume for purposes of this Information Request that a residential bill is rendered on Day 1. Assume further the bill remains unpaid. Provide the timeline of each collection step until the bill is final-billed for nonpayment. Identify the Day on which each step of the collection process can be expected to occur.

Response:

FEI works with customers on an individual basis to find payment arrangements that work for both the customer and the Company and, as a result of this approach, a timeline does not exist that applies to all customers. FEI appreciates that this approach may be more time intensive up front but believes it ultimately leads to a better collection process with fewer disconnects, and improved customer service.

However, FEI has provided the timeline below which reflects the minimum number of business days between each key stage of the collections process. This timeline does not include extensions that are often granted as part of FEI's efforts to work with customers, and any additional points of contact between FEI and the customer that may occur.

Dunning steps	Day
Invoice Rendered & Sent	1
Invoice Due Date	21
Bill Message on Next Bill	30
Automated Reminder Call	37
Automated Notice of Disconnection	45
Collection Agent Contact	55
Pre-Disconnection Review	58
Disconnection	60
Final Bill (Due to no reconnection)	80

15.0 Please provide a list of all internal policy constraints placed on the disconnection of service for nonpayment. Such constraints might include, but not be limited to, a minimum dollar level of arrears that must be reached before a disconnection for nonpayment is performed; a minimum age of arrears that must be reached before a disconnection for nonpayment is performed; and other similar policies. For each item on the list, provide the specific constraint. For example, provide the dollar amount above which arrears must be for the account to be disconnected. Provide the age an arrears must be before it is disconnected.

<u>Response:</u>

Please refer to the timeline provided in the response to BCOAPO-FEI IR 2.14, which outlines the minimum days and steps taken prior to disconnection of service for non-payment.

As shown in that timeline, customers must be at least 60 days in arrears prior to disconnection. In many cases, the arrears would be older than this as FEI attempts to successfully negotiate arrangements with customers and provides customers with additional opportunities to pay the outstanding amounts. Systematically, accounts with overdue balances greater than $200 are triggered for notices of disconnection which can, in some cases, lead to the disconnection of services, but in most cases lead to a successful negotiation of payment arrangements with customers.

16.0 For the most recent 12-month period available for residential accounts, please provide by month:

16.1 What percentage of bills was paid by the due date of the bill;

Response:

This response also addresses BCOAPO-FEI IRs 2.16.2, 2.16.3 and 2.16.4.

FEI does not track the data requested and therefore cannot provide the information as requested with reasonable efforts. However, FEI provides a high level approximation of the percentage of Residential customers making payments within 30 days, 60 days and 90 days in the response to BCOAPO-FEI IR 2.17.0.

16.2 What percentage of bills was paid by the time the next month's bills were rendered;

Response:

Please refer to the response to BCOAPO-FEI IR 2.16.1.

16.3 What percentage of those bills was paid by the time the second subsequent bill was rendered; and

Response:

Please refer to the response to BCOAPO-FEI IR 2.16.1.

16.4 What percentage of those bills was paid by the time the third subsequent bill was rendered?

Response:

Please refer to the response to BCOAPO-FEI IR 2.16.1.

17.0 In a typical month, with Day 1 being the day a bill is issued, please provide the percentage of residential accounts making payments by day through Day 60. If reporting of such data is only by a time period other than a day (e.g., weekly), please provide by the reporting by that time period.

Response:

FEI does not track the data requested and therefore cannot provide the information as requested with reasonable efforts. However, FEI provides in the table below a high level approximation of the percentage of Residential customers making payments within 30 days, 60 days and 90 days for each month from October 2016 through September 2017.

Please note that this analysis is based on the total number of Residential customers each month and the number of customers in arrears as provided in the response to BCOAPO-FEI IR 2.11. This analysis makes the simplifying assumption that the total value of Residential customer arrears of 30 days or less was not collected in that month and that the arrears are based on billings from that month (i.e. effectively accounting for every dollar in this category as being 30 days outstanding and billed at the start of the month). As such, since this analysis is not based on actual payment data, the timing of payments as shown in the table only provide an approximation of the percentage of customers in each interval.

Number of Residential Customers and Approximate Payment Timelines

Year	Month	Total Residential Customers	Pay Within 30 Days		Pay Between 30 and 60 Days		Pay Between 60 and 90 Days	
			[1]		*BCOAPO-FEI IR 2.11*		*BCOAPO-FEI IR 2.11*	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
2016	October	894,344	703,627	79%	83,236	9%	30,665	3%
2016	November	896,785	713,423	80%	81,041	9%	28,074	3%
2016	December	899,473	685,730	76%	105,749	12%	33,308	4%
2017	January	901,129	705,066	78%	87,813	10%	34,266	4%
2017	February	901,968	685,855	76%	111,103	12%	31,893	4%
2017	March	902,684	675,722	75%	120,254	13%	35,708	4%
2017	April	903,344	634,065	70%	154,122	17%	40,835	5%
2017	May	904,110	670,605	74%	116,267	13%	40,366	4%
2017	June	904,119	679,650	75%	109,806	12%	37,366	4%
2017	July	903,203	679,239	75%	103,986	12%	39,712	4%
2017	August	903,314	691,503	77%	95,394	11%	33,640	4%
2017	September	904,104	691,497	76%	95,434	11%	35,103	4%

Notes:

[1] Determined based on total customers each month less total number of customers in arrears as provided in BCOAPO-FEI IR 2.11

18.0 Disaggregated by heating and non-heating residential customers, please provide by month for each month October 2015 to the present:

18.1 The average bill for all residential accounts;

Response:

FEI does not categorize individual accounts as heating or non-heating. Therefore, the results cannot be segregated that way.

Please refer to the table below which provides the average invoice per Residential customer each month for October 2015 through September 2017.[8]

Year	Month	Residential Customers	Total Invoiced ($)	Average Invoice Per Customer ($)
2015	October	881,075	$43,926,688	$49.86
2015	November	885,325	$57,415,339	$64.85
2015	December	888,132	$91,075,117	$102.55
2016	January	889,807	$108,283,267	$121.69
2016	February	890,442	$87,463,578	$98.22
2016	March	891,109	$81,293,680	$91.23
2016	April	891,124	$67,250,885	$75.47
2016	May	890,813	$49,687,956	$55.78
2016	June	891,001	$43,441,314	$48.76
2016	July	890,505	$37,601,948	$42.23
2016	August	890,878	$35,781,998	$40.16
2016	September	892,148	$32,963,826	$36.95
2016	October	894,344	$41,415,197	$46.31
2016	November	896,785	$59,087,228	$65.89
2016	December	899,473	$88,127,176	$97.98
2017	January	901,129	$131,385,009	$145.80
2017	February	901,968	$108,276,538	$120.04
2017	March	902,684	$115,958,566	$128.46
2017	April	903,344	$83,418,502	$92.34
2017	May	904,110	$78,986,701	$87.36
2017	June	904,119	$62,003,353	$68.58
2017	July	903,203	$48,308,242	$53.49
2017	August	903,314	$46,723,894	$51.72
2017	September	904,104	$40,159,344	$44.42

8 As calculated based on total billed Residential revenue divided by number of Residential customers each month. Unpaid invoices are accounted for as arrears and will be included in the invoice total for a following period. For customers on the Equal Payment Plan, the invoiced amount will be the installment amount and not the actual consumption billing amount in each period. In some months, the invoice total would also include any quarterly EPP reconciliation amounts.

18.2 The average arrears of residential accounts in arrears;

Response:

Please refer to the table below which provides the average arrears for all residential accounts in arrears.

FEI has not provided the response disaggregated between heating and non-heating because FEI does not disaggregate customer data in that way and, as such, it is not available.

Average Arrears for Residential Accounts in Arrears ($)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015										$ 59.05	$ 65.00	$ 92.24
2016	$109.18	$110.63	$101.66	$ 95.54	$ 85.81	$ 65.17	$ 60.63	$ 60.21	$ 55.35	$ 55.74	$ 64.62	$ 81.00
2017	$104.06	$118.88	$117.15	$109.73	$ 99.75	$ 86.80	$ 75.21	$ 68.24	$ 62.69			

18.3 The average bill of residential accounts in arrears;

Response:

Please refer to the table below for the average bill of residential customers in arrears for October 2015 through September 2017. Please note that the average bill will include the amount of arrears as well as current charges.

FEI has not provided the response disaggregated between heating and non-heating because FEI does not disaggregate customer data in that way and, as such, it is not available.

Year	Month	Average Bill of Residential Customers in Arrears
2015	October	$120.20
2015	November	$143.00
2015	December	$194.29
2016	January	$214.07
2016	February	$217.64
2016	March	$200.67
2016	April	$180.00
2016	May	$157.10
2016	June	$109.90
2016	July	$108.77
2016	August	$122.72
2016	September	$114.19
2016	October	$117.33
2016	November	$146.33
2016	December	$177.89
2017	January	$270.41
2017	February	$261.07
2017	March	$269.05
2017	April	$190.17
2017	May	$198.34
2017	June	$172.26
2017	July	$144.79
2017	August	$142.28
2017	September	$122.92

18.4 The total dollars of residential arrears;

Response:

Please refer to the table below for the total amount of Residential customer arrears for October 2015 through September 2017.

FEI has not provided the response disaggregated between heating and non-heating because FEI does not disaggregate customer data in that way and, as such, it is not available.

Year	Month	Total Residential Customers in Arrears ($)
2015	October	$ 6,380,204
2015	November	$ 6,855,933
2015	December	$ 11,098,683
2016	January	$ 14,815,037
2016	February	$ 13,727,345
2016	March	$ 12,282,855
2016	April	$ 11,632,879
2016	May	$ 10,095,906
2016	June	$ 9,004,469
2016	July	$ 6,772,490
2016	August	$ 6,641,773
2016	September	$ 5,665,690
2016	October	$ 5,744,895
2016	November	$ 6,699,539
2016	December	$ 9,996,272
2017	January	$ 10,832,115
2017	February	$ 13,900,460
2017	March	$ 14,501,049
2017	April	$ 17,331,956
2017	May	$ 12,633,215
2017	June	$ 10,837,572
2017	July	$ 9,591,801
2017	August	$ 8,131,886
2017	September	$ 7,299,391

18.5 The percentage of residential dollars constituting arrears;

Response:

Please refer to the table below for the total amount of Residential customer arrears as a percentage of total Residential customer invoices for October 2015 through September 2017.[9]

[9] Total arrears as provided in the response to BCOAPO-FEI IR 2.18.4 divided by the total value of invoices as provided in the response to BCOAPO-FEI IR 2.18.1.

FEI has not provided the response disaggregated between heating and non-heating because FEI does not disaggregate customer data in that way and, as such, it is not available.

Year	Month	Residential Arrears as a % of total Residential Invoices
2015	October	15%
2015	November	12%
2015	December	12%
2016	January	14%
2016	February	16%
2016	March	15%
2016	April	17%
2016	May	20%
2016	June	21%
2016	July	18%
2016	August	19%
2016	September	17%
2016	October	14%
2016	November	11%
2016	December	11%
2017	January	8%
2017	February	13%
2017	March	13%
2017	April	21%
2017	May	16%
2017	June	17%
2017	July	20%
2017	August	17%
2017	September	18%

18.6 The percentage of billed residential accounts having arrears; and

Response:

Please refer to the table below for the total number of Residential customer arrears as a percentage of total Residential customers for October 2015 through September 2017.[10]

[10] Total customers in arrears as provided in the response to BCOAPO-FEI IR 2.12 divided by the total

FEI has not provided the response disaggregated between heating and non-heating because FEI does not disaggregate customer data in that way and, as such, it is not available.

Year	Month	Residential Customers in Arrears (% of total Residential Customers)
2015	October	15%
2015	November	14%
2015	December	15%
2016	January	16%
2016	February	15%
2016	March	14%
2016	April	14%
2016	May	14%
2016	June	16%
2016	July	13%
2016	August	13%
2016	September	13%
2016	October	13%
2016	November	13%
2016	December	15%
2017	January	12%
2017	February	14%
2017	March	15%
2017	April	18%
2017	May	15%
2017	June	14%
2017	July	15%
2017	August	14%
2017	September	14%

18.7 The average arrears of all residential accounts disconnected for nonpayment in that month.

number of Residential customers as provided in the response to BCOAPO-FEI IR 2.18.1.

Response:

Please refer to the table below for the average arrears of Residential customers that were disconnected for non-payment for October 2015 through September 2017.

FEI has not provided the response disaggregated between heating and non-heating because FEI does not disaggregate customer data in that way and, as such, it is not available.

Average Arrears for Residential Accounts Disconnected for Non-Payment ($)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015										$ 317.84	$ 336.64	$ 315.58
2016	$ 507.36	$ 385.52	$ 379.30	$ 394.08	$ 359.51	$ 339.78	$ 325.52	$ 339.46	$ 319.15	$ 281.21	$ 301.21	$ 305.91
2017	$ 322.32	$ 365.14	$ 373.59	$ 387.25	$ 361.12	$ 378.70	$ 352.12	$ 335.11	$ 328.49			

19.0 Please provide a copy of all reports, evaluations, memos, analyses or other written documents of any nature containing the Company methodology, procedure or process designed to systematically review, study or assess the Company residential billing and/or payment records in an effort to:

19.1 Characterize patterns of nonpayment;

Response:

This response also addresses BCOAPO-FEI IRs 2.19.2 through 2.19.5.

FEI does not rely on studies or reports and, as a matter of regular process, does not study or assess residential billing or payment records in an effort to characterize patterns of non-payment, to identify characteristics of non-payers, or early predictors of non-payment.

FEI does, however, review the aging of total accounts receivable, disconnections, write-offs and other collections metrics on a monthly basis to identify if any unexpected results or emerging trends may be present. Further, FEI focuses on the one-on-one conversations between customers and collections agents for additional insights into customer behavior. With respect to identifying early predictors of potential non-payment, FEI relies on customers self-identifying the need for assistance and on the actual non-payment triggers as described in the response to BCOAPO-FEI IR 2.14.

A copy of the monthly collections metric report is included as Attachment 19.1.

19.2 Identify the characteristics of nonpayers;

Response:

Please refer to the response to BCOAPO-FEI IR 2.19.1.

19.3 Identify predictors of nonpayment;

Response:

Please refer to the response to BCOAPO-FEI IR 2.19.1.

19.4 Identify strategies to reduce nonpayment; and

Response:

Please refer to the response to BCOAPO-FEI IR 2.19.1.

19.5 Identify early indicators of nonpayment.

Response:

Please refer to the response to BCOAPO-FEI IR 2.19.1.

20.0 Please provide a copy of a typical residential notice of disconnection for nonpayment printed in each of the following months:

20.1 August 2015.

Response:

This response also addresses BCOAPO-FEI IRs 2.20.2 through 2.20.5.

FEI has used the same single template for the notice of disconnection since 2012. As such, it is not necessary to provide a copy of the notice for each of the dates requested. A sample copy of this letter is included as Attachment 20.1.

20.2 November 2016;

Response:

Please refer to the response to BCOAPO-FEI IR 2.20.1.

20.3 January 2017;

Response:

Please refer to the response to BCOAPO-FEI IR 2.20.1.

20.4 April 2017; and

Response:

Please refer to the response to BCOAPO-FEI IR 2.20.1.

20.5 If more than one type of residential disconnection notice is issued, provide a copy of each.

Response:

Please refer to the response to BCOAPO-FEI IR 2.20.1.

21.0 By month for each month October 2015 to present inclusive, please provide:

21.1 The number of new deferred payment arrangements entered into;

Response:

Please refer to the table below which provides the number of new payment arrangements made each month for October 2015 through September 2017. Please note that payment arrangements may extend beyond the month in which they were initially made.

New Payments Arrangements

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015										6,246	5,969	5,857
2016	9,157	10,537	10,782	9,090	8,737	8,163	6,711	7,100	6,245	5,916	5,957	5,683
2017	9,470	9,547	12,589	10,639	11,384	10,174	8,679	8,239	6,905			

21.2 The average downpayment (in dollars) of deferred payment; arrangements entered into disaggregated by the arrearages at the time the deferred payment arrangement is sought;

Response:

FEI does not have payment arrangement data disaggregated by arrear amounts and as such, is unable to provide the data as requested. FEI is however, able to provide information on the average value of payment arrangements each month. Please note that, on average, customers make two installments to complete their promise to pay.

Please refer to the table below for the average amount from October 2015 through September 2017 that customers with new payment arrangements have promised to pay.

Average Value of Customer Promise to Pay (New Payment Arrangements)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015										$ 255	$ 250	$ 265
2016	$ 295	$ 353	$ 343	$ 319	$ 301	$ 275	$ 258	$ 240	$ 233	$ 218	$ 228	$ 254
2017	$ 307	$ 353	$ 375	$ 347	$ 333	$ 310	$ 281	$ 272	$ 268			

21.3 The average term (in months) of deferred payment arrangements entered into;

Response:

FEI's experience has been that payment arrangements made with most customers are typically short term in nature, spanning from a day or two to several weeks. Since FEI works with customers on an individual basis, there are circumstances where a longer term payment arrangement may be in place that spans several months; however, this is not the case for the majority of customers. As such, the table below has been provided with the average term of new payment arrangements each month stated in average number of days and not average number of months as requested.[11]

Average Term of New Payment Arrangements (in Days)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015										11	12	18
2016	12	11	20	11	11	11	28	10	13	9	10	13
2017	11	32	63	31	21	11	10	24	10			

The increase in the average term of new payment arrangements in the Spring of 2017 is attributed to the colder weather that was experienced in the later part of 2016 and early 2017. This resulted in customers having higher bills than they were expecting and as such, slightly longer payment arrangement terms to address the payment of those bills.

21.4 The average dollar amount of arrears made subject to the deferred payment arrangement disaggregated by their term (in months) of the payment arrangement agreement;

Response:

FEI does not have payment arrangement data disaggregated by arrear amounts and, as such, is unable to provide the data as requested.

21.5 The average monthly installment of deferred payment arrangements disaggregated by their term (in months) of the payment arrangement agreement;

[11] Please note that there are a large group of payment arrangements that show up as having a zero day term within the system, these may be circumstances where a customer has called into report a payment. As such, FEI has excluded these from the analysis above.

Response:

FEI does not have payment arrangement data to this level of detail and, as such, is unable to provide the data as requested.

21.6 The distribution of new deferred payment arrangements by their term (in months);

Response:

Please refer to the table below which provides the number of new payment arrangements from October 2015 through September 2017 distributed by the term in which the customer has agreed to make the full payment.

For the reasons discussed in the response to BCOAPO-FEI IR 2.21.3, FEI has provided this information in terms of number of days and not months, and has grouped by 1 day, 2-3 days, 4-7 days, 8-14 days, 15-30 days and greater than 30 days.[12]

[12] Please note that there is a large group of payment arrangements that show up as having a zero day term within the system; these may be circumstances where a customer has called in to report a payment. As such, FEI has excluded these from the analysis above.

Number of New Payment Arrangements by Payment Term

	1 day	2-3 days	4-7 days	8-14 days	15-30 days	30 + days	Total
2015							
October	5	42	220	729	648	2,114	3,758
November	3	46	212	690	566	2,048	3,565
December	9	27	146	502	707	2,020	3,411
2016							
January	8	61	229	990	929	2,917	5,134
February	9	75	444	1,384	1,191	3,913	7,016
March	10	98	419	1,305	1,206	3,815	6,853
April	6	81	341	1,116	889	3,178	5,611
May	14	80	386	1,057	926	3,144	5,607
June	10	79	322	946	859	2,815	5,031
July	8	49	253	755	665	2,161	3,891
August	7	65	245	752	711	2,177	3,957
September	10	58	220	698	492	1,739	3,217
October	5	49	184	569	442	1,491	2,740
November	6	53	156	539	407	1,435	2,596
December	4	27	128	439	531	1,468	2,597
2017							
January	7	62	291	958	889	2,748	4,955
February	7	66	375	1,099	1,071	3,332	5,950
March	10	113	432	1,501	1,579	4,683	8,318
April	9	79	408	1,230	1,139	3,701	6,566
May	9	66	408	1,269	1,371	4,032	7,155
June	17	108	355	1,173	1,166	3,614	6,433
July	19	93	326	883	880	2,793	4,994
August	24	69	281	923	843	2,663	4,803
September	9	79	245	751	617	2,072	3,773

21.7 The number of defaulted deferred payment arrangements;

Response:

Please refer to the table below which reflects the number of payment arrangements that were not fulfilled to the extent expected. In most of these cases, a payment was made; however, it may not have been for the full amount as originally agreed upon. FEI does not regard these situations where there are payments for less than the full amount as defaults; rather, FEI regards these situations as customers showing commitment to paying their bills. As such, FEI will continue to work with them on payment arrangements and terms that will result in their bill being paid in full with continued service to them.

Please also refer to the response to BCOAPO-FEI IR 2.21.9 which shows the total amount of payment arrangements fulfilled over the same period.

Number of Payment Arrangements not Fulfilled by Expected Date

	January	February	March	April	May	June	July	August	September	October	November	December
2015										2,964	2,719	2,661
2016	4,063	5,038	5,145	4,272	4,200	3,934	3,325	3,296	2,701	2,536	2,621	2,394
2017	4,133	4,333	5,861	4,758	5,301	4,634	3,805	3,543	2,777			

21.8 The number of defaulted deferred payment arrangements disaggregated by their term (in months) of the payment arrangement agreement; and

Response:

FEI does not have payment arrangement data to this level of detail and as such, is unable to provide the data as requested.

21.9 The number of completed (or "successful") deferred payment arrangements disaggregated by their term (in months) of the payment arrangement agreement.

Response:

Please refer to the table below for the number of payment arrangements that were completed (i.e. payments in full) for the months of October 2015 through September 2017 in intervals (based on the date the arrangement was entered into) of 10 days or less, 11 to 20 days, 21 to 50 days and greater than 50 days.

As discussed in the response to BCOAPO-FEI IR 2.21.7, this would exclude accounts where partial payments are being made. Although they are not included in the table below, FEI would still regard these arrangements as successful because customers are showing commitment to paying their bills and making progress towards their bills being paid in full.

Payment Arrangements Completed

Year	Month	0 - 10 days	11 to 20 days	21 to 50 days	Days: > 50	Total
2015	October	3,417	154	94	22	3,687
2015	November	3,335	154	103	29	3,621
2015	December	3,436	123	92	23	3,674
2016	January	5,524	219	146	36	5,925
2016	February	5,740	282	146	26	6,194
2016	March	5,829	303	151	24	6,307
2016	April	5,031	246	133	20	5,430
2016	May	4,679	214	105	28	5,026
2016	June	4,168	193	131	29	4,521
2016	July	3,493	130	85	19	3,727
2016	August	3,822	154	96	10	4,082
2016	September	3,536	161	77	16	3,790
2016	October	3,464	129	75	10	3,678
2016	November	3,730	114	74	15	3,933
2016	December	3,527	120	78	16	3,741
2017	January	5,828	214	141	16	6,199
2017	February	5,205	240	137	21	5,603
2017	March	7,016	326	215	36	7,593
2017	April	5,919	297	171	31	6,418
2017	May	6,296	309	174	22	6,801
2017	June	5,564	226	182	34	6,006
2017	July	4,809	210	106	9	5,134
2017	August	4,572	204	121	6	4,903
2017	September	3,925	190	71	3	4,189

22.0 Please provide each customer segmentation study that has been prepared for the Company of its residential customers since January 2010. If no such study has been prepared since January 2010, please provide the most recent study.

Response:

The only residential customer segmentation study prepared since January 2010 is presented in Section 7.2 of the Application, which provide a review of residential customer characteristics including by dwelling types, end-uses applications, consumption distribution and load factor. A review of residential customer characteristics, including customer demographics, can also be found in the 2012 REUS report provided in Appendix 7-1. FEI is currently in the process of conducting a new REUS.

23.0 By month for the months October 205 to present inclusive, please provide:

23.1 The number of customers;

Response:

Please refer to the table below.[13]

Total Number of Customers

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015										973,497	978,430	981,689
2016	983,639	984,288	985,050	985,068	984,651	984,753	984,186	984,494	985,768	988,133	990,884	994,004
2017	995,831	996,735	997,566	998,287	999,135	999,105	998,069	998,081	998,848			

23.2 The dollars billed;

Response:

Please refer to the table below.[14]

Total Billed Revenue ($ thousands)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015										66,575	101,881	148,774
2016	167,868	131,584	114,877	91,206	58,658	53,524	47,277	46,679	47,374	66,036	96,865	141,513
2017	208,942	156,499	160,893	106,835	94,233	63,613	49,768	49,706	47,308			

23.3 The dollars received in payment; and

Response:

Please refer to the table below.[15]

Total Payments Received ($ thousands)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	-	-	-	-	-	-	-	-	-	82,126	96,143	263,347
2016	155,099	174,004	154,083	118,951	103,958	85,049	71,380	73,603	62,746	72,528	103,428	118,390
2017	188,532	191,632	210,852	151,139	177,419	111,855	87,465	83,782	82,285	-	-	-

[13] Please note that data includes customers from the Fort Nelson region.
[14] Please note that billed revenue data includes customers from the Fort Nelson region.
[15] Please note that payment data includes customers from the Fort Nelson region.

23.4 The dollars of late payment charges billed.

Response:

Please refer to the table below which provides the late payment charges billed from October 2015 through September 2017 as well as the number of customers billed late payment charges.

2015	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Late Payment Charges ($)										$ 120,110	$ 100,112	$ 203,467
Late Payment Charges (Customers)										81,131	61,926	94,385
2016	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEP**	**OCT**	**NOV**	**DEC**
Late Payment Charges ($)	$ 271,128	$ 350,903	$ 289,833	$ 255,781	$ 236,185	$ 184,682	$ 155,343	$ 152,590	$ 124,310	$ 114,686	$ 142,575	$ 166,947
Late Payment Charges (Customers)	96,097	115,212	112,630	106,956	111,100	108,051	96,697	99,621	88,215	78,252	69,430	87,450
2017	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEP**	**OCT**	**NOV**	**DEC**
Late Payment Charges ($)	$ 285,710	$ 355,011	$ 396,618	$ 290,182	$ 313,920	$ 251,214	$ 192,033	$ 176,702	$ 136,561			
Late Payment Charges (Customers)	102,497	110,076	122,622	104,603	120,580	118,029	103,755	102,351	90,267			

24.0 By month for the months October 2015 to present inclusive, please provide:

24.1 The total number of customers for whom a deposit was held;

Response:

Please refer to the table below which includes deposits for all customers (Residential, Commercial and Industrial).[16] As noted in the response to BCOAPO-FEI IR 2.25.1, based on September 2017 data, Residential customers accounted for approximately 70 percent of the deposits.

Total Number of Customers with Security Deposits

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015										39,173	39,536	40,180
2016	40,679	40,775	40,736	40,494	40,189	39,943	39,932	40,124	40,441	40,955	41,471	42,031
2017	42,311	42,250	42,021	41,922	41,701	41,615	41,311	41,018	40,997			

24.2 The total dollars of deposits held.

Response:

Please refer to the table below, which includes deposits for all customers (Residential, Commercial and Industrial).[17] As noted in the response to BCOAPO-FEI IR 2.26.1, based on September 2017 data, Residential customers accounted for approximately 45 percent of the value of total security deposits.

Total Security Deposits ($ thousands)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015										18,667	18,715	18,894
2016	19,061	19,111	19,075	18,974	18,801	18,680	18,720	18,719	18,718	18,857	18,959	19,107
2017	19,094	18,954	18,907	18,846	18,751	18,661	18,568	18,447	18,427			

[16] Please note that billing data includes customers from the Fort Nelson service area.
[17] Please note that billing data includes customers from the Fort Nelson service area.

25.0 By month for the months October 2015 to present inclusive, please provide the number of customers from whom a new or larger deposit was requested:

25.1 New customers / applicants; and

Response:

This response also addresses BCOAPO-FEI IR 2.25.2.

FEI does not track the data requested and is therefore unable to provide the information as requested with reasonable efforts However, FEI is able to provide the total number of new security deposits each month for all customers (Residential, Commercial and Industrial). This number includes security deposits for new customers and security deposits for existing customers who may have had a security deposit added to their existing account. Based on monthly data for September 2017, Residential customers account for approximately 70 percent of the total number of security deposits.

Please refer to the table below.[18]

Number of New Security Deposits

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015										2,768	2,466	2,651
2016	2,472	2,106	1,952	1,812	2,018	2,059	2,126	2,667	2,670	2,805	2,772	2,456
2017	2,478	1,969	1,966	1,752	2,144	2,254	2,123	2,550	2,756			

25.2 Existing customers.

Response:

Please refer to the response to BCOAPO-FEI IR 2.25.1.

[18] Please note that billing data includes customers from the Fort Nelson region.

26.0 By month for the months October 2015 to present inclusive, please provide the aggregated dollar amounts of a new or larger deposit requested from:

26.1 New customers / applicants; and

Response:

This response also addresses BCOAPO-FEI IR 2.26.2.

FEI does not track the data requested and is therefore unable to provide the information as requested with reasonable efforts. However, FEI is able to provide the increase in the amount of total security deposits each month for all customers (Residential, Commercial and Industrial). This increase would include security deposits for new customers and security deposits for existing customers who may have had a security deposit added to their existing account. Based on monthly data for September 2017, Residential customers account for approximately 45 percent of the total value of the security deposits held by FEI.

Please refer to the table below.[19]

New Security Deposits ($ thousands)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015										927	846	1,035
2016	905	766	710	608	669	754	774	850	835	907	942	775
2017	821	602	748	557	681	717	668	796	804			

26.2 Existing customers.

Response:

Please refer to the response to BCOAPO-FEI IR 2.26.1.

[19] Please note that billing data includes customers from the Fort Nelson service area.

27.0 By month for the months October 2015 to present inclusive, please provide:

27.1 The number of accounts to whom a deposit was refunded after the customer established creditworthiness by making adequate payments over a period of time;

Response:

FEI does not track the data requested and is therefore unable to provide the information as requested with reasonable efforts. However, FEI is able to provide the total number of security deposits returned each month, which includes refunds to customers who have established creditworthiness and those customers who may have closed an account.

Please refer to the table below.[20]

Number of Returned Security Deposits

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015										2,296	2,103	2,007
2016	1,973	2,010	1,991	2,054	2,323	2,305	2,137	2,475	2,353	2,291	2,256	1,896
2017	2,198	2,030	2,195	1,851	2,365	2,340	2,427	2,843	2,777			

27.2 The number of accounts from those identified in response to "a" with no subsequent uncollectible dollars (whether due to no final bill or due to a final bill with no resulting uncollectible);

Response:

FEI assumes that the reference to "a" in the question is intended to refer to BCOAPO-FEI IR 2.27.1 and provides a response below on this basis.

FEI does not track the data requested and is therefore unable to provide the information requested with reasonable efforts.

A security deposit is returned to the customer after twelve consecutive months of timely payments. Subsequent to the refund of the initial deposit, to the extent that a customer is no longer able to maintain creditworthiness, FEI may require an additional security deposit from the customer to maintain service.

[20] Please note that billing data includes customers from the Fort Nelson region.

27.3 The number of accounts from those identified in response to "a" that received a final bill resulting in uncollectibles; and

Response:

This response also addresses BCOAPO-FEI IR 2.27.4.

FEI assumes that the reference to "a" in the question is intended to refer to BCOAPO-FEI IR 2.27.1 and provides a response below on this basis.

Due to lack of available data, FEI is unable to report on customers that were ultimately referred to a collection agency due to having an "uncollectible" account, or those that may have had arrears but not deemed to be an "uncollectible" account, who also at some point in the past had their security deposit refunded for good payment history.

Please also refer to the response to BCOAPO-FEI IR 2.27.2.

27.4 The number of accounts from those identified in response to "a" that received final bills showing arrears at the time of the final bill.

Response:

Please refer to the response to BCOAPO-FEI IR 2.27.3.

28.0 By month for the months October 2015 to present inclusive, please provide the number and percent of accounts represented by closed residential accounts with no aged balances (indicating for each percentage the number in the numerator and in the denominator):

28.1 on which accounts a deposit had never been assessed;

Response:

This response also addresses BCOAPO-FEI IR 2.28.2 and 2.28.3.

FEI does not track security deposit data in such a way that would enable FEI to provide this analysis with reasonable efforts.

28.2 on which accounts a deposit had been assessed and returned; and

Response:

Please refer to the response to BCOAPO-FEI IR 2.28.1.

28.3 on which accounts a deposit had been assessed but not returned.

Response:

Please refer to the response to BCOAPO-FEI IR 2.28.1.

29.0 By month for the months October 2015 to present inclusive, please provide:

29.1 The number of closed accounts;

Response:

Please refer to the table below which provides the total number of closed accounts per month from October 2015 through September 2017.[21] Please note that, depending on the circumstances of the customer, particularly in the case of a move, a customer may close their account and reopen an account a short time later.

Year/Month	Closed Accounts
2015	
Oct	10,128
Nov	9,558
Dec	7,821
2015 Total	**27,507**
2016	
Jan	8,641
Feb	8,326
Mar	9,938
Apr	11,355
May	12,604
Jun	14,335
Jul	13,777
Aug	13,799
Sep	11,300
Oct	9,911
Nov	8,862
Dec	6,856
2016 Total	**129,704**
2017	
Jan	7,534
Feb	6,906
Mar	8,642
Apr	9,409
May	10,764
Jun	12,400
Jul	12,659
Aug	12,624
Sep	10,354
2017 Total	**91,292**
Grand Total	**248,503**

[21] Includes Residential, Commercial and Industrial accounts.

29.2 The number of closed accounts with aged balances on which accounts a deposit had never been assessed;

Response:

This response also addresses BCOAPO-FEI IR 2.29.3.

FEI does not track security deposit data in such a way that would enable FEI to provide this analysis with reasonable efforts.

To the extent that an account is closed with an outstanding balance, FEI would attempt to recover this balance through discussions with the customer and potentially through a third party collection agency for recovery.

29.3 The number of closed accounts with aged balances on which accounts a deposit was held at the time of the final bill;

Response:

Please refer to the response to BCOAPO-FEI IR 2.29.2.

29.4 The number of closed accounts that received final bills distributed by aging bucket at the time the final bill was rendered.

Response:

Please refer to the table below which provides closed accounts each month that received final bills, distributed by the aging bands used by FEI.[22]

[22] It is possible that the same customer may have multiple debts categorized in various aging intervals, as such, the sum of the count by AR intervals may not be equal to the number of closed accounts.

Year	Month	1-30	31-60	61-90	91-120	120+
2015	October	2,355	656	350	258	173
2015	November	1,445	595	306	180	141
2015	December	1,480	413	266	152	83
2016	January	1,753	736	361	208	143
2016	February	1,927	711	454	207	180
2016	March	2,154	910	436	268	160
2016	April	2,256	1,097	630	358	223
2016	May	2,392	1,150	726	439	249
2016	June	2,879	1,359	822	526	430
2016	July	2,416	1,162	709	478	310
2016	August	2,268	1,034	713	449	303
2016	September	1,782	826	486	345	243
2016	October	1,660	717	420	247	222
2016	November	1,435	580	341	215	156
2016	December	1,278	470	205	128	74
2017	January	1,192	605	330	152	126
2017	February	1,402	586	338	194	125
2017	March	1,851	803	365	239	158
2017	April	2,353	941	512	274	189
2017	May	2,150	1,041	631	357	197
2017	June	2,335	1,053	659	411	263
2017	July	2,363	1,134	684	406	284
2017	August	2,171	967	688	443	298
2017	September	1,833	843	456	345	226

30.0 For each month for the most recent twelve months available, disaggregated by heating and non-heating residential accounts, please provide:

30.1 the average bill for residential accounts at existing rates provided in sufficient detail (including all input variables) to permit replication.

Response:

This response addresses BCOAPO-FEI IRs 2.30.1 and 2.30.2.

FEI does not disaggregate gas usage between heating and non-heating with respect to individual bills. Therefore, FEI has not provided the response disaggregated between heating and non-heating. The data below is based on normalized consumption.

Assumptions

- 2017 Approved Rates for Existing Rates column
- RDA Proposed Rates for Proposed Rates column
- Currently Approved Commodity Cost Recovery Charges and Storage & Transport Charge at October 24, 2017
- Proposed Rates includes Known and Measurable changes increase to Delivery Margin of approximately 7.4% as included in the Application
- Proposed Rates includes rebalancing increase of approximately 0.1% as proposed in the Application
- Excludes all taxes
- Excludes all riders

Rate Schedule 1 Charges	Existing Rates	Proposed Rates
Basic Charge/Day	0.3890	0.4085
Delivery Charge/GJ	4.370	4.746
Storage & Transport Charge/GJ	1.009	1.009
Commodity Charge/GJ	2.050	2.050

Month	Days per Month	Average Normalized Consumption (GJ)	Monthly Bill at Existing Rates	Monthly Bill at Proposed Rates
October 2016	31	6.2	$ 57.75	$ 60.66
November 2016	30	12.9	$ 107.42	$ 112.86
December 2016	31	12.6	$ 105.78	$ 111.12
January 2017	31	13.2	$ 109.92	$ 115.48
February 2017	28	10.0	$ 85.53	$ 89.85
March 2017	31	10.4	$ 89.42	$ 93.93
April 2017	30	7.4	$ 66.39	$ 69.75
May 2017	31	4.4	$ 44.88	$ 47.15
June 2017	30	2.8	$ 32.13	$ 33.75
July 2017	31	2.3	$ 29.08	$ 30.55
August 2017	31	2.3	$ 29.47	$ 30.96
September 2017	30	1.7	$ 24.53	$ 25.77
Total	**365**	**86.2**	**$ 782.29**	**$ 821.82**

30.2 the same bill information using the Company's proposed rates rather than the Company's existing rates.

Response:

Please refer to the response BCOAPO-FEI IR 2.30.1.

31.0 Please provide each customer demographic survey that has been prepared for residential customers since January 2010. If no survey has been prepared since January 2010, please provide the most recent survey.

Response:

Please refer to the response to BCOAPO-FEI IR 2.22.0.

32.0 For the LICO x 130% customer base served by the Company of customers directly paying their own energy bills, provide a distribution of the estimated number of such customers by the following ranges of LICO:

32.1 0 – 25% of LICO;

Response:

Low-Income Cut-Off (LICO) is calculated based on three criteria: (i) Household income (ii) Number of persons in the household and (iii) the community size in which the household is located. FEI does not collect the actual income levels of its customers or their households. Similarly, FEI does not track the number of occupants per household. Furthermore, the majority of FEI's customers pay their own natural gas bills and FEI is unable to separate the customers whose monthly bills are paid by a third party from other customers with incomes at or below the LICO as requested in the question. Therefore, FEI is not able to respond to the BCOAPO-FEI IR 2.32 series of questions with the requested level of detail.

However, FEI has used the 2012 REUS[23] data to calculate a rough estimate of the percentage of FEI customers who are under LICO level in each household size category based on respondents' self-declared 2011 pre-tax income. Based on this information and a number of simplifying assumptions, the estimated percentage of FEI customers below 50%, 75%, 100% and 130 PERCENT of LICO (using 2011 before tax income) are estimated at approximately the following amounts:

- 0 to 50% of LICO 2.7%
- 0 to 75% of LICO 4.6%
- 0 to 100% of LICO 8.4%
- 0 to 130% of LICO 15.6%

The percentage of customers below 25 percent LICO is not provided because the 25 percent of LICO threshold is considerably lower than the top of the lowest income bracket in the REUS (under $20,000).

FEI notes that the estimated number of FEI's low income customers may be less than the provincial numbers published by Statistics Canada. This is because FEI estimates are for the incidence of low income "households" whereas Statistics Canada typically reports the incidence of low-income "persons". Further, the individuals who live in subsidized housing who use natural gas may not be FEI account holders or may not receive service under Rate Schedule 1 to be counted as residential customers. Similarly, FEI's estimates may be less than BC Hydro's estimates due to the lower market share of natural gas and less geographic reach compared to

[23] The 2012 REUS Report is found in Appendix 7-1 of the Application.

electricity, as well as higher capital costs of natural gas installations and appliances, which affects low-income households more than others.

32.2 26 – 50% of LICO;

Response:

Please refer to the response to BCOAPO-FEI IR 2.32.1.

32.3 51 – 75% of LICO;

Response:

Please refer to the response to BCOAPO-FEI IR 2.32.1.

32.4 76 – 100% of LICO; and

Response:

Please refer to the response to BCOAPO-FEI IR 2.32.1.

32.5 101 – 130% of LICO.

Response:

Please refer to the response to BCOAPO-FEI IR 2.32.1.

33.0 For each band of LICO in the immediately preceding response, provide:

33.1 The average income; and

Response:

FEI does not collect the specific income of its individual customers. The data gathered through the most recent REUS (2012) only indicates the income brackets that respondents have identified that their annual household income falls within (eg. Less than $20,000, $20,000 to $29,999, etc.). Therefore, FEI is unable to provide the average and median income of its residential customers falling within the percentage of LICO bands specified in BCOAPO-FEI IRs 2.32.1 to 2.32.5.

33.2 The median income.

Response:

Please refer to the response to BCOAPO-FEI IR 2.33.1.

34.0 Confirm or deny: the primary purpose of the Company's late payment charge is to incentivize customers to pay their bills on time. If not confirmed, please describe the primary purpose of the late payment charge.

Response:

Confirmed, the primary purpose of the late payment charge is intended to provide some incentive for customers to pay their bill by the date indicated on their bill. However, it is important to note that Section 21.1 of the Tariff provides FEI with the ability to exercise discretion and flexibility with respect to the application of this fee. For example, should a customer be having difficulty making their payments, FEI will work with the customer and in cases where payment arrangements are agreed to, FEI will not apply the late payment charge.

Although the primary purpose of the late payment charge is to incent customers to pay their bill on time, there are some cost implications associated with late payments such as administrative time and short term financing costs. Thus, the late payment charge also provides a means to offset those costs that would otherwise be borne by all customers. While the costs associated with customers who make late payments today are expected to be small, if the incentive is removed there may be increased financing cost implications and impacts on cash working capital, and accordingly rate base, in the future should this result in a shift away from the majority of customers paying their bills within 30 days.

35.0 If the response to the immediately preceding question is that the late payment charge is a cost based charge to recover the costs associated with nonpayment (or late payment), please provide the complete analysis demonstrating the cost basis of the charge.

<u>Response:</u>

Please refer to the response to BCOAPO-FEI IR 2.34.0.

36.0 By month for the months October 2015 to present inclusive, please provide:

36.1 The dollars of residential late fee revenue collected; and

Response:

This response also addresses BCOAPO-FEI IR 2.36.2.

Please refer to the table below which provides the Residential late payment charge revenue collected, and the number of customers that the charge applied to, for each month from October 2015 through September 2017.

2015	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Late Payment Charges ($)										$ 85,935	$ 69,467	$ 136,462
Late Payment Charges (Customers)										72,823	55,307	84,014
2016	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEP**	**OCT**	**NOV**	**DEC**
Late Payment Charges ($)	$ 179,799	$ 241,281	$ 208,972	$ 189,075	$ 173,942	$ 144,545	$ 120,479	$ 116,478	$ 94,598	$ 78,703	$ 100,733	$ 116,079
Late Payment Charges (Customers)	86,870	104,257	102,922	98,930	103,085	99,992	89,582	91,624	80,673	70,666	80,630	78,636
2017	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEP**	**OCT**	**NOV**	**DEC**
Late Payment Charges ($)	$ 196,376	$ 247,259	$ 277,177	$ 212,733	$ 231,162	$ 198,375	$ 149,369	$ 138,037	$ 108,024			
Late Payment Charges (Customers)	92,784	100,601	112,072	96,688	111,701	109,714	96,062	94,573	82,710			

36.2 The number of residential accounts paying a late charge.

Response:

Please refer to the response to BCOAPO-FEI IR 2.36.1.

37.0 Please provide a single copy of all studies within the Company's custody or control documenting the effectiveness of a late payment charge as an incentive to pay for:

37.1 Residential utility customers; and

Response:

This response also addresses BCOAPO-FEI IR 2.37.2.

FEI does not have any studies documenting the effectiveness of a late payment charge as an incentive to pay for Residential customers, customers that may be low-income, or any other category of customer.

The late payment charge is a longstanding component of the General Terms and Conditions of Service and the Standard Fees and Charges Schedule. The generally consistent volume of late payment charges month over month, which are a small percentage of the total revenue, and the fact that the vast majority of customers pay their bills within thirty days, suggests to FEI that, on balance, there is no indication that the late payment charge may not be effective.

However, as FEI works with customers to find payment solutions that maintain service to the customer, flexibility with regard to the application of the late payment charge is key. That is, based on the one-on-one experiences with customers, FEI has seen that the effectiveness of the late payment charge can be affected by the specific situation of the customer and there are circumstances where the flexibility provided in the Tariff is needed. For example, in the case where a customer may be having financial challenges and has no choice but to pay the late payment charge in order to meet other important obligations, FEI would take this into consideration when working with customer on payment arrangements and may choose not to apply the late payment charge.

37.2 Low-income residential customers.

Response:

Please refer to the response to BCOAPO-FEI IR 2.37.1.

38.0 Please provide a list of all circumstances other than full payment of a bill that stop:

38.1 The collection process for residential customers (e.g., entering into a deferred payment plan, filing a medical certificate, the winter shutoff moratorium); and

Response:

Since FEI treats each customer situation as unique and works with customers to create a plan to avoid disconnection, there are no pre-established rules on circumstances that would stop the collections process or an impending disconnection. Some common examples of circumstances that would stop the collections process include:

- Payment arrangements are negotiated and agreed to by the customer and FEI;
- The customer has identified a possible error on their account that requires investigation;
- The disconnection is scheduled to occur over a holiday season; and
- The technician in the field determines the disconnection to be unsafe due to temperature conditions or other circumstances at the home.

38.2 The imposition of a late payment charge on a residential account in arrears.

Response:

FEI does not have a prescriptive list of circumstances that would stop the imposition of a late payment charge on a residential account in arrears. However, the most common circumstances are the identification of a possible error on the account that requires investigation and payment arrangements that have been negotiated and agreed to by the customer and FEI. Other circumstances may also arise from time to time based on the customer's unique circumstances.

39.0 With respect to Arrears Payment Arrangements, is the repayment period common for all with similar sizes of outstanding balances or is there currently some flexibility to the repayment period?

Response:

While FEI provides guidelines to its customer service representatives, FEI recognizes that each customer situation is unique and therefore the guidelines allow some flexibility with respect to the repayment period and payment amounts. In addition, representatives are encouraged to use the support of collection representatives and managers within the contact center for further flexibility in support of the customer's situation.

40.0 Please provide a detailed description of the Company's current policy/practice with respect to Winter Disconnects?

Response:

Please refer to the response to BCOAPO-FEI IR 1.11.5a.

41.0 Please provide all written studies currently within the Company's custody or control, whether or not prepared by or for the Company, that explicitly assess the extent to which the following activities reduce residential bad debt:

41.1 Cash security deposits;

Response:

This response also addresses BCOAPO-FEI IRs 2.41.2 through 2.41.7 and BCOAPO-FEI IRs 2.42.1 through 2.42.7.

FEI does not have any written studies that explicitly assess the extent to which any of the activities listed in these two series of questions reduce residential bad debt and/or arrears.

From time to time, articles or papers from industry and research channels may be read and considered, and employees may attend courses or seminars which may discuss such topics; however, FEI does not maintain a record of this type of information. This awareness and ongoing education provides FEI with additional context to compare against existing performance and metrics, such as the monthly collections metrics as provided in the response to BCOAPO-FEI IR 2.19.1. This type of information supplements the experience gained from the one-on-one approach taken to address customer challenges and situations and allows FEI to monitor and consider the effectiveness of its current approach on overall customer experience and billing and collections activities.

With respect to security deposits, the primary function is to mitigate the impact on revenue requirements should some accounts in fact default. Since the security deposits reduce the balances outstanding, they also have the effect of reducing the amount of bad debt, all else equal.

Please also refer to the response to BCOAPO-FEI IR 2.19.1.

41.2 Deferred payment agreements;

Response:

Please refer to the response to BCOAPO-FEI IR 2.41.1.

41.3 Disconnections for nonpayment;

Response:

Please refer to the response to BCOAPO-FEI IR 2.41.1.

41.4 Field collections;

Response:

Please refer to the response to BCOAPO-FEI IR 2.41.1.

41.5 Call center collection calls;

Response:

Please refer to the response to BCOAPO-FEI IR 2.41.1.

41.6 Budget billing plans; and

Response:

Please refer to the response to BCOAPO-FEI IR 2.41.1.

41.7 Late payment charges.

Response:

Please refer to the response to BCOAPO-FEI IR 2.41.1.

42.0 Please provide all written studies currently within the Company's custody or control, whether prepared by or for the Company or not, that explicitly assess the extent to which the following activities reduce residential arrears:

42.1 Cash security deposits;

Response:

Please refer to the response to BCOAPO-FEI IR 2.41.1.

42.2 Deferred payment agreements;

Response:

Please refer to the response to BCOAPO-FEI IR 2.41.1.

42.3 Disconnections for nonpayment;

Response:

Please refer to the response to BCOAPO-FEI IR 2.41.1.

42.4 Field collections;

Response:

Please refer to the response to BCOAPO-FEI IR 2.41.1.

42.5 Call center collection calls;

Response:

Please refer to the response to BCOAPO-FEI IR 2.41.1.

42.6 Budget billing plans; and

Response:

Please refer to the response to BCOAPO-FEI IR 2.41.1.

42.7 Late payment charges.

Response:

Please refer to the response to BCOAPO-FEI IR 2.41.1.

43.0 Please provide a copy of:

43.1 All written documents that explain, assess or otherwise discuss the criteria the Company uses to assess on an ongoing basis the effectiveness of its current credit and collection activities.

Response:

Please refer to the response to BCOAPO-FEI IR 2.19.1.

43.2 Any written assessment, evaluation, report or other written document of any nature prepared since January 1, 2012 which discusses the effectiveness of the Company's current credit and collection activities.

Response:

Please refer to the response to BCOAPO-FEI IR 2.19.1.

Attachment 43.2 includes copies of the monthly collections metric report for 2012 through September 2017 as well as quarterly reports prepared by the Collections department for 2015 through the third quarter of 2016. FEI has redacted customer-specific account information from the reports.

FEI stopped preparing the quarterly report in the fourth quarter of 2016. FEI is currently in the process of preparing a similar internal report that will be used on an annual or quarterly basis.

44.0 Please list all the programs and initiatives the Company has undertaken since January 2010 to reduce the number of residential disconnections for nonpayment; if available, the metrics the Company uses to determine if these programs are successful; and the results of any application of evaluation using those metrics.

Response:

This response also addresses BCOAPO-FEI IR 2.45.

Please note that FEI has responded based on the date of January 1, 2012, which represents the date that customer service was no longer outsourced.

Since the repatriation of customer service in 2012, FEI has not undertaken any specific initiatives to reduce the number of residential disconnections for non-payment or the number of residential accounts that may be in arrears. Rather, at the time of repatriation the Company put in place a credit and collections approach that emphasized working with customers on an individual basis and providing flexibility for payment arrangements with a focus on maintaining gas service to customers. FEI appreciates that this approach may be more time intensive up front but believes it ultimately leads to a better collection process with fewer disconnects, improved customer service and overall good performance with respect to bad debt and accounts receivables. For example, when comparing 2011 to 2016, FEI has seen a reduction in total annual disconnections for non-payment of approximately 63%.[24] FEI also believes that the rote application of a hard and fast timeline for disconnections, or other collections related activities, may lead to greater disconnections and reduced overall customer service and satisfaction.

As discussed in the response to BCOAPO-IR 2.19, FEI reviews the aging of total accounts receivable, disconnections, write-offs and other collections metrics on a monthly basis to identify if any unexpected results or emerging trends may be present.

[24] Total disconnections for non-payment of 17,158 in 2011 as compared to total disconnections for non-payment of 6,072 in 2016.

45.0 Please list all the programs and initiatives the Company has undertaken since January 2010 to reduce the number of delinquent residential accounts; if available, the metrics the Company uses to determine if these programs are successful; and the results of any application of evaluation using those metrics.

Response:

Please refer to the response to BCOAPO-FEI IR 2.44.

46.0 Please provide a copy of all reports, evaluations, memos, analyses or other written documents of any nature containing an articulation of performance indicators on which empirical data has been collected for the Company with respect to:

46.1 Debt prevention;

Response:

This response also addresses BCOAPO-FEI IR 2.46.2 and 2.46.3.

FEI does not have any reports containing an articulation of performance indicators on which empirical data has been collected for the Company with respect to debt prevention, debt management or the treatment of vulnerable residential customers. FEI notes that the customer care function, including collections-related activities, was outsourced prior to 2012.

46.2 Debt management;

Response:

Please refer to the response to BCOAPO-FEI IR 2.46.1.

46.3 The treatment of vulnerable residential customers; and

Response:

Please refer to the response to BCOAPO-FEI IR 2.46.1.

46.4 Customer satisfaction.

Response:

In FEI's view, not all documents related to customer satisfaction performance indicators are relevant to this rate design proceeding. Customer satisfaction and associated metrics and performance indicators are a component of the Performance Based Ratemaking (PBR) plan and are reviewed annually in the PBR Annual Reviews and rate setting process. As the Service

Quality Indicators (SQIs) from the PBR plan are the Commission-approved performance indicators, FEI has included at Attachment 46.4 the portion of its Annual Review for 2018 Rates reviewing the responsiveness to customer needs SQIs, including the customer satisfaction informational indicator.

47.0 Please provide a copy of all reports, evaluations, memos, analyses or other written documents of any nature prepared since January 2010 establishing performance indicator targets to be met within the next year after publication of the performance targets; within the next two years after publication of the performance targets; or within the next three years after publication of the performance targets, with respect to:

47.1 Debt prevention;

Response:

This response also addresses BCOAPO-FEI IR 2.47.2 and 2.47.3.

Please note that FEI has responded based on the date of January 1, 2012 which represents the date that customer service was no longer outsourced.

Each year the customer service department sets annual performance targets that include, among other items, the accounts receivable experience rate which measures the overall success of debt prevention and management. FEI does not set specific targets for segregated groups of customers and as such, there are no performance indicators that are specific to vulnerable customers.

Further, FEI does not have a specific report or memo that provides this information. Therefore, FEI has provided a table below with the accounts receivable target experience rate for each year from 2012 through 2017.

	2012	2013	2014	2015	2016	2017
Accounts Receivable Experience Rate Target	0.30	0.30	<0.30	<0.30	<0.30	<0.30

47.2 Debt management;

Response:

Please refer to the response to BCOAPO-FEI IR 2.47.1.

47.3 The treatment of vulnerable customers; and

Response:

Please refer to the response to BCOAPO-FEI IR 2.47.1.

47.4 Customer satisfaction.

Response:

Please refer to the response to BCOAPO-FEI IR 2.46.4.

48.0 Please provide a single copy of any report, evaluation, study or other written document of any nature, within the custody or control of the Company, whether or not prepared by or for the Company, dated within the past five years, identifying, evaluating or otherwise discussing why nonpaying residential customers do not make contact with the utility when, in response to bill nonpayment, those nonpaying customers receive a request or notice to contact a utility to avoid the disconnection of service.

Response:

Please refer to the response to BCOAPO-FEI IR 2.19.1.

49.0 Please provide a single copy of any report, evaluation, study or other written document of any nature, within the custody or control of the Company, whether or not prepared by or for the Company, dated within the past five years, identifying, evaluating or otherwise discussing why residential customers do not successfully complete deferred payment plans (sometimes known as payment agreements or other similar terms) in order to avoid the disconnection of service for nonpayment.

Response:

Please refer to the response to BCOAPO-FEI IR 2.19.1.

50.0 Please provide a comprehensive list of the options that a residential customer has to pay their utility bill. The list of payment options should include, if available, payment through a third party authorized community pay station (or payment center). In addition, for each option:

50.1 For each month October 2014 to present, please provide the number of payments received through each option;

Response:

FEI provides options for payment that include telephone and online banking (electronic bill payment), the preauthorized payment plan (PPP), cheques received via mail or on-site drop box, payments through financial institutions, credit card payments through a third party service provider, and electronic fund transfers (EFT).

The following table provides the number of payments received through each payment option from January 2014 through September 2017.

	Payment Method						
Month	Electronic Bill Payment	PPP	Mail & Drop Box	Financial Institution	Credit Card	EFT	Grand Total
Sum of Jan-14	599,050	197,516	56,445	15,100	3,996	906	873,013
Sum of Feb-14	563,362	201,173	49,476	14,086	3,874	744	832,715
Sum of Mar-14	634,544	206,854	50,557	15,250	4,231	904	912,340
Sum of Apr-14	611,976	223,417	53,455	15,028	2,653	803	907,332
Sum of May-14	604,083	208,729	52,776	14,588	2,516	945	883,637
Sum of Jun-14	599,513	211,677	49,370	13,998	2,428	920	877,906
Sum of Jul-14	582,345	206,917	49,009	2,406	2,406	981	844,064
Sum of Aug-14	560,079	210,152	44,761	12,521	2,126	917	830,556
Sum of Sep-14	595,952	194,987	47,978	13,162	2,340	1,082	855,501
Sum of Oct-14	589,740	231,325	46,228	13,409	2,467	825	883,994
Sum of Nov-14	531,791	186,060	39,521	11,242	2,245	727	771,586
Sum of Dec-14	639,087	241,905	52,310	13,229	2,719	1,035	950,285
Sum of Jan-15	565,076	174,546	47,223	11,665	2,645	1,207	802,362
Sum of Feb-15	552,427	207,129	44,761	11,698	2,549	1,202	819,766
Sum of Mar-15	653,950	223,012	50,400	13,019	2,967	1,422	944,770
Sum of Apr-15	568,021	568,021	45,365	11,589	2,576	1,212	1,196,784
Sum of May-15	566,281	218,836	45,183	11,276	2,507	1,282	845,365
Sum of Jun-15	574,596	228,742	51,631	4,398	2,601	2,320	864,288
Sum of Jul-15	565,977	231,924	62,186	3,451	2,519	1,497	867,554
Sum of Aug-15	535,854	189,742	45,065	3,295	711	1,349	776,016
Sum of Sep-15	536,993	215,260	34,156	3,370	917	1,531	792,227
Sum of Oct-15	561,849	226,282	32,454	3,356	825	1,637	826,403
Sum of Nov-15	564,104	205,562	46,536	3,273	937	1,445	821,857
Sum of Dec-15	599,062	217,300	51,138	3,612	1,112	1,894	874,118
Sum of Jan-16	545,798	178,976	49,966	3,131	1,178	1,608	780,657
Sum of Feb-16	611,877	215,279	48,615	3,641	1,269	1,654	882,335
Sum of Mar-16	598,199	259,144	52,520	3,567	1,279	1,859	916,568
Sum of Apr-16	558,240	208,034	47,345	3,243	1,171	1,586	819,619
Sum of May-16	622,944	243,961	48,164	3,568	1,170	1,801	921,608
Sum of Jun-16	578,479	243,906	35,918	3,346	1,049	1,786	864,484
Sum of Jul-16	528,452	216,327	44,806	3,086	897	1,926	795,494
Sum of Aug-16	565,350	234,127	42,425	3,391	1,015	1,184	847,492
Sum of Sep-16	537,836	229,987	28,501	3,108	1,002	1,951	802,385
Sum of Oct-16	560,386	322,539	24,796	2,887	976	1,915	913,499
Sum of Nov-16	564,217	239,085	40,423	3,131	999	2,292	850,147
Sum of Dec-16	531,626	223,564	37,371	14,385	1,029	768	808,743
Sum of Jan-17	622,745	320,068	31,522	3,283	2,259	2,030	981,907
Sum of Feb-17	552,595	243,925	24,731	2,945	2,726	1,922	828,844
Sum of Mar-17	680,909	274,944	44,948	3,547	3,707	4,365	1,012,420
Sum of Apr-17	564,643	236,679	28,047	3,031	3,453	764	836,617
Sum of May-17	557,835	209,079	28,389	2,844	3,161	1,044	802,352
Sum of Jun-17	550,203	221,784	32,687	2,939	3,264	2,361	813,238
Sum of Jul-17	493,357	233,400	32,861	2,407	2,891	870	765,786
Sum of Aug-17	502,814	235,172	27,143	2,925	3,067	2,402	773,523
Sum of Sep-17	454,868	186,096	21,987	2,456	2,734	2,221	670,362

50.2 Indicate the fee, if any, which is imposed to utilize that option;

Response:

FEI does not charge fees for any of the payment options.

However, a service fee is charged by FEI's third party service provider to the customer for credit card payment to cover the costs associated with maintaining its online payment system. The service fee is a flat fee of 1.75 percent of the payment amount for MasterCard and Visa payments and 0.75 percent of the payment amount for Visa Debit payments.

Financial institutions may also charge fees for the payment services provided.

50.3 Provide a detailed cost justification for that fee; and

Response:

Please refer to the response to BCOAPO-FEI IR 2.50.2.

50.4 For each month October 2014 to present, please provide the dollars generated by such fee.

Response:

As noted in the response to BCOAPO-FEI IR 2.50.2, there are no fees charged by FEI.

51.0 Please provide a list of the names and addresses of locations where a residential customer can walk in and make personal contact with a Company service representative that:

51.1 Is capable of immediately responding to an inquiry about a residential bill;

Response:

This response also addresses BCOAPO-FEI IRs 2.51.2, 2.51.3 and 2.51.4.

Customers can walk in and make contact with FEI customer service employees to respond to an inquiry, negotiate a deferred payment arrangement, negotiate a resolution to an outstanding shutoff for nonpayment, or negotiate a service reconnection after a shutoff for nonpayment, at the following sites:

- Kelowna Office: #100 - 1975 Springfield Road, Kelowna, V1Y 7V7
- Trail Esplanade: 1290 Esplanade, PO Box 130, Trail, V1R 4L4
- Willingdon Park Contact Centre: Suite 300 - 4370 Still Creek Drive, Burnaby, V5C 0G5
- Prince George Contact Centre: 1190 2nd Avenue, Prince George, V2L 3B2

For other locations such as the Corporate Office (16705 Fraser Highway, Surrey, BC V4N 0E8), customers can access a Customer Service Representative through a courtesy phone available in the office entrance or at the reception desk.

51.2 Can negotiate a deferred payment arrangement for an outstanding bill;

Response:

Please refer to the response to BCOAPO-FEI IR 2.51.1.

51.3 Can negotiate a resolution to an outstanding shutoff for nonpayment; or

Response:

Please refer to the response to BCOAPO-FEI IR 2.51.1.

51.4 Can negotiate a service reconnection after a shutoff for nonpayment.

Response:

Please refer to the response to BCOAPO-FEI IR 2.51.1.

52.0 For each office listed in response to the data request above, please provide the following:

52.1 The actual number of Company personnel whose job it is to handle these walk-in customer contacts for each year for the past three years as well as the associated FTE figures;

Response:

This response also addresses BCOAPO-FEI IRs 2.52.2 and 2.52.3.

FEI does not have particular employees directly assigned to handle walk-in customer contacts. Depending on the needs of the customer and the office that they arrive at, a variety of staff may support them. FEI does not separately track the number of customers who walk-in or the FTE required to provide this type of support.

52.2 The budgeted number of Company personnel whose job it would be to handle these walk-in customer contacts for each year for the past three years; and

Response:

Please refer to the response to BCOAPO-FEI IR 2.52.1.

52.3 The number of walk-in customer contacts for each year for the past three years.

Response:

Please refer to the response to BCOAPO-FEI IR 2.52.1.

53.0 Please provide a list of each:

53.1 Community served by the Company, along with the number of residential customers served in that community.

Response:

Please refer Attachment 53.1 for a list of the communities served by FEI. Please note that this list reflects the number of Residential customers in each of these communities as at December 31, 2016.

53.2 Postal code served by the Company, along with the number of residential customers served in that postal code.

Response:

Please refer Attachment 53.2 for a list of postal codes served by FEI. Please note that this list reflects the number of Residential customers in each of these communities as at December 31, 2016.[25] Further, due to the large volume of postal codes, FEI has attached as a fully functioning excel file.

[25] Please note that approximately 20,000 customer accounts do not have a postal code assigned.

54.0 For the most recent 12 month period available, please provide any information that is available that is broken down geographically (e.g., postal code, community) regarding:

54.1 Billings;

Response:

This response also addresses BCOAPO-FEI IRs 2.54.2, 2.54.3, 2.54.4, 2.54.5 and 2.54.6.

FEI does not track or maintain billing, payments and collections information on a geographic basis and is therefore unable to provide the data requested with reasonable effort.

54.2 Payments;

Response:

Please refer to the response to BCOAPO-FEI IR 2.54.1.

54.3 Arrears;

Response:

Please refer to the response to BCOAPO-FEI IR 2.54.1.

54.4 Disconnections, reconnections;

Response:

Please refer to the response to BCOAPO-FEI IR 2.54.1.

54.5 Payment plans; and

Response:

Please refer to the response to BCOAPO-FEI IR 2.54.1.

54.6 Other credit and collection activities.

Response:

Please refer to the response to BCOAPO-FEI IR 2.54.1.

55.0 Please provide a detailed description of all circumstances under which the Company would obtain the income information of a residential customer.

Response:

As described in the response to BCOAPO-FEI IR 2.56.1.1 FEI does not record or assess the income of Residential customers.

As explained in Section 7.8.2 of the Application, FEI's limited information regarding the income levels of Residential customers is based on two sources: (1) the 2012 Residential End-use survey (REUS) and (2) a list of customer accounts who have participated in the ECAP program. Each of these sources is explained below:

1. The 2012 REUS: The REUS is the most comprehensive source of residential customers' characteristics and demographics available to FEI; however, FEI does not cross-reference or link this information with actual account information of customers. Rather, this study provides broad information on the overall Residential customer base and their uses of natural gas. Further, income levels provided as part of survey responses are self-declared and FEI is unable check them for accuracy.

2. The ECAP program: As explained in Section 7.8.2.1 of the Application, the ECAP program is a partnership program with BC Hydro and FBC to provide energy efficiency measures for low-income customers to help reduce their energy use. To be eligible for this program, the applicant must meet the income requirements stated in the DSM Regulation. The program partners (BC Hydro and FBC) manage the application review stage of the program and verify income eligibility. FEI does not receive the specific customer income information. FEI only receives confirmation that the applicant has met the program's income eligibility requirements and will check to ensure that the customer has a natural gas account with FEI.

56.0 Please provide a detailed description of all procedures used by the Company for:

56.1 Recording the income of residential customers; and

Response:

FEI does not record or assess the incomes of residential or any other customers.

With respect to Energy Efficiency and Conservation programs, FEI participates in the ECAP (Energy Conservation Assistance Program) partnership program with BC Hydro (BCH) and FBC. As part of this program, customers must meet certain income eligibility requirements; however, BCH and FBC are responsible for the front end management of the program, which includes receiving applications and reviewing income eligibility. While FEI is provided information by BCH and FBC that indicates whether or not a customer is eligible for the program, FEI itself at no time reviews income eligibility or maintains specific income information on the customer.

56.2 Accessing the income of residential customers.

Response:

Please refer to the response to BCOAPO-FEI IR 2.56.1.

57.0 Please identify:

57.1 All criteria used to categorize customers as low-income customers; and

Response:

Please refer to the response to BCOAPO-FEI IR 2.56.1.

57.2 Each specific Company procedure in which these criteria are used to identify and categorize low-income customers and provide a copy of all sections of any operations manual or other written document that details the processes.

Response:

Please refer to the response to BCOAPO-FEI IR 2.56.1.

Attachment 19.1

Collections Metrics - Customer Service

Year 2017

AR Aging

	January	February	March	April	May	June	July	August	September
Current	$ 128,986,100.05	$ 104,858,898.92	$ 95,214,366.41	$ 70,568,730.63	$ 57,733,089.49	$ 48,165,199.17	$ 39,611,647.04	$ 34,615,732.95	$ 30,913,651.56
1 - 30 Days	$ 11,633,935.08	$ 15,328,773.90	$ 14,910,924.09	$ 18,212,683.77	$ 10,340,920.56	$ 7,994,903.45	$ 6,774,563.07	$ 5,659,147.51	$ 5,345,494.37
31 - 60 Days	$ 2,219,432.78	$ 2,779,514.11	$ 3,387,280.96	$ 3,880,853.55	$ 3,394,378.02	$ 2,865,648.12	$ 2,511,213.36	$ 1,828,730.06	$ 1,756,437.69
61 - 90 Days	$ 660,169.39	$ 621,885.87	$ 713,547.90	$ 1,182,530.20	$ 1,308,225.70	$ 1,215,035.21	$ 1,220,561.49	$ 1,014,292.08	$ 714,556.86
91 - 120 Days	$ 179,555.97	$ 211,859.74	$ 219,217.48	$ 311,106.28	$ 528,832.94	$ 562,448.67	$ 523,370.90	$ 559,939.56	$ 441,256.71
> 120 Days	$ 434,070.55	$ 386,922.92	$ 361,596.25	$ 403,314.47	$ 491,880.54	$ 659,432.93	$ 746,130.21	$ 761,001.73	$ 750,004.55
Total	**$ 144,113,263.82**	**$ 124,187,855.46**	**$ 114,806,933.09**	**$ 94,559,218.90**	**$ 73,797,327.25**	**$ 61,462,667.55**	**$ 51,387,486.07**	**$ 44,438,843.89**	**$ 39,921,401.74**

Accounts Receivable over 60 days

	January	February	March	April	May	June	July	August	September
Total AR over 60 Days	$ 3,493,228.69	$ 4,000,182.64	$ 4,681,642.59	$ 5,777,804.50	$ 5,723,317.20	$ 5,302,564.93	$ 5,001,275.96	$ 4,163,963.43	$ 3,662,255.81
% AR Over 60 Days	2.42%	3.22%	4.08%	6.11%	7.76%	8.63%	9.73%	9.37%	9.17%

Disconnections for Arrears

	January	February	March	April	May	June	July	August	September
# Disconnects Completed	256	362	934	745	776	906	796	796	501
$ Average AR per Customer Disconnected	$ 376.23	$ 408.11	$ 419.39	$ 415.51	$ 401.52	$ 404.07	$ 401.62	$ 357.45	$ 344.70
# NOD Issued	4,880	6,718	11,220	7,791	5,941	7,155	4,920	4,279	3,531

Referred to Collection Agencies

	January	February	March	April	May	June	July	August	September
$ Referred to Agencies	$ 109,278.82	$ 66,935.40	$ 98,892.86	$ 138,844.47	$ 166,000.00	$ 360,007.03	$ 292,203.07	$ 290,407.29	$ 254,281.11
$ Recovered by Agencies	$ 40,310.02	$ 45,577.96	$ 43,280.08	$ 36,879.55	$ 40,675.78	$ 12,339.26	$ 38,965.25	$ 59,849.03	

Write Offs

	January	February	March	April	May	June	July	August	September
Bad Debt Expense	$ 478,216.89	$ 361,151.19	$ 323,929.83	$ 142,918.23	$ 78,977.54	$ (95,238.97)	$ (59,652.92)	$ (91,647.48)	$ (54,374.70)

Promise to Pay Fulfillment

	January	February	March	April	May	June	July	August	September
% PTP's Fulfilled	66.52%	61.34%	61.08%	59.72%	60.03%	59.62%	59.49%	60.24%	61.58%

Attachment 20.1

FORTIS BC

NATURAL GAS

October 30, 2017

Notice of Disconnection

CUSTOMER NAME
CUSTOMER ADDRESS,
CUSTOMER ADDRESS

Amount Overdue:	$452.74
Account Number:	XXXXXXX
Service Address:	XXXXXXXXX

RE: NOTICE OF DISCONNECTION
Final Payment Date: November 7, 2017
Please contact FortisBC immediately: 1-866-668-6624

Our records show that as of October 30, 2017 your account was beyond our accepted terms of payment. Prompt action on your part will enable us to continue serving you.

To avoid disconnection at your current service address, we must receive payment of $452.74 before November 7, 2017. After you have made your payment, please notify FortisBC immediately by calling 1-866-668-6624. If making a payment after this date, refer to your current bill for any new overdue amount.

If it becomes necessary to disconnect service, reactivation of service will require payment in full, plus a security deposit and a reactivation charge. The standard reactivation charge is $90. The charge for same-day reactivations for customers calling in after 2:00 p.m. Monday to Friday, or on weekends and holidays, is $115. If service is reactivated more than 10 days following disconnection, a $25 service application fee will also apply.

After gas service is disconnected, it is your responsibility to monitor the safety of your home or business for possible damage from frozen pipes.

Please allow sufficient time for your payment to be received by the Final Payment Date. To avoid delays in processing this payment, please pay by internet, telephone, or in person at a Financial Institution.

NATURAL GAS

FORTIS BC

Account Number	Final Payment Date	Amount Overdue
XXXXXXX	November 7, 2017	$452.74

CUSTOMER NAME
CUSTOMER ADDRESS
CUSTOMER ADDRESS

Attachment 43.2

Collections Metrics - Customer Service

Reported by
Year 2012

AR Aging

	January	February	March	April	May	June	July	August	September	October	November	December
Current		$ 130,057,253.19	$ 121,428,631.09	$ 104,224,166.83	$ 66,638,279.07	$ 59,603,971.62	$ 58,137,634.16	$ 51,301,231.00	$ 49,781,988.19	$ 61,734,655.00	$ 88,445,838.93	$ 100,064,124.24
1 - 30 Days		$ 19,739,814.36	$ 23,621,982.65	$ 18,658,637.49	$ 13,335,177.65	$ 10,541,111.84	$ 7,381,180.10	$ 9,992,464.00	$ 8,750,719.34	$ 5,411,019.84	$ 8,746,332.58	$ 14,563,011.76
31 - 60 Days		$ 3,910,295.76	$ 3,494,154.55	$ 4,649,278.64	$ 2,859,749.46	$ 2,333,592.19	$ 1,476,564.51	$ 1,689,250.00	$ 1,347,457.59	$ 614,638.44	$ 792,663.54	$ 1,674,769.28
61 - 90 Days		$ 746,609.98	$ 1,923,925.84	$ 1,288,039.12	$ 1,205,219.02	$ 767,388.36	$ 667,727.17	$ 261,055.00	$ 874,131.18	$ 347,849.71	$ 140,014.20	$ 247,391.26
91 - 120 Days		$ 175,124.05	$ 384,595.18	$ 1,590,119.98	$ 341,057.55	$ 648,063.92	$ 414,257.52	$ 237,940.00	$ 69,824.03	$ 156,842.82	$ 331,460.84	$ 100,194.79
> 120 Days		$ 569,207.81	$ 569,362.00	$ 800,326.33	$ 585,686.00	$ 2,076,982.48	$ 2,140,066.03	$ 1,644,267.00	$ 1,493,942.80	$ 1,269,597.84	$ 1,365,918.81	$ 1,713,840.28
Total	**$ -**	**$ 155,198,305.15**	**$ 151,422,651.31**	**$ 131,210,568.39**	**$ 84,965,168.75**	**$ 75,971,110.41**	**$ 70,217,429.49**	**$ 65,126,207.00**	**$ 62,318,063.13**	**$ 69,534,603.65**	**$ 99,822,228.90**	**$ 118,363,331.61**

Accounts Receivable over 60 days

	January	February	March	April	May	June	July	August	September	October	November	December
Total AR over 60 Days	$ -	$ 5,401,237.60	$ 6,372,037.57	$ 8,327,764.07	$ 4,991,712.03	$ 5,826,026.95	$ 4,698,615.23	$ 3,832,512.00	$ 3,785,355.60	$ 2,388,928.81	$ 2,630,057.39	$ 3,736,195.61
% AR Over 60 Days		3.48%	4.21%	6.35%	5.88%	7.67%	6.69%	5.88%	6.07%	3.44%	2.63%	3.16%

Disconnections for Arrears

	January	February	March	April	May	June	July	August	September	October	November	December
# Disconnects Completed	139	1,550	2,091	1,671	1,727	791	1,087	1,111	693	557	188	123
$ Average AR per Customer Disconnected	$ 291.16	$ 364.25	$ 291.31	$ 340.67	$ 366.08	$ 369.84	$ 419.36	$ 415.16	$ 333.15	$ 454.94	$ 501.42	$ 547.54
# NOD Issued	16,488	21,334	24,106	16,643	16,612	16,140	9,679	8,989	7,301	5,620	3,332	3,623

Referred to Collection Agencies

	January	February	March	April	May	June	July	August	September	October	November	December
$ Referred to Agencies	$ 165,800.23	$ 343,888.87	$ 185,628.38	$ 152,044.74	$ 604,736.01	$ 383,718.41	$ 441,160.07	$ 570,727.33	$ 287,792.91	$ 305,726.91	$ 255,896.04	$ 140,250.27
$ Recovered by Agencies	$ 42,724.16	$ 52,282.13	$ 65,446.49	$ 46,962.11	$ 84,774.89	$ 104,809.33	$ 47,442.04	$ 85,961.75	$ 99,340.57	$ 166,932.13	$ 125,580.19	$ 94,786.47

Write Offs

	January	February	March	April	May	June	July	August	September	October	November	December
Bad Debt Expense	$ 804,808.58	$ 415,632.74	$ 475,693.70	$ 365,105.19	$ 203,034.29	$ 179,979.18	$ 160,116.28	$ 145,623.76	$ 201,665.01	$ 310,018.09	$ 376,921.96	$ (1,165,533.36)

Promise to Pay Fulfillment

	January	February	March	April	May	June	July	August	September	October	November	December
% PTP's Fulfilled				62.0%	57.0%	56.0%	56.0%	66.1%	67.5%	69.6%	69.1%	69.3%

Collections Metrics - Customer Service

Reported by
Year 2013

AR Aging

	January	February	March	April	May	June	July	August	September	October	November	December
Current	$ 149,358,132.87	$ 120,770,606.63	$ 98,552,178.82	$ 90,694,104.20	$ 64,798,604.16	$ 54,020,579.57	$ 50,389,660.55	$ 50,578,525.05	$ 50,300,776.74	$ 56,749,198.00	$ 81,002,005.00	$ 112,855,986.00
1 - 30 Days	$ 17,240,874.80	$ 18,603,853.39	$ 26,355,598.14	$ 11,610,487.53	$ 12,069,118.67	$ 11,588,749.70	$ 6,941,861.19	$ 8,210,415.37	$ 7,926,130.51	$ 2,312,692.00	$ 7,355,026.00	$ 13,983,873.00
31 - 60 Days	$ 2,199,569.96	$ 2,161,099.71	$ 4,202,490.47	$ 3,384,315.25	$ 2,647,459.12	$ 2,506,894.99	$ 1,610,614.86	$ 1,488,412.54	$ 1,351,364.52	$ 558,823.00	$ 851,256.00	$ 2,030,960.00
61 - 90 Days	$ 572,443.31	$ 606,812.69	$ 1,046,921.43	$ 892,186.61	$ 689,147.23	$ 1,128,654.58	$ 677,121.52	$ 410,175.56	$ 434,695.79	$ 137,564.00	$ 350,199.00	$ 384,298.00
91 - 120 Days	$ 74,871.79	$ 190,011.17	$ 329,943.02	$ 608,491.04	$ 376,481.09	$ 254,145.95	$ 750,510.94	$ 357,917.02	$ 118,302.74	$ 62,932.00	$ 69,487.00	$ 90,702.00
> 120 Days	$ 1,895,194.14	$ 1,929,501.23	$ 2,033,784.64	$ 2,091,517.28	$ 2,215,403.39	$ 1,899,413.76	$ 1,709,950.84	$ 1,731,090.83	$ 1,705,106.12	$ 1,395,202.00	$ 1,566,535.00	$ 1,117,448.00
Total	**$ 171,341,086.87**	**$ 144,261,884.82**	**$ 132,520,916.52**	**$ 109,281,101.91**	**$ 82,796,213.66**	**$ 71,398,438.55**	**$ 62,079,719.90**	**$ 62,776,536.37**	**$ 61,836,376.42**	**$ 61,216,411.00**	**$ 91,194,508.00**	**$ 130,463,267.00**

Accounts Receivable over 60 days

	January	February	March	April	May	June	July	August	September	October	November	December
Total AR over 60 Days	$ 4,742,079.20	$ 4,887,424.80	$ 7,613,139.56	$ 6,976,510.18	$ 5,928,490.83	$ 5,789,109.28	$ 4,748,198.16	$ 3,987,595.95	$ 3,609,469.17	$ 2,154,521.00	$ 2,837,477.00	$ 3,623,408.00
% AR Over 60 Days	2.77%	3.39%	5.74%	6.38%	7.16%	8.11%	7.65%	6.35%	5.84%	3.52%	3.11%	2.78%

Disconnections for Arrears

	January	February	March	April	May	June	July	August	September	October	November	December
# Disconnects Completed	495	573	570	1,029	1,258	1,142	1,185	705	670	552	419	226
$ Average AR per Customer Disconnected	$ 461.75	$ 500.09	$ 559.87	$ 525.92	$ 493.34	$ 451.87	$ 436.94	$ 349.72	$ 360.87	$ 340.38	$ 307.61	$ 336.70
# NOD Issued	10,108	8,446	15,947	11,323	12,186	9,671	6,893	5,604	4,354	4,700	3,703	3,272

Referred to Collection Agencies

	January	February	March	April	May	June	July	August	September	October	November	December
$ Referred to Agencies	$ 148,920.00	$ 152,371.87	$ 162,840.88	$ 231,845.20	$ 330,338.99	$ 307,978.95	$ 404,432.62	$ 353,403.23	$ 244,286.28	$ 454,972.10	$ 239,449.27	$ 139,611.27
$ Recovered by Agencies	$ 66,321.45	$ 74,936.11	$ 98,655.50	$ 90,393.15	$ 83,343.29	$ 66,620.99	$ 90,954.36	$ 78,884.18	$ 119,660.11	$ 85,445.82	$ 98,765.96	$ 75,393.18

Write Offs

	January	February	March	April	May	June	July	August	September	October	November	December
Bad Debt Expense	$ 498,755.00	$ 296,630.00	$ 295,925.00	$ 436,657.00	$ 48,668.00	$ 32,316.00	$ (129,306.00)	$ 25,884.00	$ 132,446.00	$ 25,286.00	$ 414,482.00	$ 1,100,036.00

Promise to Pay Fulfillment

	January	February	March	April	May	June	July	August	September	October	November	December
% PTP's Fulfilled	0.707	0.6672	65%	64.9%	62.3%	62.4%	62.3%	62.1%	63.0%	64.9%	65.4%	66.1%

Collections Metrics - Customer Service

Reported by
Year 2014

AR Aging

	January	February	March	April	May	June	July	August	September	October	November	December
Current	$ 128,260,377.00	$ 133,668,530.00	$ 112,253,233.00	$ 92,389,879.00	$ 66,825,885.00	$ 59,343,437.00	$ 52,248,435.13	$ 43,389,035.91	$ 40,052,634.72	$ 44,041,523.11	$ 70,468,640.10	$ 93,680,178.90
1 - 30 Days	$ 15,778,554.32	$ 16,443,577.00	$ 21,506,532.00	$ 15,794,930.18	$ 15,863,233.42	$ 11,011,812.41	$ 9,316,464.36	$ 10,261,729.36	$ 6,072,129.12	$ 6,983,551.62	$ 10,245,830.06	$ 15,358,642.62
31 - 60 Days	$ 2,978,907.50	$ 2,877,167.00	$ 3,802,291.00	$ 4,348,833.42	$ 4,132,484.75	$ 3,702,394.26	$ 2,875,525.22	$ 2,825,707.06	$ 2,470,409.55	$ 1,789,617.51	$ 1,954,852.76	$ 2,013,399.72
61 - 90 Days	$ 602,685.57	$ 900,301.00	$ 1,003,378.00	$ 1,459,998.33	$ 1,611,093.61	$ 1,591,508.59	$ 1,636,648.43	$ 1,337,667.40	$ 1,085,149.05	$ 846,867.80	$ 687,827.13	$ 797,767.41
91 - 120 Days	$ 143,085.88	$ 223,560.00	$ 401,091.00	$ 488,148.59	$ 668,257.63	$ 804,873.83	$ 919,129.55	$ 736,357.36	$ 579,040.18	$ 453,720.67	$ 345,314.48	$ 310,770.73
> 120 Days	$ 494,010.49	$ 383,985.00	$ 374,408.00	$ 435,749.80	$ 531,028.89	$ 749,594.88	$ 1,808,129.16	$ 1,688,380.61	$ 1,465,928.20	$ 1,234,276.27	$ 1,001,723.12	$ 839,811.94
Total	**$ 148,257,620.76**	**$ 154,497,120.00**	**$ 139,340,933.00**	**$ 114,917,539.32**	**$ 89,631,983.30**	**$ 77,203,620.97**	**$ 68,804,331.85**	**$ 60,238,877.70**	**$ 51,725,290.82**	**$ 55,349,556.98**	**$ 84,704,187.65**	**$ 113,000,571.32**

Accounts Receivable over 60 days

	January	February	March	April	May	June	July	August	September	October	November	December
Total AR over 60 Days	$ 4,218,689.44	$ 4,385,013.00	$ 5,581,168.00	$ 6,732,730.14	$ 6,942,864.88	$ 6,848,371.56	$ 7,239,432.36	$ 6,588,112.43	$ 5,600,526.98	$ 4,324,482.25	$ 3,989,717.49	$ 3,961,749.80
% AR Over 60 Days	2.85%	2.84%	4.01%	5.86%	7.75%	8.87%	10.52%	10.94%	10.83%	7.81%	4.71%	3.51%

Disconnections for Arrears

	January	February	March	April	May	June	July	August	September	October	November	December
# Disconnects Completed	512	506	1,055	777	1,255	1,310	1,311	1,129	796	794	411	319
$ Average AR per Customer Disconnected	$ 439.05	$ 462.12	$ 430.72	$ 453.78	$ 490.58	$ 453.04	$ 437.72	$ 412.00	$ 391.00	$ 422.00	$ 362.00	$ 389.00
# NOD Issued	7,524	7,544	9,244	9,767	9,509	7,554	6,784	5,680	5,222	4,946	3,968	2,597

Referred to Collection Agencies

	January	February	March	April	May	June	July	August	September	October	November	December
$ Referred to Agencies	$ 160,760.71	$ 174,914.69	$ 157,515.14	$ 270,725.00	$ 366,607.88	$ 377,825.32	$ 543,847.85	$ 535,278.92	$ 445,103.01	$ 391,145.92	$ 318,974.83	$ 195,676.16
$ Recovered by Agencies	$ 54,945.37	$ 59,706.18	$ 51,161.51	$ 57,226.28	$ 59,220.77	$ 49,658.55	$ 50,595.12	$ 78,357.31	$ 101,777.89	$ 113,738.57	$ 113,879.74	$ 102,865.80

Write Offs

	January	February	March	April	May	June	July	August	September	October	November	December
Bad Debt Expense	$ 513,064.00	$ 940,755.71	$ 98,862.19	$ 255,717.19	$ 166,611.80	$ 491,694.27	$ 656,076.35	$ 505,931.65	$ (79,998.05)	$ 122,881.50	$ 406,527.86	$ 215,567.04

Promise to Pay Fulfillment

	January	February	March	April	May	June	July	August	September	October	November	December
% PTP's Fulfilled	0.6737	0.637	63%	60.0%	60.2%	58.8%	56.7%	58.0%	58.5%	59.5%	60.9%	60.7%

Note: June 2014
Please note that we are using the same report that we receive from finance for AR Aging numbers. We understand that there is currently a review being done on the AR Aging.
The provision amount for July Bad debt Expense that was kept in AFDA is $531,00(

Collections Metrics - Customer Service

Reported by
Year 2015

AR Aging

	January	February	March	April	May	June	July	August	September	October	November	December
Current	$ 124,670,390.55	$ 87,048,854.99	$ 83,541,219.55	$ 73,720,782.44	$ 49,084,152.30	$ 38,598,391.26	$ 31,902,358.17	$ 27,810,367.30	$ 30,175,644.96	$ 34,721,280.83	$ 61,065,942.33	$ 79,524,762.65
1 - 30 Days	$ 16,158,928.16	$ 19,493,652.69	$ 12,485,130.85	$ 10,090,660.72	$ 13,944,873.18	$ 6,274,976.06	$ 5,700,430.10	$ 4,984,450.08	$ 4,149,386.63	$ 5,876,271.09	$ 7,046,010.36	$ 13,754,355.02
31 - 60 Days	$ 3,871,228.79	$ 3,067,614.74	$ 4,022,020.57	$ 3,129,343.07	$ 3,057,504.74	$ 3,019,950.84	$ 2,082,801.00	$ 1,842,052.94	$ 1,410,563.71	$ 1,340,038.33	$ 1,657,072.86	$ 1,607,470.62
61 - 90 Days	$ 685,180.69	$ 982,150.29	$ 1,052,981.82	$ 1,511,391.83	$ 1,332,242.07	$ 1,150,788.99	$ 1,092,707.56	$ 945,233.07	$ 703,747.18	$ 511,395.92	$ 539,137.33	$ 663,060.99
91 - 120 Days	$ 350,522.08	$ 259,553.63	$ 362,393.94	$ 479,639.30	$ 702,442.79	$ 611,451.77	$ 512,647.85	$ 494,457.34	$ 392,258.17	$ 300,622.46	$ 213,685.90	$ 257,702.13
> 120 Days	$ 718,021.89	$ 614,222.06	$ 573,128.17	$ 666,563.66	$ 833,820.21	$ 980,415.36	$ 978,797.32	$ 961,216.02	$ 830,999.28	$ 672,861.85	$ 576,334.97	$ 520,053.02
Total	**$ 146,454,272.16**	**$ 111,466,048.40**	**$ 102,036,874.90**	**$ 89,598,381.02**	**$ 68,955,035.29**	**$ 50,635,974.28**	**$ 42,269,742.00**	**$ 37,037,776.75**	**$ 37,662,599.93**	**$ 43,422,470.48**	**$ 71,098,183.75**	**$ 96,327,404.43**

Accounts Receivable over 60 days

	January	February	March	April	May	June	July	August	September	October	November	December
Total AR over 60 Days	$ 5,624,953.45	$ 4,923,540.72	$ 6,010,524.50	$ 5,786,937.86	$ 5,926,009.81	$ 5,762,606.96	$ 4,666,953.73	$ 4,242,959.37	$ 3,337,568.34	$ 2,824,918.56	$ 2,986,231.06	$ 3,048,286.76
% AR Over 60 Days	3.84%	4.42%	5.89%	6.46%	8.59%	11.38%	11.04%	11.46%	8.86%	6.51%	4.20%	3.16%

Disconnections for Arrears

	January	February	March	April	May	June	July	August	September	October	November	December
# Disconnects Completed	531	939	1,047	852	598	866	738	529	374	308	235	188
$ Average AR per Customer Disconnected	$ 414.00	$ 433.00	$ 413.00	$ 396.00	$ 417.00	$ 365.84	$ 352.24	$ 366.00	$ 351.70	$ 349.23	$ 351.48	$ 366.50
# NOD Issued	8,427	6,552	9,420	7,306	6,953	6,157	4,821	3,079	3,107	2,770	2,428	1,946

Referred to Collection Agencies

	January	February	March	April	May	June	July	August	September	October	November	December
$ Referred to Agencies	$ 213,893.32	$ 155,308.38	$ 161,267.05	$ 207,839.83	$ 267,552.11	$ 316,390.35	$ 348,490.05	$ 287,063.14	$ 228,905.24	$ 283,732.61	$ 110,200.11	$ 98,800.85
$ Recovered by Agencies	$ 71,151.09	$ 54,439.09	$ 74,369.97	$ 54,831.22	$ 73,601.61	$ 69,569.83	$ 74,598.72	$ 58,686.45	$ 55,585.79	$ 77,236.32	$ 95,637.84	$ 65,527.96

Write Offs

	January	February	March	April	May	June	July	August	September	October	November	December
Bad Debt Expense	$ 507,088.83	$ 328,525.68	$ 252,436.82	$ 144,837.53	$ (86,361.42)	$ (76,943.04)	$ (270,335.82)	$ (138,287.54)	$ 38,145.97	$ 151,994.91	$ 245,876.71	$ 552,869.00

Promise to Pay Fulfillment

	January	February	March	April	May	June	July	August	September	October	November	December
% PTP's Fulfilled	0.6452	0.6056	60%	58.5%	58.4%	57.5%	56.0%	57.6%	58.0%	57.7%	60.5%	61.2%

Collections Metrics - Customer Service

Reported by
Year 2016

AR Aging

	January	February	March	April	May	June	July	August	September	October	November	December
Current	$ 103,380,692.54	$ 82,083,791.40	$ 69,703,311.10	$ 59,900,729.90	$ 41,202,802.64	$ 38,010,242.65	$ 32,414,997.10	$ 27,591,424.81	$ 26,978,426.55	$ 39,164,522.17	$ 52,467,860.84	$ 89,359,851.12
1 - 30 Days	$ 17,051,111.32	$ 15,213,319.02	$ 12,342,470.43	$ 9,888,590.06	$ 7,100,242.36	$ 5,743,100.84	$ 6,931,717.91	$ 4,989,209.30	$ 4,441,298.06	$ 5,771,311.47	$ 6,551,462.96	$ 10,665,107.64
31 - 60 Days	$ 3,227,733.67	$ 2,717,311.23	$ 3,212,981.70	$ 3,125,932.27	$ 2,824,196.21	$ 2,213,324.14	$ 2,032,360.85	$ 1,676,625.97	$ 1,693,021.67	$ 1,305,421.74	$ 1,296,053.19	$ 2,023,522.22
61 - 90 Days	$ 649,245.90	$ 895,242.21	$ 917,472.84	$ 1,209,607.09	$ 1,272,788.14	$ 1,150,028.18	$ 1,001,926.73	$ 837,920.88	$ 654,501.86	$ 901,408.26	$ 490,044.41	$ 502,403.63
91 - 120 Days	$ 290,236.64	$ 218,921.08	$ 379,636.65	$ 415,119.74	$ 541,284.08	$ 577,399.04	$ 521,893.39	$ 472,221.24	$ 356,504.66	$ 264,450.38	$ 236,862.17	$ 232,135.24
> 120 Days	$ 501,925.47	$ 489,736.46	$ 489,020.68	$ 584,452.99	$ 1,255,571.77	$ 760,105.75	$ 813,295.19	$ 787,732.75	$ 710,829.56	$ 624,768.48	$ 528,277.40	$ 505,591.18
Total	**$ 125,100,945.54**	**$ 101,618,321.40**	**$ 87,044,893.40**	**$ 75,124,432.05**	**$ 54,196,885.20**	**$ 48,454,200.60**	**$ 43,716,191.17**	**$ 36,355,134.95**	**$ 34,834,582.36**	**$ 48,031,882.50**	**$ 61,570,560.97**	**$ 103,288,611.03**

Accounts Receivable over 60 days

	January	February	March	April	May	June	July	August	September	October	November	December
Total AR over 60 Days	$ 4,669,141.68	$ 4,321,210.98	$ 4,999,111.87	$ 5,335,112.09	$ 5,893,840.20	$ 4,700,857.11	$ 4,369,476.16	$ 3,774,500.84	$ 3,414,857.75	$ 3,096,048.86	$ 2,551,237.17	$ 3,263,652.27
% AR Over 60 Days	3.73%	4.25%	5.74%	7.10%	10.87%	9.70%	10.00%	10.38%	9.80%	6.45%	4.14%	3.16%

Disconnections for Arrears

	January	February	March	April	May	June	July	August	September	October	November	December
# Disconnects Completed	273	569	759	783	912	845	614	608	454	288	282	46
$ Average AR per Customer Disconnected	$ 520.48	$ 428.62	$ 410.83	$ 425.26	$ 393.21	$ 351.68	$ 336.94	$ 356.84	$ 359.14	$ 293.80	$ 310.97	$ 308.28
# NOD Issued	6,479	5,998	8,338	7,700	5,605	5,126	3,871	3,309	2,849	2,138	2,178	1,616

Referred to Collection Agencies

	January	February	March	April	May	June	July	August	September	October	November	December
$ Referred to Agencies	$ 87,709.23	$ 87,821.72	$ 87,995.36	$ 211,104.57	$ 255,177.40	$ 283,944.66	$ 294,861.25	$ 243,916.60	$ 216,078.41	$ 140,693.91	$ 120,636.33	$ 59,871.37
$ Recovered by Agencies	$ 42,077.09	$ 39,760.16	$ 33,116.34	$ 38,345.92	$ 45,598.89	$ 51,526.84	$ 48,993.33	$ 61,423.81	$ 70,489.79	$ 99,867.75	$ 74,763.71	$ 84,901.23

Write Offs

	January	February	March	April	May	June	July	August	September	October	November	December
Bad Debt Expense	$ 320,452.25	$ 260,325.20	$ 183,021.72	$ 160,312.62	$ (31,222.30)	$ (223,845.05)	$ 43,991.12	$ (21,696.13)	$ (30,095.03)	$ 107,789.54	$ 199,910.86	$ 204,874.32

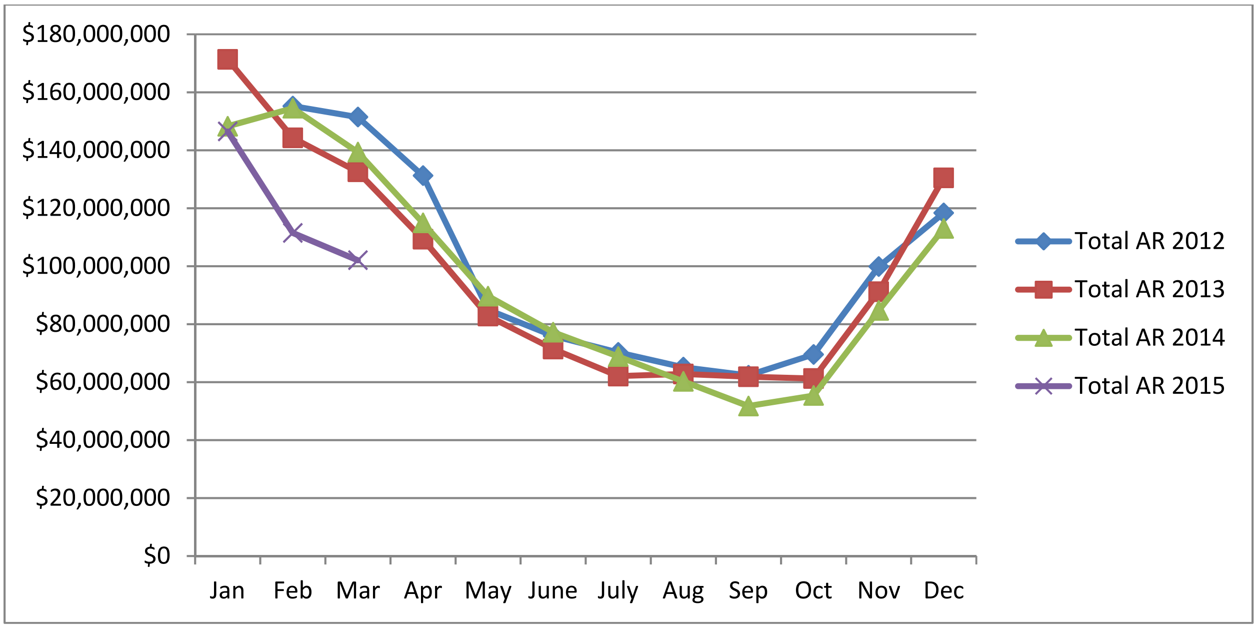
Promise to Pay Fulfillment

	January	February	March	April	May	June	July	August	September	October	November	December
% PTP's Fulfilled	0.6441	0.609877585	60%	57.0%	65.1%	56.6%	55.8%	56.9%	60.0%	61.3%	62.4%	63.6%

1. Overview

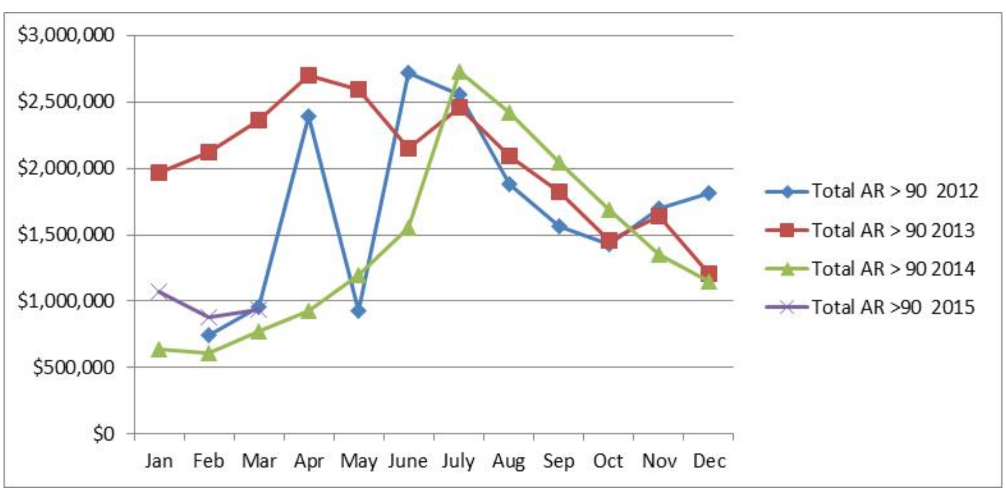
At the end of Q1, total accounts receivable (all aging buckets; all closed and open) was at $100M which is the lowest it has been at this time of the year, in four years. This was due to several factors: improved focus of the collections team; improved collections processes; warmer winter weather and the relatively low price of natural gas.

Graph 1: Total Utility AR (Gas)



Total accounts receivable greater than 90 days were at $935K at the end of the quarter. This was slightly higher than at the same time last year which was $775K and higher than last month which was $874K. Although AR is slightly higher this month, it is still well within normal ranges for this time of year.

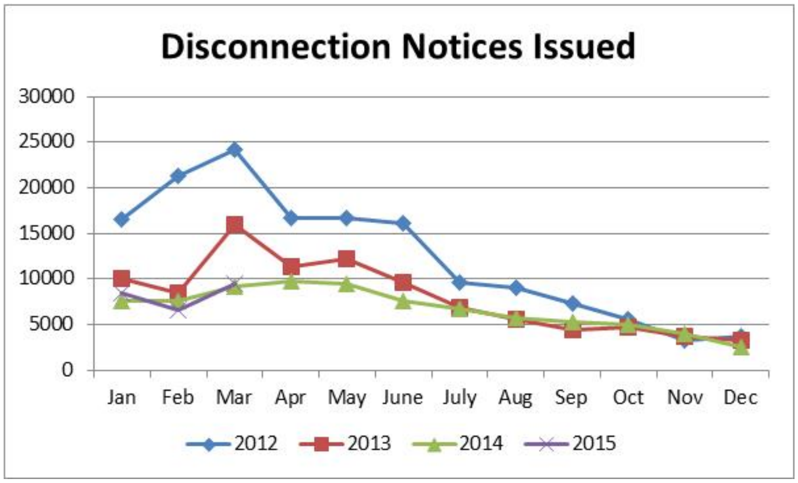
Graph 2: Total Utility AR > 90 Days (Gas)



2. Collections Activity:

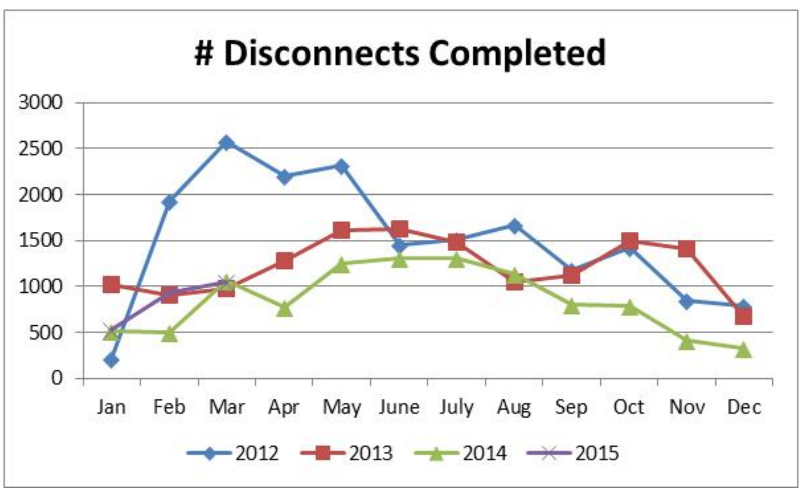
Since 2012, the collections department has made significant changes to the collections or "dunning" process to reduce activities on low risk accounts and shift the resources to focus on high risk accounts. This has resulted in fewer notices of disconnection being mailed out and fewer site visits to disconnect for non-payment.

Graph 3: Disconnection Notices Issued (Gas)



This quarter, 24399 notices of disconnect were issued and 2517 disconnections for non-payment were completed. These are both comparable to the same quarter for the previous two years.

Graph 4: Disconnection Completed (Gas)



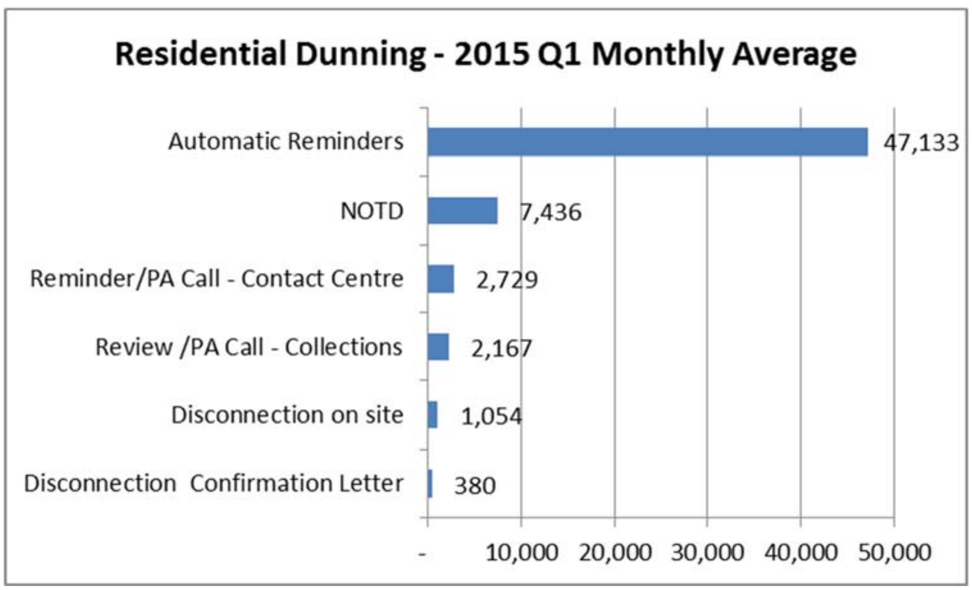
This change in strategy has not significantly increased the average dollar amount at time of disconnection. In fact, the commercial account balances have reduced since 2012.

Table 1: Average Overdue amount at time of disconnection

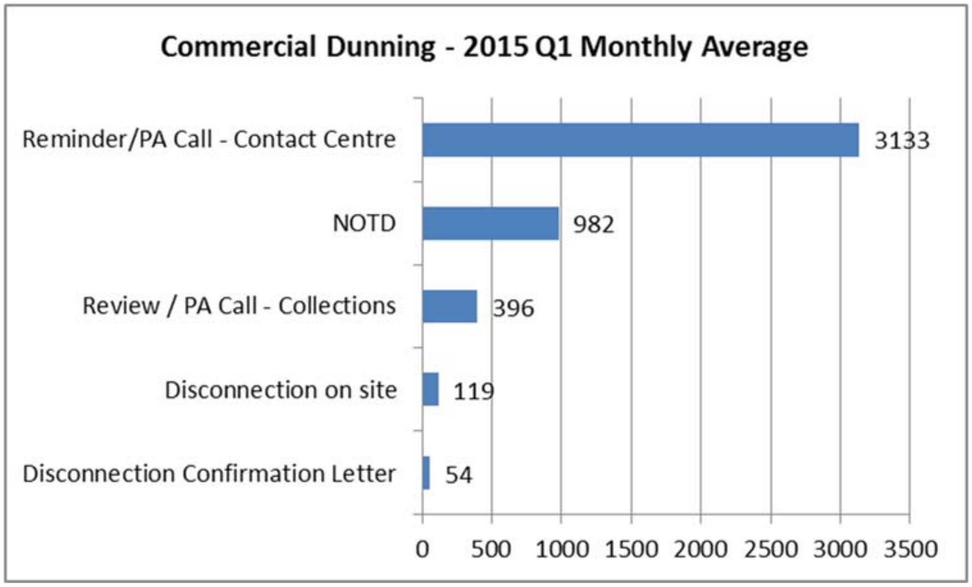
	Residential	Commercial
2012	$332	$1,247
2013	$391	$909
2014	$391	$841
2015 YTD	$383	$781

In Q1 2015, both Notices of Disconnection (NOTD) steps and our collection activities for both residential and commercial customers played a key role in reminding customers to pay their bills to avoid service interruption. Another integral step was the review stage completed by the collections team. This step alone eliminated approximately 70% of the disconnection orders sent to the field for commercial customers. Overall, when we contact our customers in person, we have approximately a 55% success rate in bringing our customers out of dunning.

Graph 5: Residential Dunning – 2015 Q1 Monthly Average – Customer Counts (Gas)

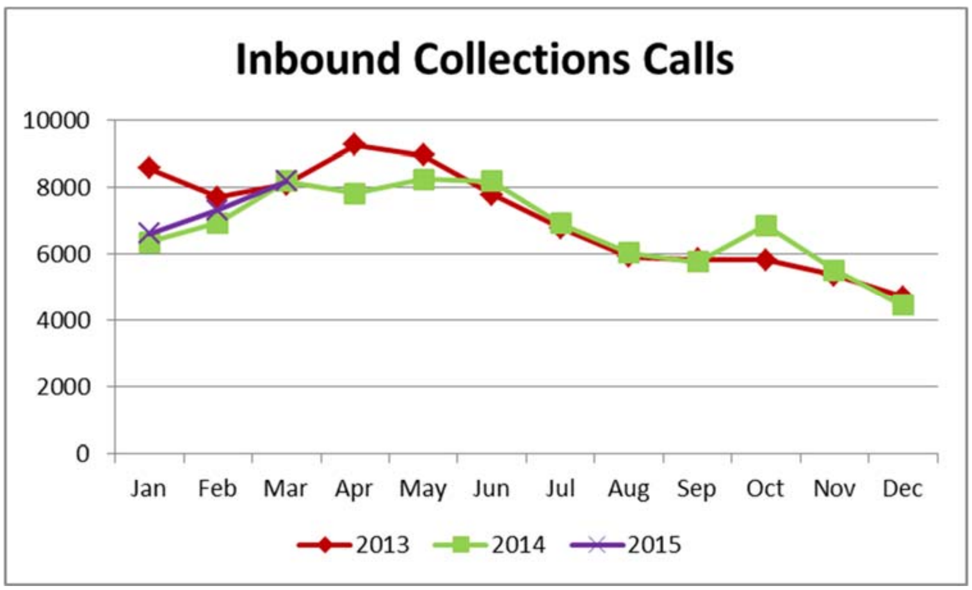


Graph 6: Commercial Dunning – 2015 Q1 Monthly Average – Customer Counts (Gas)



Inbound collections calls made up 30% of the overall call volume in the first quarter, consistent with prior years. There was no billing or meter reading issues this month that impacted collections.

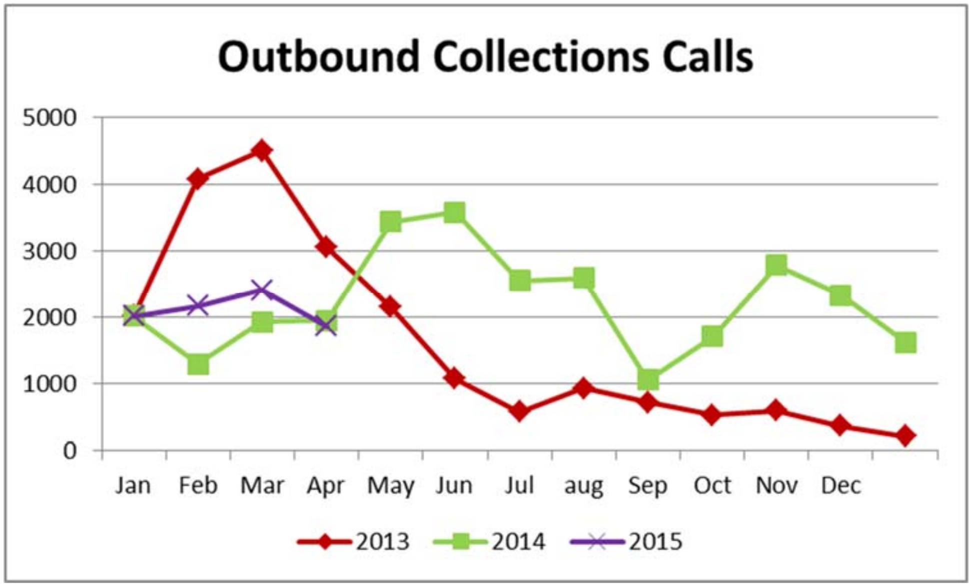
Graph 7: Inbound Collection Calls (Gas)



This quarter, there were 6,445live agent outbound calls made to obtain payments on accounts. This is comparable to last year at this time.

Graph 7: Outbound Collection Calls (Gas)

Accounts Receivable Overview (Gas)   Q1 2015

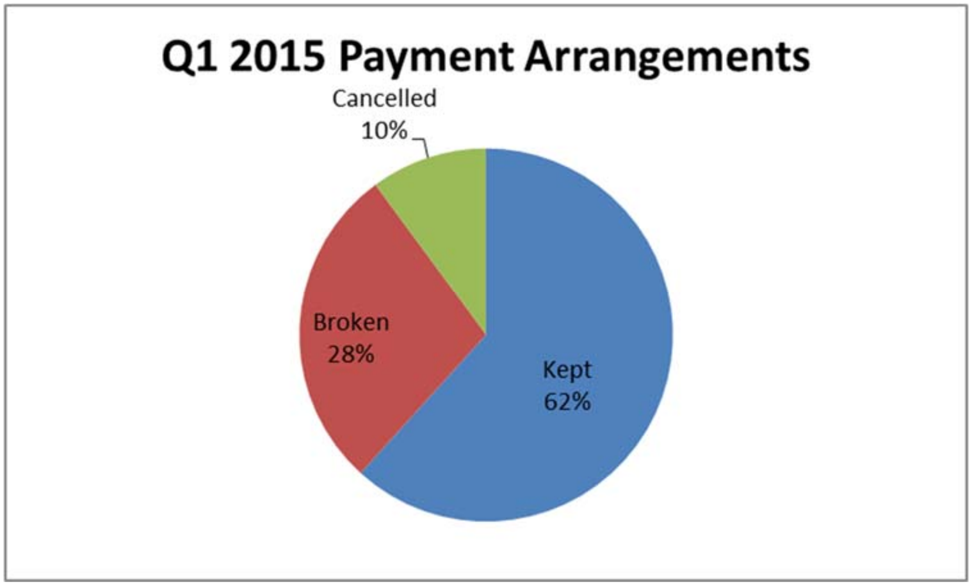


The 3 active accounts with the largest balances at the end of the first quarter were as follows:

Account Name	>120 Day Balance	Status
[redacted]	$34,701	In March 2014, this account was back billed to September 2012 with amounts owing of $70,139.88. Long term payment arrangement was accepted for $2800 plus current consumption. This account should be current in September 2015
[redacted]	$12,734	A long term payment arrangement was accepted, but subsequently broken. Account has been escalated to Collections Lead to follow up - Open arrangement on File to Pay $7144 at end of April 2015 and a follow up call to make further payment arrangements. Customer fell behind as harvest season does not start until April.
[redacted]	$7,803	A misapplied payment of $17201.42 that was posted on this account in 2008 was removed in April 2014 and resulting in a balance outstanding of $13546. A long Term payment arrangement was accepted with this customer for $500 plus current consumption for the next 27 months. Account should be paid in full July 2017.

In Q1 2015, 62% of all payment arrangements we kept, 28% were broken and 10% were cancelled.

Graph 8: Payment Arrangement Activities – Q1 2015 – Customer Counts - Percentages (Gas)

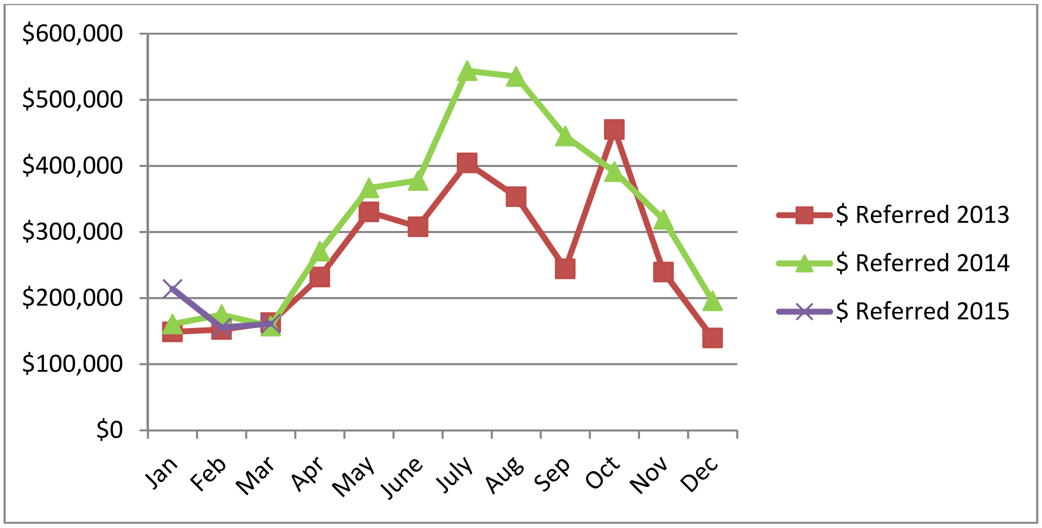


3. Accounts at Collection Agencies (Inactive):

First Placement Collections Activities

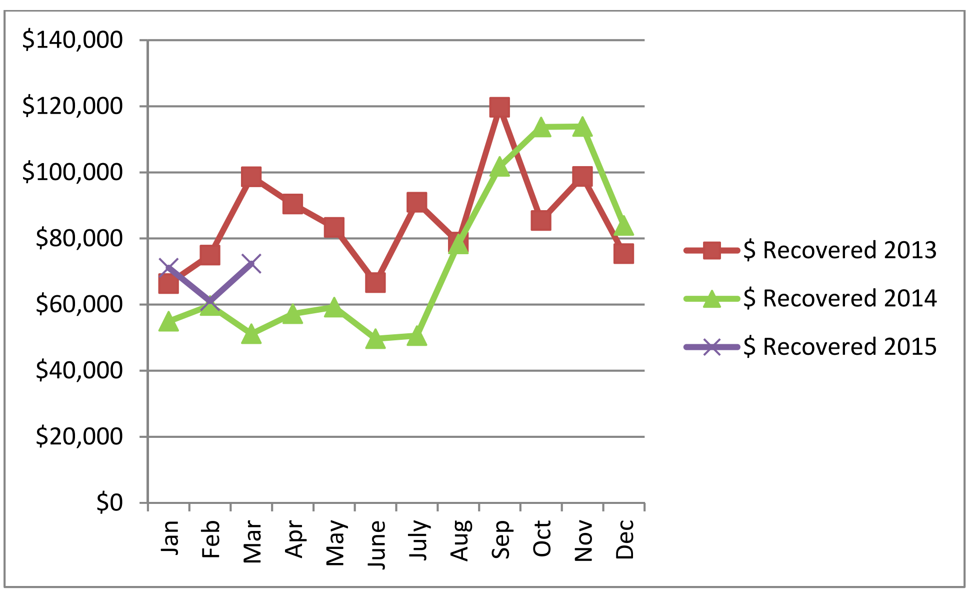
First placement collection activities refer to overdue balances that are sent to third party collection agencies that FortisBC was unable to collect in-house. This month, an additional $161K was referred to these first placement agencies bringing the total to $7.9M being assigned at third party collections (first placements) at the end of the quarter.

Graph 9: $ Referred to 3rd Party Collections (Gas)



This month, we received $72K in recoveries from the 3rd party agencies. This is in line with previous year averages.

Graph 10: 3rd Party Recoveries



Second Placement Collections Activities

In 2014, accounts with no collections activity greater than a year that still remained uncollected with a first collection agency were recalled and then sent to a second placement collections agency for another attempt to recover the amounts due. As of the end of Q1, 2015, there was $7.3M in overdue balances currently assigned for second placement collections. At the end of April, an additional $4.5M will be submitted to the second placement agency, completing the Second Placement Collections Pilot.

Second Placement Provisioning ($ Millions)	Feb-2014	Oct-2014	Nov-2014	Apr-2015	Grand Total
2000-2008 Uncollectable Statute Barred Amounts - Written Off	9.6	-	-	-	
2009 Amounts Assigned to Second Placement	-	4.4	-	-	
2010 Amounts Assigned to Second Placement	-	-	2.9	-	
2011-2013 Amounts Assigned to Second Placement	-	-	-	4.5	
Sub-Total	9.6	4.4	2.9	4.5	21.4

The 2nd Placement Collections Pilot had FortisBC close all accounts sitting with First Placement Agencies that had no Collection activity for one year. At the time in Q4 2013, these accounts had no activity and had amounts totaling about $21.6M.

In Feb 2014, we wrote off all monies from 2000-2008 that could not be collected in accordance to BC Statute of Limitation rules. Since Oct 2014, we began assigning amounts in batches to our Second Placement Collections agency from oldest to newest and began to recover some of these balances. For Q1 2015, second placement collection activities recovered about $51K.

4. Bankruptcy Activity:

This month, there were 56 accounts, totaling $30K written off to bankruptcy this month.

5. ADA Activity and Balances

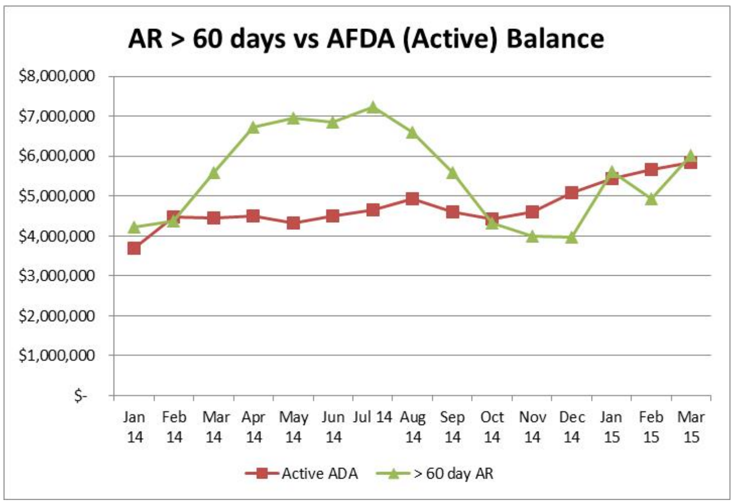
The ADA balance at the end of March was $27.8M, which included an active AR provision of $5.8M and the remaining $19.7M is a provision for accounts at third party collections or waiting to be referred to second placements.

Table 2: Active, Inactive, and Total ADA Provisioning as of March 31, 2015 ($ Thousands)

March 31 2015 ADA Provisioning ($ thousands)	Active ADA	Inactive ADA	Total ADA
Gas Account Balances Owing	(5,830.00)	-	-
Other Balances Owing	(2,238.00)	-	-
Assigned to First Placement	-	(7,930.00)	-
Assigned to Second Placement	-	(7,262.00)	-
Recalled for Second Placement assignment	-	(4,501.00)	-
Grand Totals	(8,067.00)	(19,693.00)	(27,760.00)

As of March 31, 2015, balances that been identified as amounts owing from non-payment of gas consumption was 5.8K. Balances owing resulting from damages, claims, or other costs that are not related to gas consumption was 2.2K. The graph below reflects the difference between the AR > 60 days and the active ADA balance. It shows that the AFDA balance for active accounts is generally in line with the AR > 60 days amount.

Graph 11: AR > 60 Days v. AFDA (Active) Balance (Gas)



6. Experience Rate:

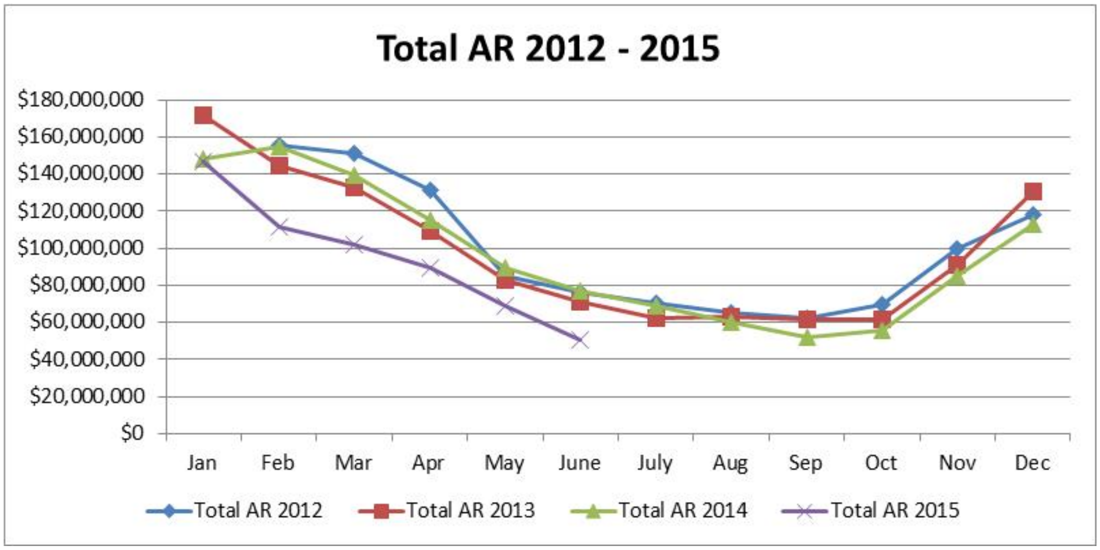
This quarter, the experience rate for bad debt to revenue was 0.38%. This was higher than budgeted (0.3%) and slightly higher than last year at this time (0.35%). It is expected that this will improve over the later part of the year as the electric operations stabilizes and reduces its reliance on the gas resources.

7. Conclusions

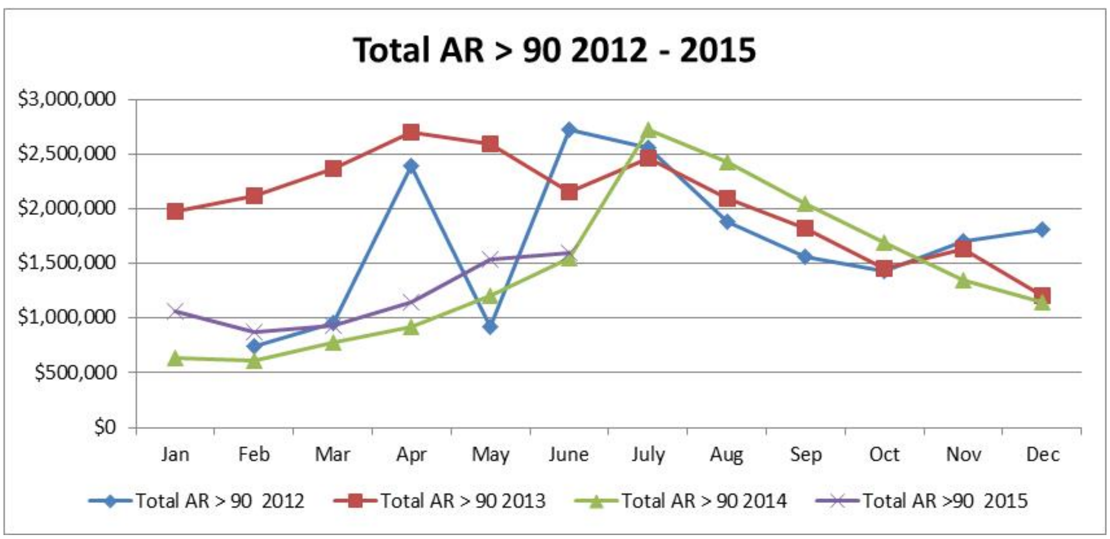
This report shows that general AR numbers are steadily improving for Q1 2015. There are no significant concerns with the level of bankruptcies or the quality of arrangements made at this time. The additional focus on recoveries though using second placement collection agencies on overdue amounts has helped reduce overall AR balances through increased recoveries. The active management of outstanding AR through work lists, specialized reports, and timely customer contacts as well as the coaching of staff on risk assessment and negotiations to support future payment arrangements within our diverse Customer base will form the basis of our success in 2015.

1. Overview

At the end of the second quarter, total receivables were at $51M which is the lowest it has been at this time of the year, in four years. This is due to several factors including improved focus of the collections team; improved collections processes; warmer winter weather and the relatively low price of natural gas.

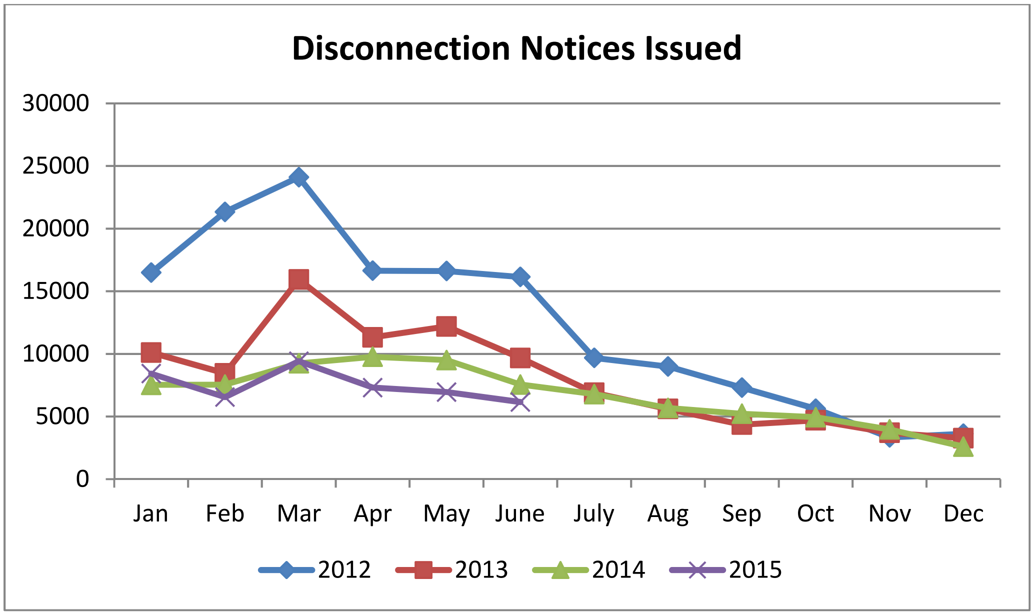


Total accounts receivable greater than 90 days were at $1.6M at the end of the quarter. This is approximately the same as it was at the same time last year.

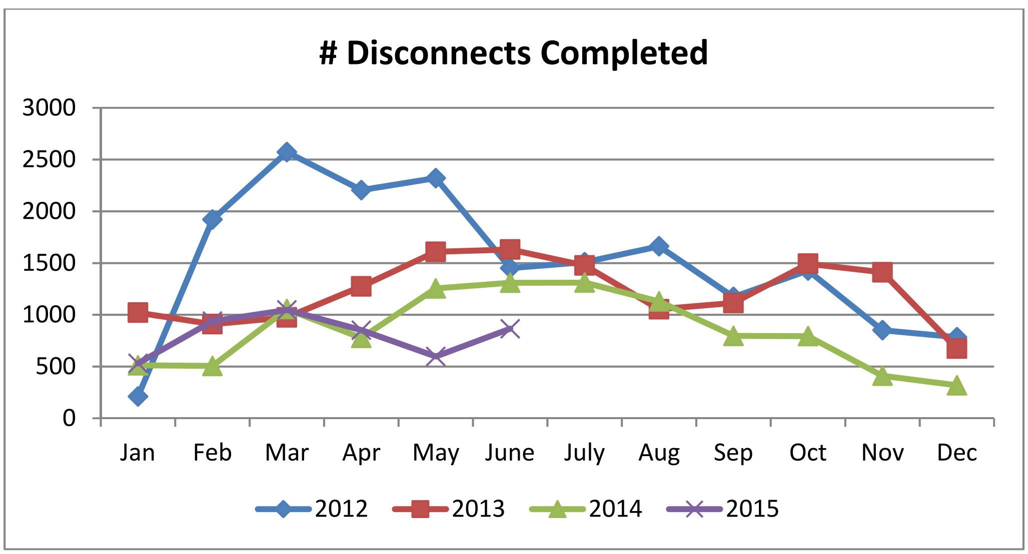


2. Collections Activity:

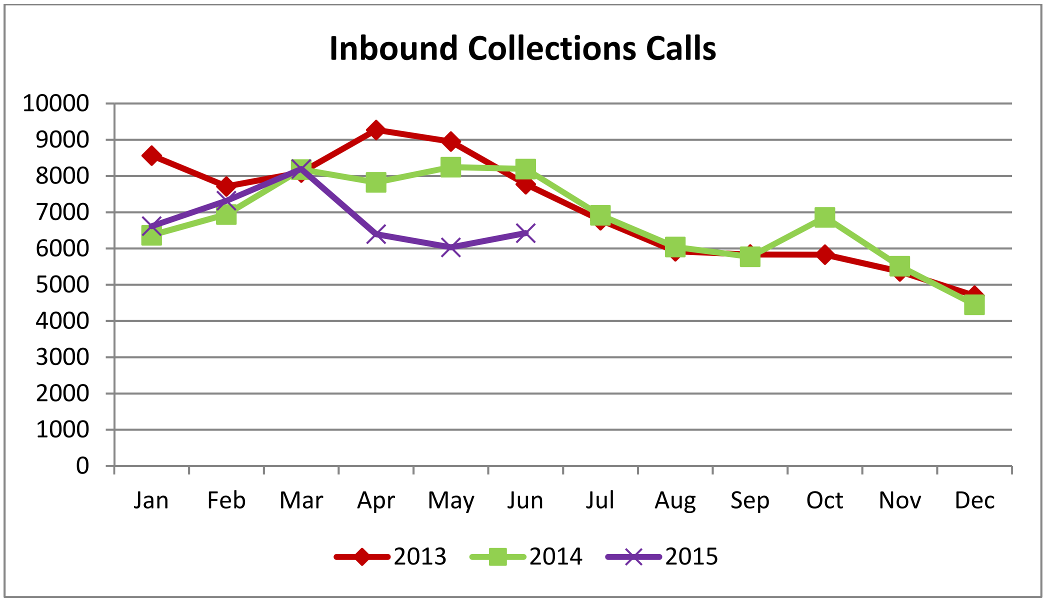
This quarter, 20,416 disconnection notices were issued. This was lower than last quarter at 24,399 notices and lower than the second quarter of last year which was 26,380 notices as shown in the graph below.



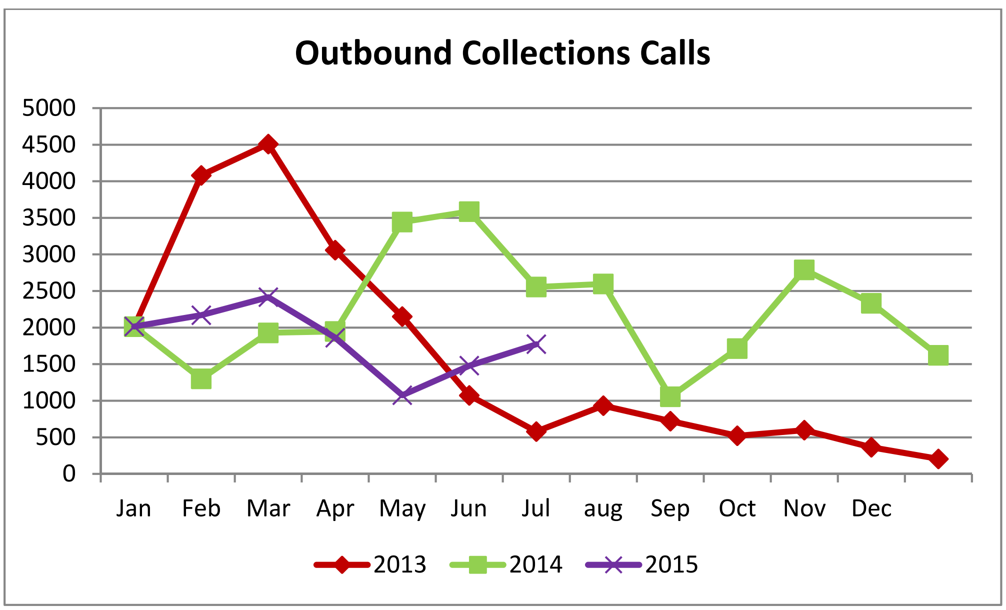
2,316 disconnections for non-payment were completed, lower than the second quarter of last year which was 3,342.



Inbound collections calls made up 25% of the overall call volume in the first quarter, lower than in prior years. There was no billing or meter reading issues this month that impacted collections.



This quarter, there were 4,328 live agent outbound calls made to obtain payments on accounts. This is lower than last year at this time.



The 3 active accounts with the largest balances at the end of the second quarter were as follows:

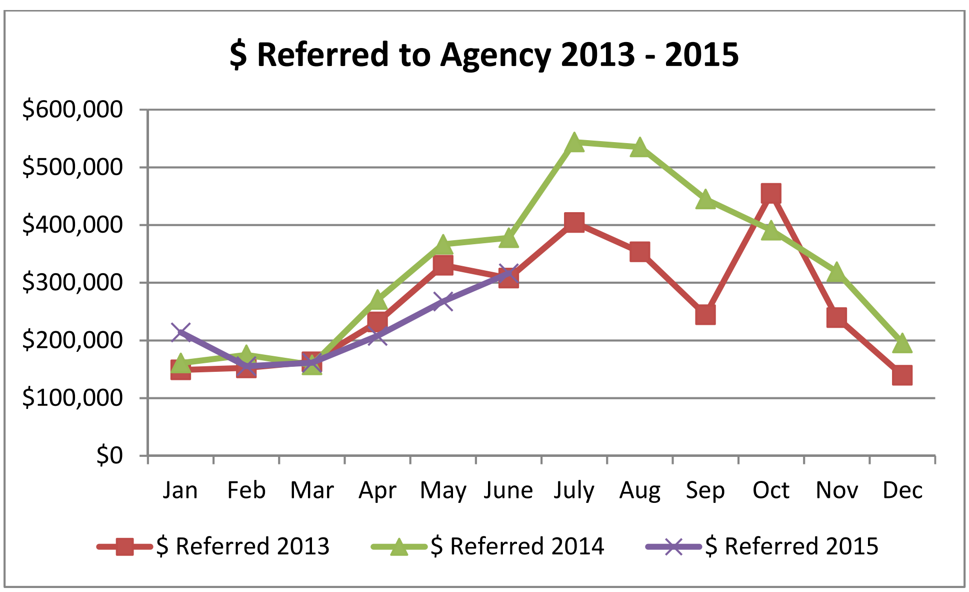
Account Name	Balance Outstanding	Status
[redacted]	$74,241.99	12 accounts were Consolidated. After consolidation, customer was unaware that there was balance left over on the old accounts - Customer received a loan to pay off the balance. Payment pending
[redacted]	$56,617.45	Greenhouse - Property disconnected - Cannot pay anything until fall - has a history of getting disconnected and catching up on arrears in Fall
[redacted]	$34,658.27	Disconnected as last payment commitment was not made - Greenhouse - No firm commitment yet but customer will try to start paying $3-4K bi-weekly starting this month(July) to bring the balance down as he will require gas service come fall.

In the second quarter, 58% of all payment arrangements made with customers were ultimately paid. This is slightly lower than last quarter at 62%.

3. Accounts at Collection Agencies (Inactive):

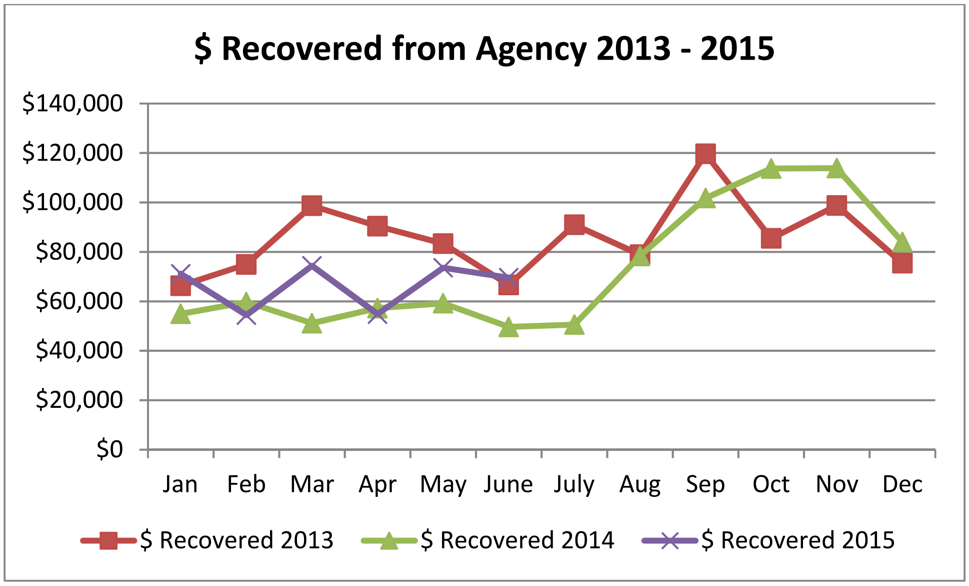
First Placement Collections Activities

First placement collection activities refer to overdue balances that FortisBC was unable to collect in-house that are sent to third party collection . In Q2, an additional $792K was referred to these first placement agencies bringing the year to date total to $1.3M. These amounts are consistent with prior years as shown in the graph below.



This quarter, we received $198K in recoveries from the 3rd party agencies which is up slightly from the previous year.

Accounts Receivable Overview (Gas) Q2 2015



Second Placement Collections Activities

In the last 18 months, accounts with no collections activity greater than a year that still remained uncollected with a first collection agency were recalled and then sent to a second placement collections agency for another attempt to recover the amounts due. All second placement submissions were submitted this quarter as outlined in the table below.

Second Placement Provisioning ($ Millions)	Feb-2014	Oct-2014	Nov-2014	Apr-2015	Grand Total
2000-2008 Uncollectable Statute Barred Amounts - Written Off	9.6	-	-	-	
2009 Amounts Assigned to Second Placement	-	4.4	-	-	
2010 Amounts Assigned to Second Placement	-	-	2.9	-	
2011-2013 Amounts Assigned to Second Placement	-	-	-	4.5	
Sub-Total	9.6	4.4	2.9	4.5	21.4

Recoveries

Total recoveries received on first placement debt this quarter was $150K. This was slightly lower than last quarter which was $167K. Recoveries from second placements were up this quarter to $55K from $33K last quarter. The year to date recovery rate is 32%, higher than the amount budgeted which was 20%.

4. Bankruptcy Activity:

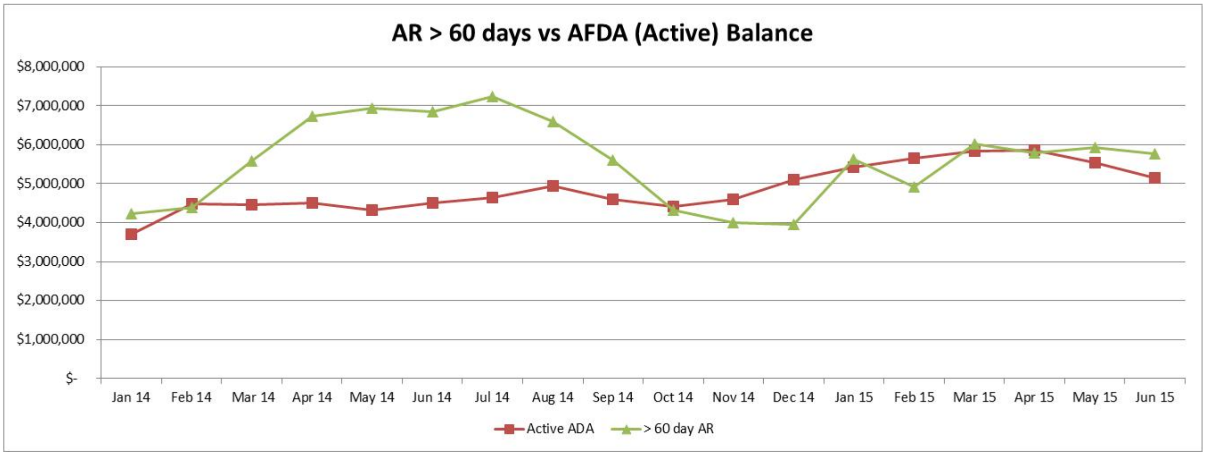
This quarter, there were 187 accounts, totaling $81K written off to bankruptcy this quarter. Although this is higher than last quarter, this is primarily due to a clean-up of bankruptcy paperwork that was completed this quarter.

5. ADA Activity and Balances

The ADA balance at the end of June was $27.4M which includes an active AR provision of $7.3M, and an inactive AR provision of $20.1M as shown in the table below.

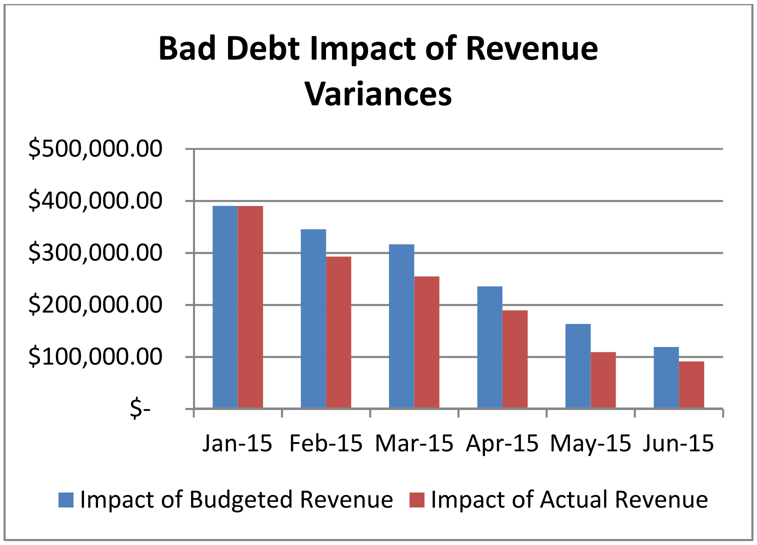
June 30 2015 ADA Provisioning ($ thousands)	Active ADA	Inactive ADA	Total ADA
Gas Account Balances Owing	(5,138.00)	-	(5,138)
Other Balances Owing	(2,123.00)	-	(2,123)
Assigned to First Placement	-	(8,513.00)	(8,513)
Assigned to Second Placement	-	(11,634.00)	(11,634)
Recalled for Second Placement assignment	-	(1.00)	(1)
Grand Totals	(7,261.00)	(20,148.00)	(27,409.00)

The graph below reflects the difference between the AR > 60 days and the active ADA balance. It shows that the AFDA balance for active accounts is generally in line with the AR > 60 days amount.



6. Bad Debt Expense Impact of Revenue Variances

Year to date, bad debt expenses are approximately $240K under budget due to lower than forecast revenues in the first half of the year. The graph below outlines the bad debt variance impact of revenue variances so far in 2015.



7. Experience Rate:

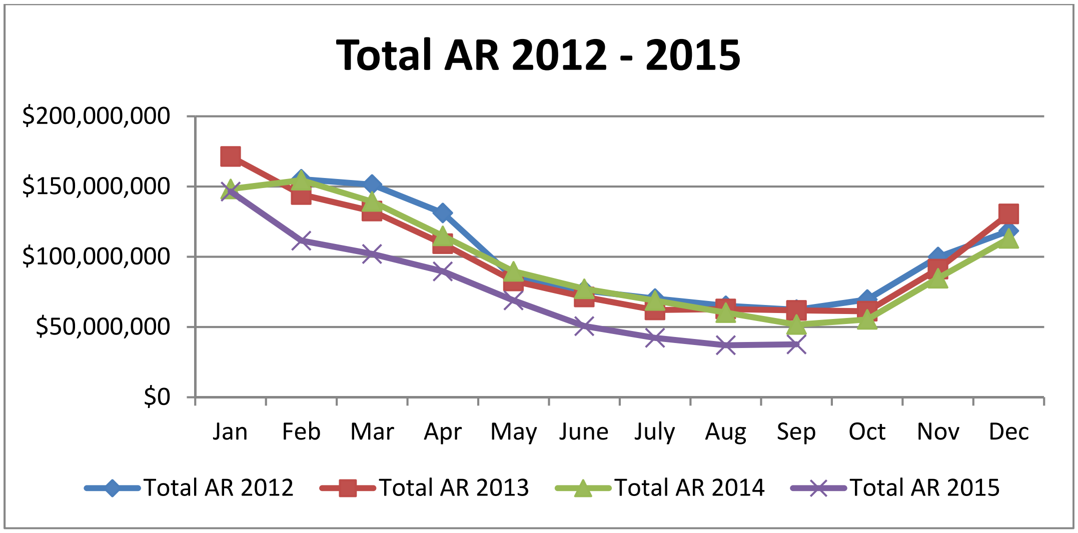
This quarter, the experience rate for bad debt to revenue was 0.21%. Year to date the experience rate is 0.23%, lower than the budgeted amount of 0.30%.

8. Conclusions

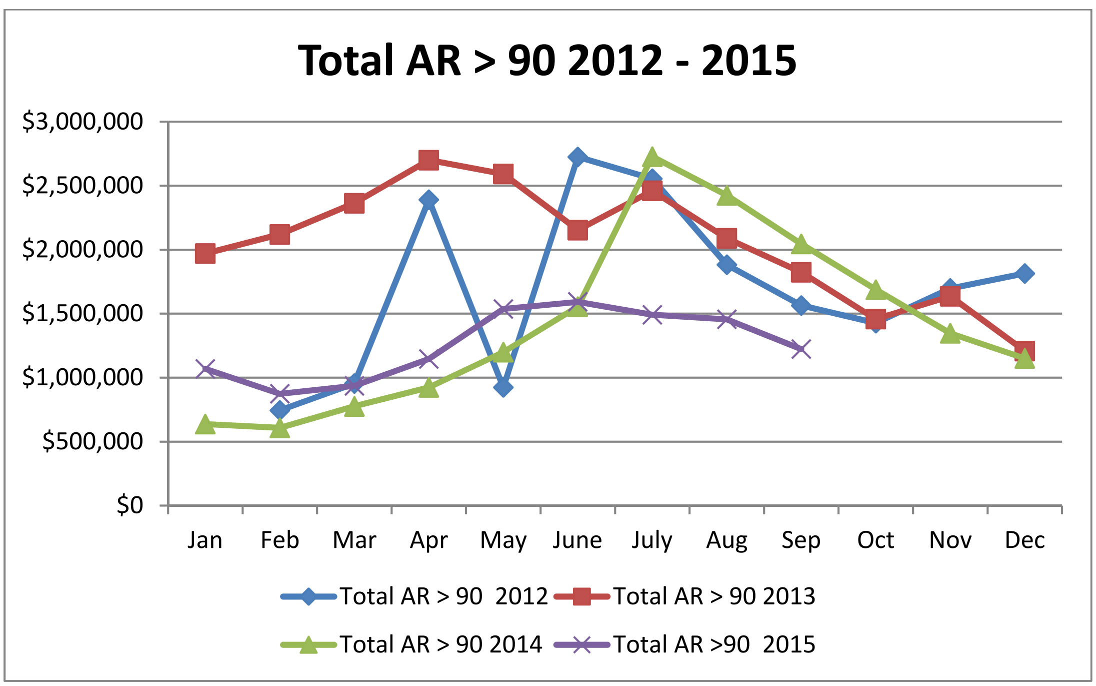
This report shows that AR numbers for the second quarter are generally in line with or improved from normal levels at this time of year. There are no significant concerns with the level of bankruptcies or the quality of arrangements made at this time. The additional focus on recoveries though using second placement collection agencies on overdue amounts has helped reduce overall AR balances through increased recoveries. The active management of outstanding AR through work lists, specialized reports, and timely customer contacts as well as the coaching of staff on risk assessment and negotiations to support future payment arrangements within our diverse Customer base is expected to continue into the third quarter.

1. Overview

At the end of the third quarter, total receivables were at $38M, which is the lowest it has been at this time of the year, in four years. This is due to several factors including improved focus of the collections team; improved collections processes; warmer winter weather and the relatively low price of natural gas.

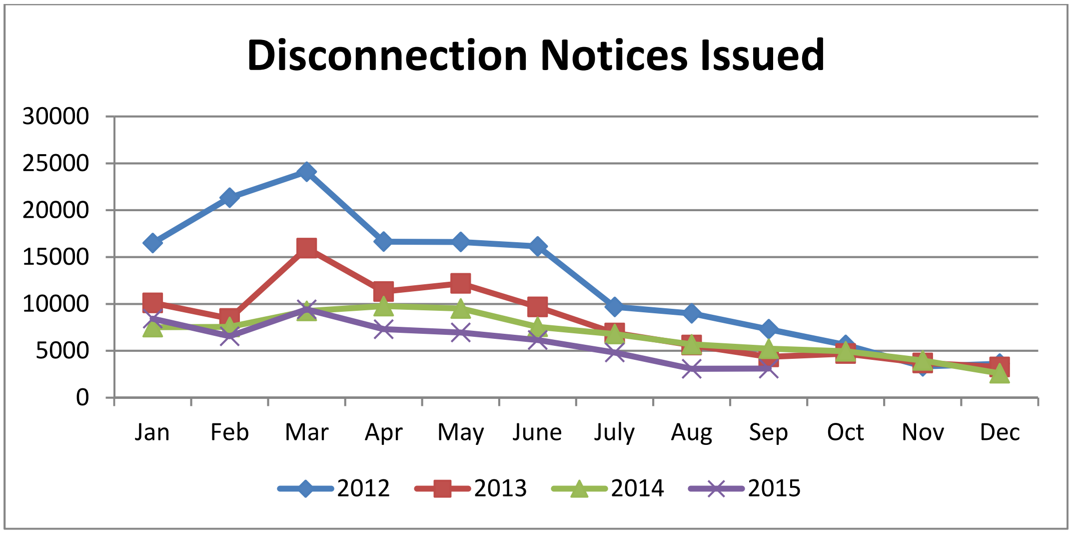


Total accounts receivable greater than 90 days were at $1.2M at the end of the quarter. This is approximately $800K lower at the same time last year.

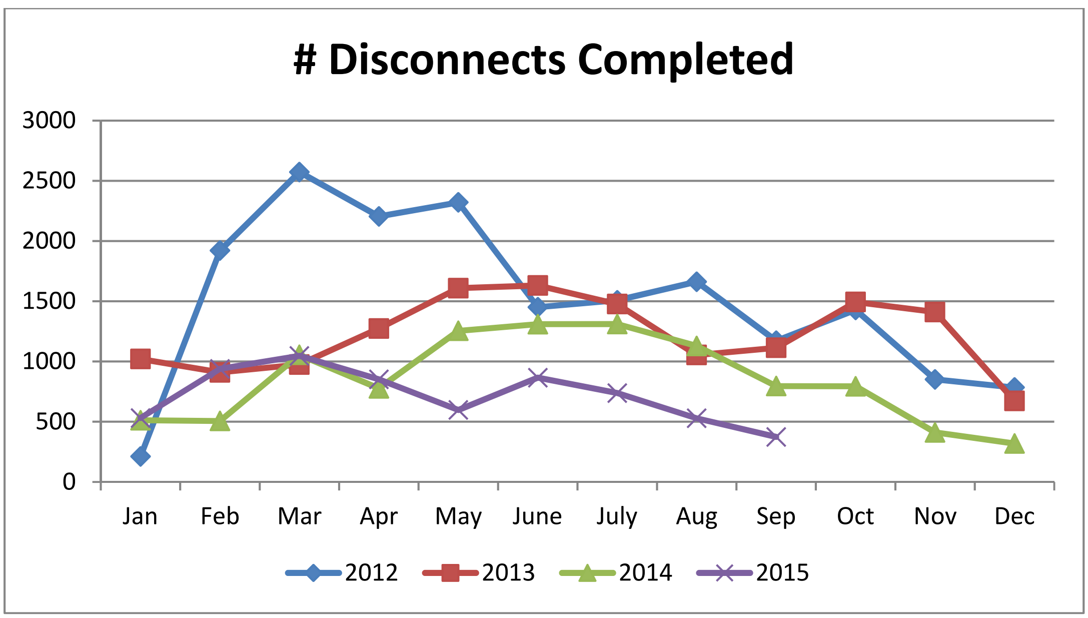


2. Collections Activity:

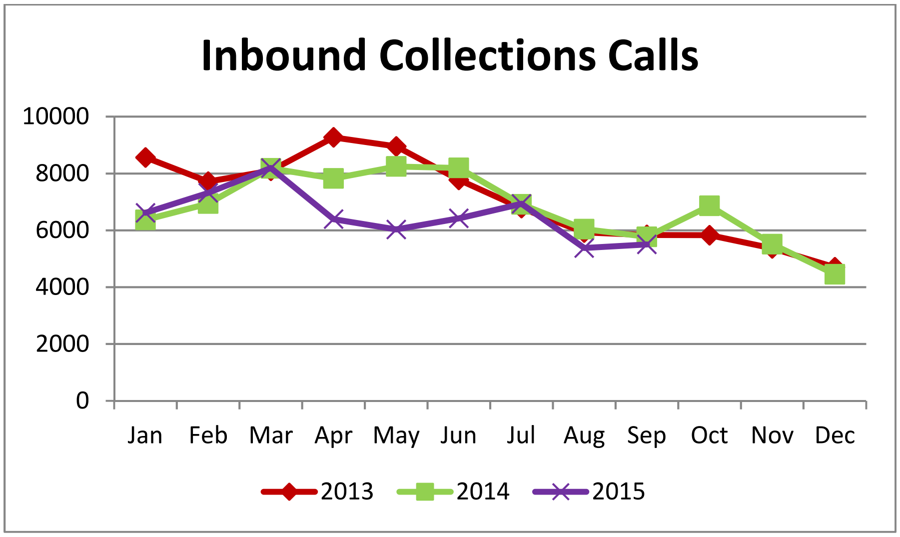
This quarter, 11,007 disconnection notices were issued. This was lower than last quarter at 20,416 notices and lower than the third quarter of last year which was 17,686 notices as shown in the graph below.



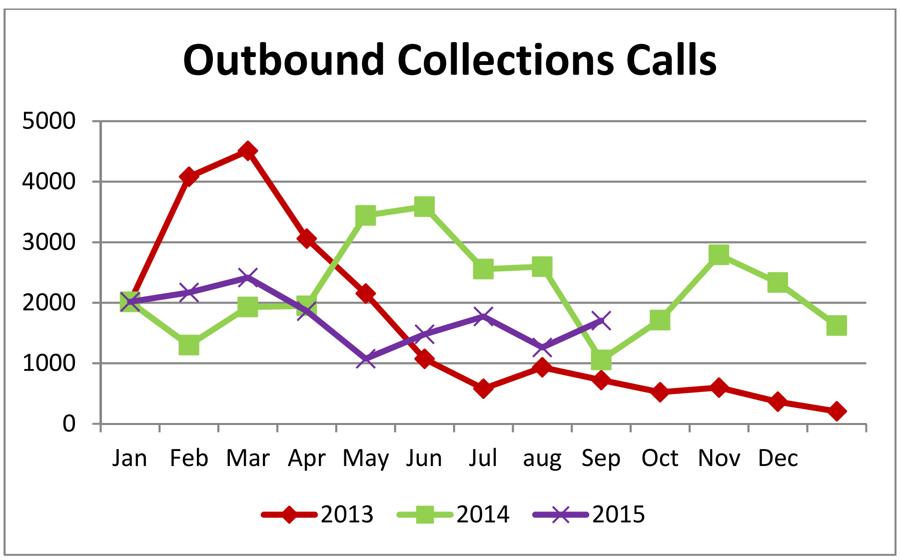
1,641 disconnections for non-payment were completed, lower than the third quarter of last year which was 3,236.



Inbound collections calls made up 8.2% of the overall call volume in the third quarter lower than in prior years. There was no billing or meter reading issues this month that impacted collections.



This quarter, there were 10,047 live agent outbound calls made to obtain payments on accounts. This is lower than last year at this time. The Collections Team completed 19,711 outbound calls in Q3. The heightened focus on Electric AR in September had them complete 5,779 outbound calls to Electric Customers in that month alone.



The 3 active accounts with the largest balances at the end of the third quarter were as follows:

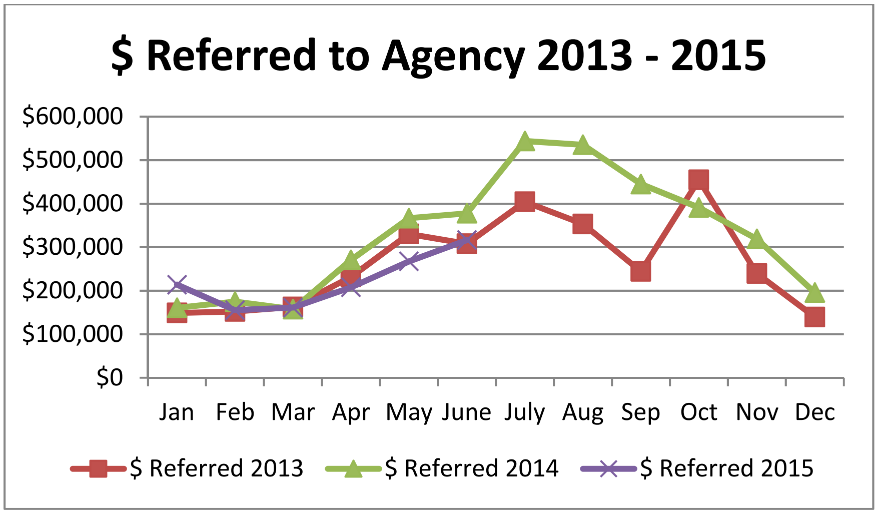
Account Name	Balance Outstanding	Status
[redacted]	$149,404	Company is going through financial restructuring for the last few months. They have recently paid $75K with a past due amount of $24K. This account is being moved to the Industrial Rate in November 2015, but must be brought current prior to the change in Rate Class19.
[redacted]	$33,284.20	No Access to meter since customer moved in July 2013. Access was obtained in August 2015 and customer was billed $20k based on actual read obtained. Customer arranged to pay $3k in September and October and plans to bring account up to date on November 8th. He operates a greenhouse at this property and gets most of his funds after the harvest of his crop in November. Customer has paid the first two installments of $3k in September and October and the account is expected to be up to date by mid-November.
[redacted]	$18,725.84	Customer has an open payment arrangement for $3k over 5 installments along with current consumption. Customer has paid the first two installments. This account is expected to be up to date by November 1st week.

In the third quarter, 57% of all payment arrangements made with customers were ultimately paid. This is slightly lower than last quarter at 58%.

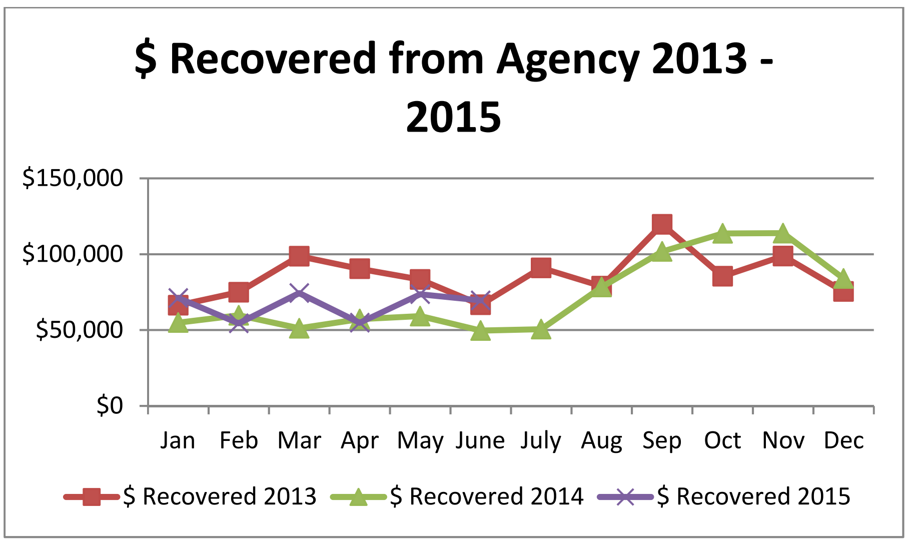
3. Accounts at Collection Agencies (Inactive):

First Placement Collections Activities

First placement collection activities refer to overdue balances that FortisBC was unable to collect in-house that are sent to third party Collection Agencies. In Q3, an additional $864K was referred to these first placement agencies bringing the year to date total to $2.18M. These amounts are lower than prior years as shown in the graph below.



This quarter, we received $232K in recoveries from the 3rd party agencies which is up slightly from the previous year.



Second Placement Collections Activities

In the last 18 months, accounts with no collections activity greater than a year that still remained uncollected with a first Collection Agency were recalled and then sent to a second placement Collections Agency for another attempt to recover the amounts due. All second placement submissions were submitted Q2 as outlined in the table below.

Second Placement Provisioning ($ Millions)	Feb-2014	Oct-2014	Nov-2014	Apr-2015	Grand Total
2000-2008 Uncollectable Statute Barred Amounts - Written Off	9.6	-	-	-	
2009 Amounts Assigned to Second Placement	-	4.4	-	-	
2010 Amounts Assigned to Second Placement	-	-	2.9	-	
2011-2013 Amounts Assigned to Second Placement	-	-	-	4.5	
Sub-Total	9.6	4.4	2.9	4.5	21.4

2nd Placement Recoveries

Recoveries received on second placement debt this quarter was $43K. This was slightly lower than last quarter which was $48K. Total recoveries from the second placement pilot are approximately $150K.

4. Bankruptcy Activity:

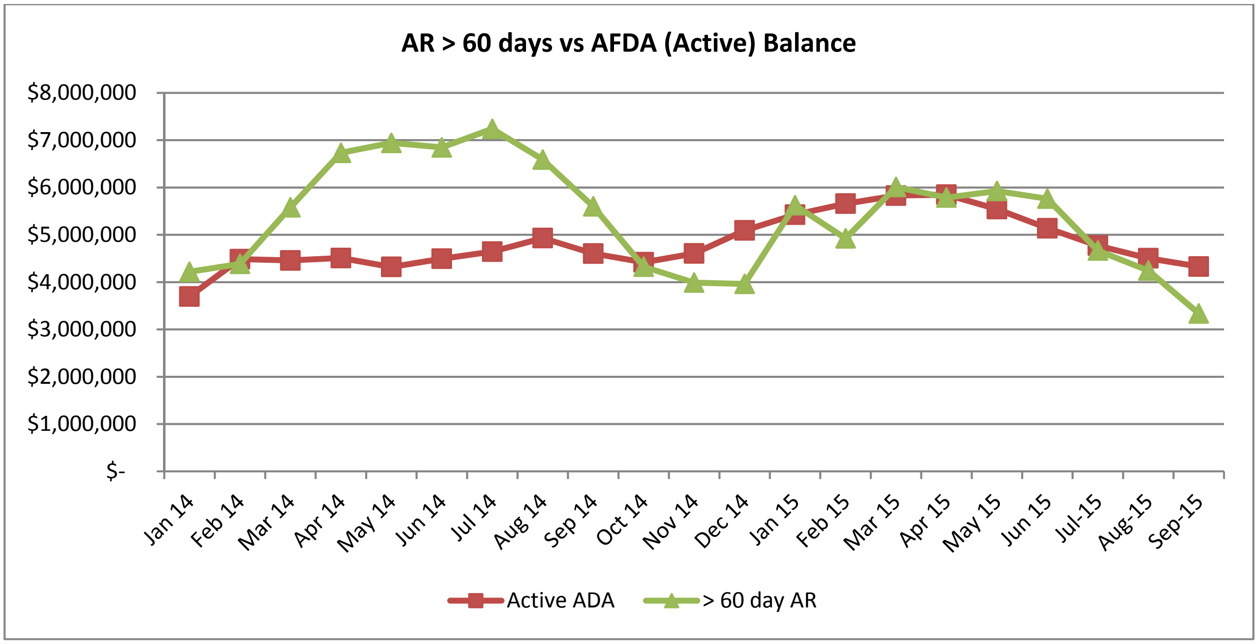
This quarter, there were 162 accounts, totaling $139K written off to Insolvency this quarter. Although this is higher than last quarter, we continue to receive approximately 50 Creditor Packs per month year over year.

5. ADA Activity and Balances

The ADA balance at the end of September was $27.1M which includes an active AR provision of $6.4M, and an inactive AR provision of $20.7M as shown in the table below.

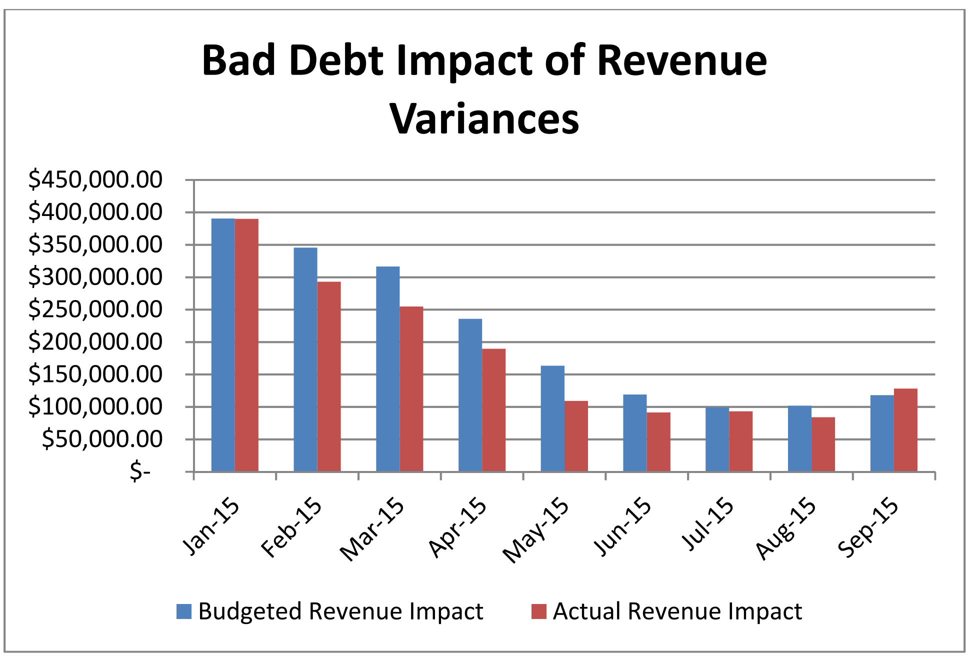
Sept 30 2015 ADA Provisioning ($ thousands)	Active ADA	Inactive ADA	Total ADA
Gas Account Balances Owing	(4,329.00)	-	(4,329)
Other Balances Owing	(2,089.00)	-	(2,089)
Assigned to First Placement	-	(9,190.00)	(9,190)
Assigned to Second Placement	-	(11,568.00)	(11,568)
Recalled for Second Placement assignment	-	(2.00)	(2)
Grand Totals	(6,418.00)	(20,760.00)	(27,178.00)

The graph below reflects the difference between the AR > 60 days and the active ADA balance. It shows that the AFDA balance for active accounts in comparison to AR >60 days is trending positively leading into Q4.



6. Bad Debt Expense Impact of Revenue Variances

Year to date, bad debt expenses are approximately $250K under budget due to lower than forecast revenues in the first half of the year. The graph below outlines the bad debt variance impact of revenue variances so far in 2015.



7. Experience Rate:

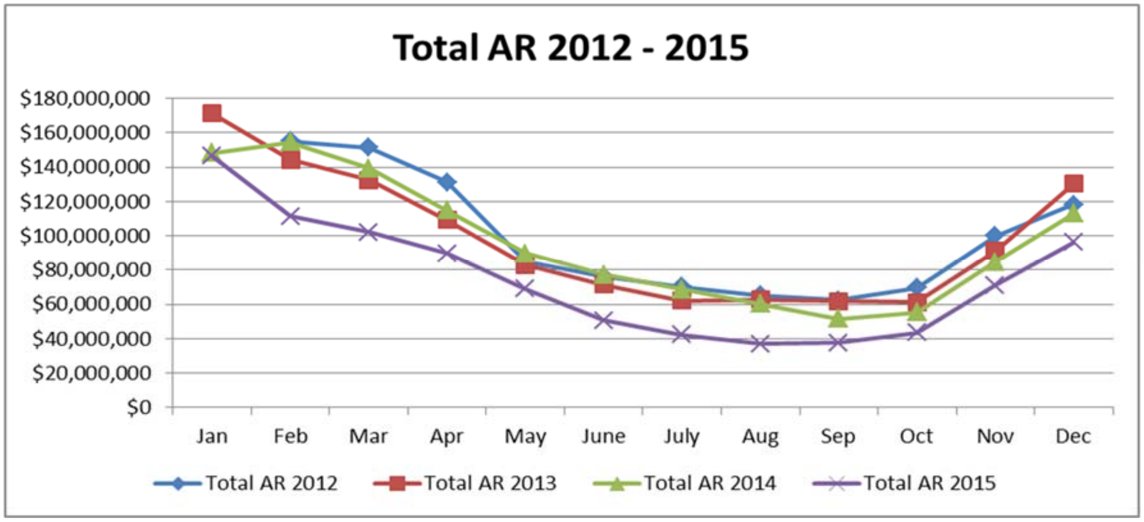
This quarter, the experience rate for bad debt to revenue was 0.19%. Year to date the experience rate is 0.25%, lower than the budgeted amount of 0.30%.

8. Conclusions

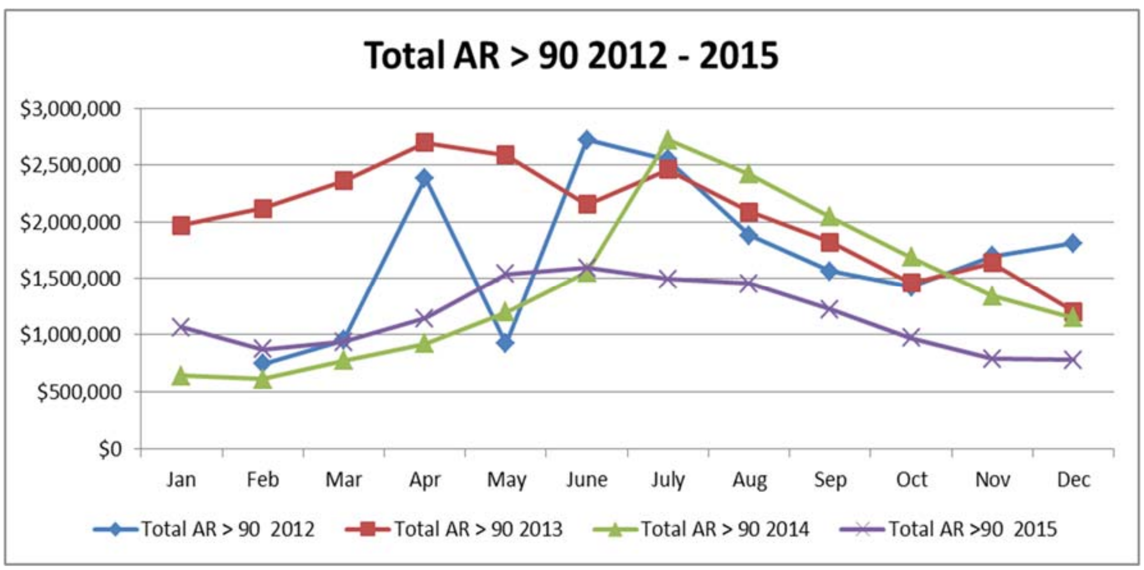
This report shows that AR numbers for the third quarter are generally in line with or improved from previous levels at this time of year. There are no significant concerns with the level of bankruptcies or the quality of arrangements made at this time. The additional focus on recoveries though using second placement collection agencies on overdue amounts has helped reduce overall AR balances through increased recoveries. The active management of outstanding AR through work lists, specialized reports, and timely customer contacts as well as the coaching of staff on risk assessment and negotiations to support future payment arrangements within our diverse Customer base is expected to continue into the third quarter.

1. Overview

At the end of the fourth quarter, total receivables were at $96M which is the lowest it has been at this time of the year, four years running. This is due to several factors including improved focus of the collections team; improved collections processes; warmer winter weather and the relatively low price of natural gas.

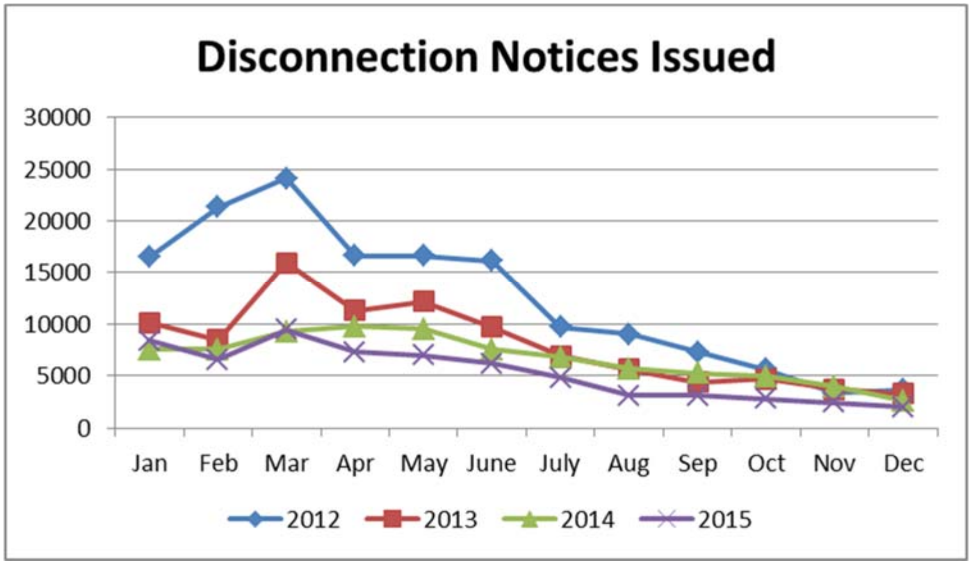


Total accounts receivable greater than 90 days were at $778K at the end of the fourth quarter. This is $373K lower at the same time last year.

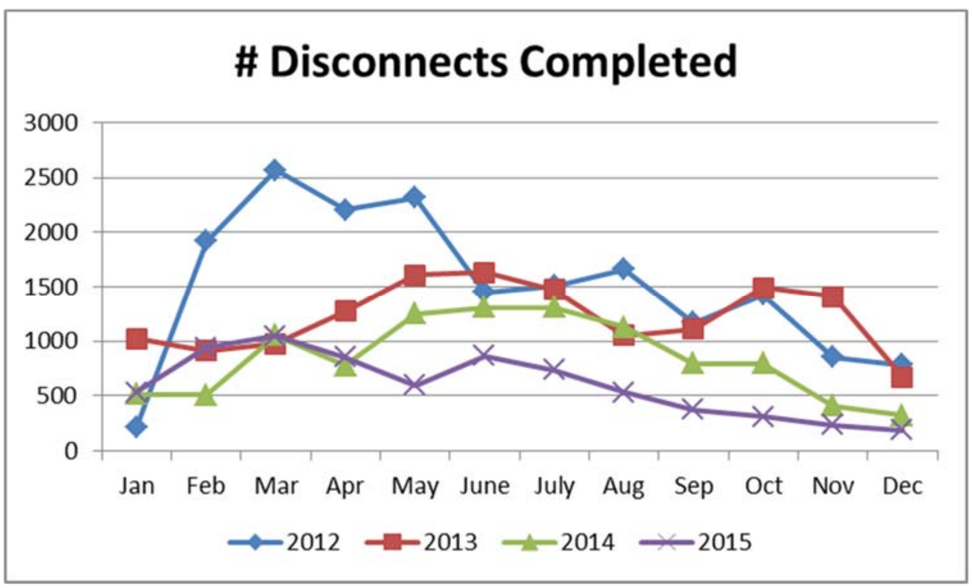


2. Collections Activity:

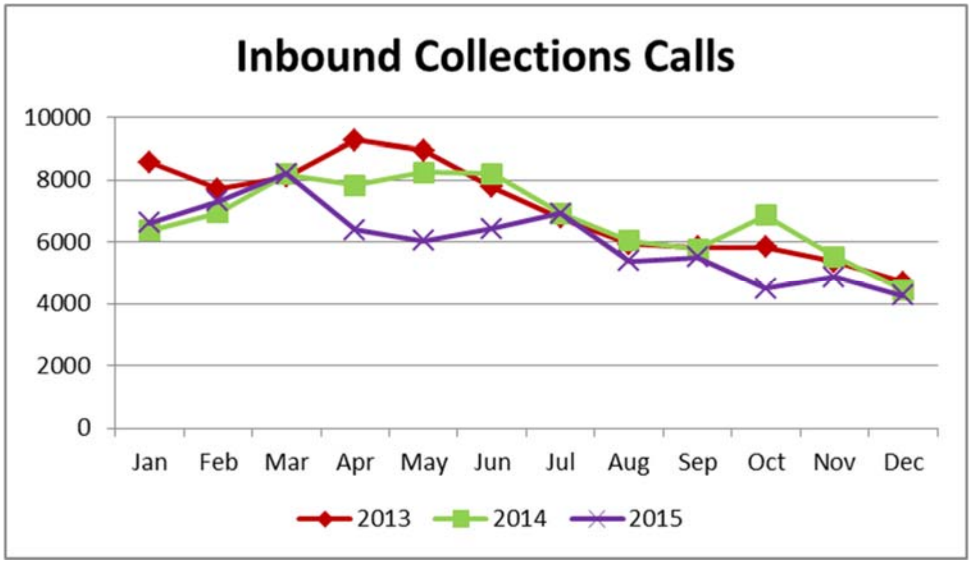
This quarter, 7,144 disconnection notices were issued. This was lower than last quarter at 11,007 notices and lower than the fourth quarter of last year which was 11,511 notices.



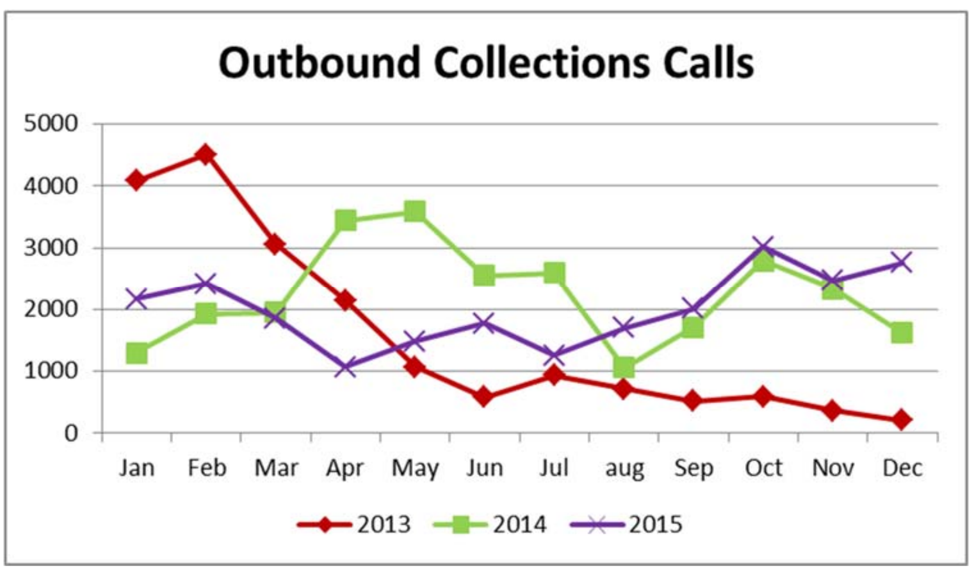
731 disconnections for non-payment were completed in the Fourth Quarter, much lower than the fourth quarter of last year which was 1,524.



Inbound collections calls made up 9% of the overall call volume in the Fourth quarter of 2015. This was lower than the fourth quarter of last year (10.74%) and slightly up from the third quarter of 2015 (8.2%).



This quarter, there were 8,251 live agent outbound calls made to obtain payments on accounts. This was higher than last quarter (4,983) as well as the fourth quarter of last year (6,746).



The 3 active accounts with the largest balances at the end of the fourth quarter were as follows:

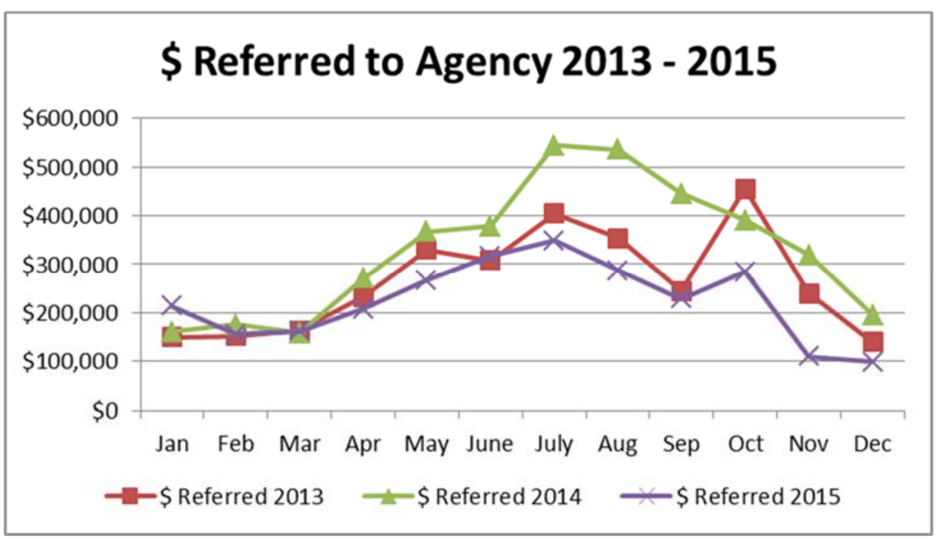
Account Name	Balance Outstanding	Status
[redacted]	$39,859.20	Service Order created on January 15th to disconnect Greenhouse. Access issues could lead to cut off at street.
[redacted]	$19,077.01	Payment Arrangement for $2000 plus EPP Amount of $4,322 to Avoid Disconnection.
[redacted]	$14,964.64	PPP Payments reversed due to wrong banking information. PPP to be withdrawn on January 20th, with correct Bank information.

In the fourth quarter, 60% of all payment arrangements made with customers were ultimately paid. This is slightly higher than last quarter at 57%.

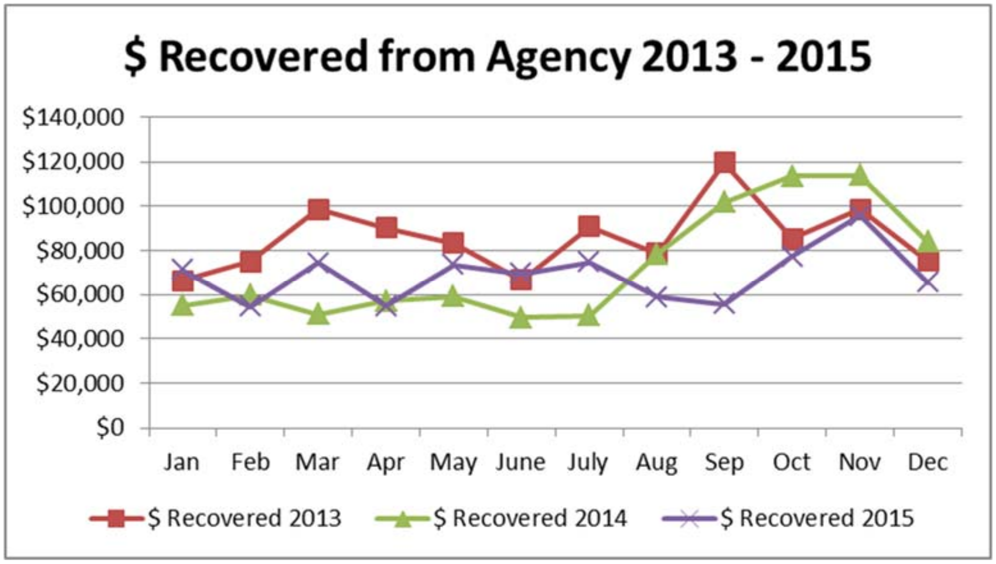
3. Accounts at Collection Agencies (Inactive):

First Placement Collections Activities

First placement collection activities refer to overdue balances that FortisBC was unable to collect in-house that are sent to third party collections. In Q4, an additional $493K was referred to these first placement agencies bringing the year-end total to $2.7M. This amount is $1.2M lower than last year.



This quarter, we received $238K in recoveries from the 3rd party agencies which is approximately $100K lower than the same time last year.



Second Placement Collections Activities

Accounts with no collections activity greater than a year that still remained uncollected with a first collection agency were recalled and then sent to a second placement collections agency for another attempt to recover the amounts due. All second placement submissions were submitted in Q2 as outlined in the table below.

Second Placement Provisioning ($ Millions)	Feb-2014	Oct-2014	Nov-2014	Apr-2015	Grand Total
2000-2008 Uncollectable Statute Barred Amounts - Written Off	9.6	-	-	-	
2009 Amounts Assigned to Second Placement	-	4.4	-	-	
2010 Amounts Assigned to Second Placement	-	-	2.9	-	
2011-2013 Amounts Assigned to Second Placement	-	-	-	4.5	
Sub-Total	9.6	4.4	2.9	4.5	21.4

Recoveries

Total recoveries received on second placement debt this quarter was approximately $40K. This was slightly lower than last quarter which was approximately $43K. The year to date recovery amount associated with second placement was approximately $164K.

4. Bankruptcy Activity:

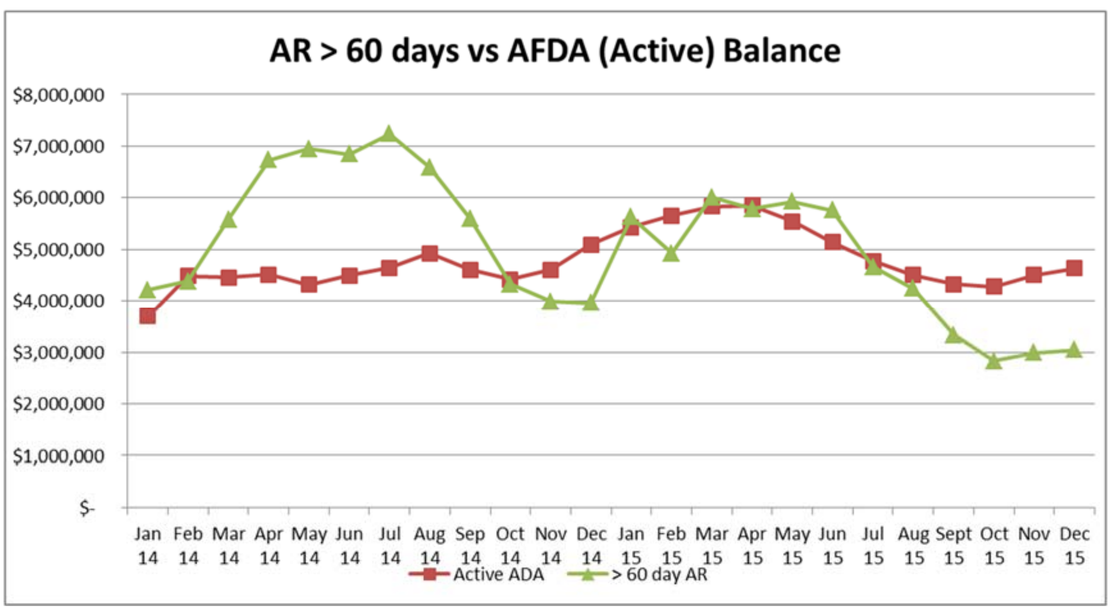
The fourth quarter saw the Collections Team work 317 Accounts, totaling a $74K write-off to Insolvency.

5. ADA Activity and Balances

The ADA balance at the end of December was $27.6M which includes an active AR provision of $6.7M and an inactive AR provision of $20.9M as shown in the table below.

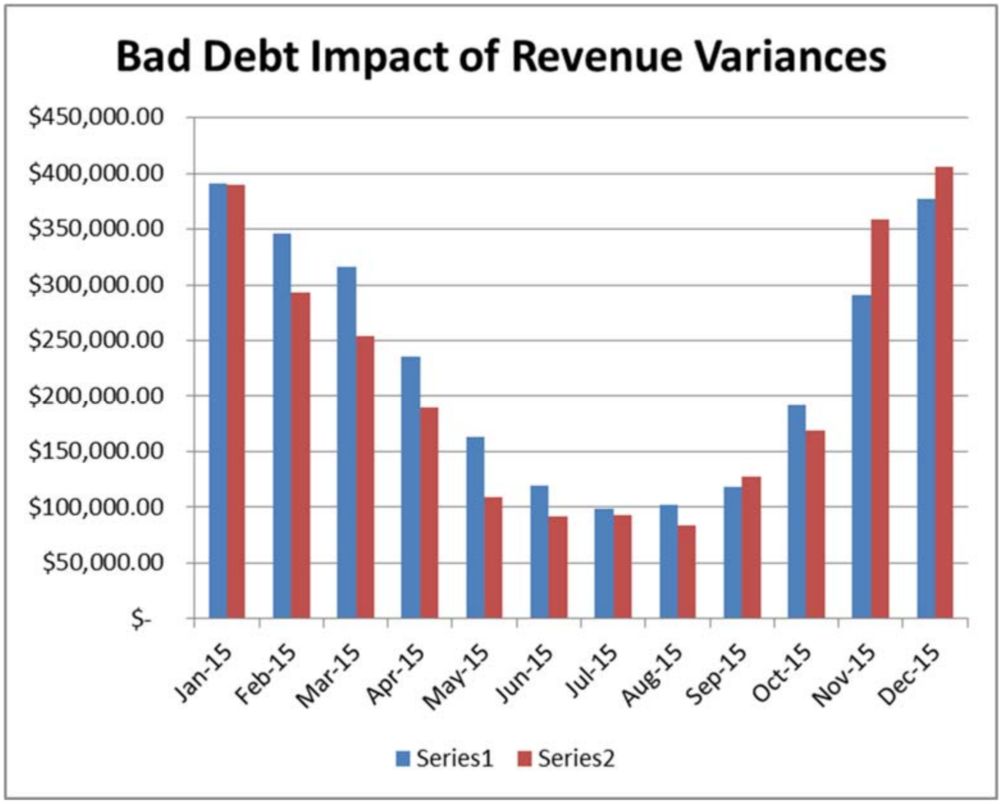
December 30 2015 ADA Provisioning ($ thousands)	**Active ADA**	**Inactive ADA**	**Total ADA**
Gas Account Balances Owing	(4,635)		(4,635)
Other Balances Owing	(2,089)		(2,089)
Assigned to First Placement		(9,434)	(9,434)
Assigned to Second Placement		(11,512)	(11,512)
Recalled for Second Placement Assignment		(1)	(1)
Grand Totals	(6,723)	(20,947)	(27,670)

The graph below reflects the difference between the AR > 60 days and the active ADA balance. It shows that the AFDA balance for active accounts is generally in line with the AR > 60 days amount.



6. Bad Debt Expense Impact of Revenue Variances

Year to date, bad debt expenses are approximately $678K under budget due to lower than forecast revenues. The graph below outlines the bad debt variance impact of revenue variances for 2015.



7. Experience Rate:

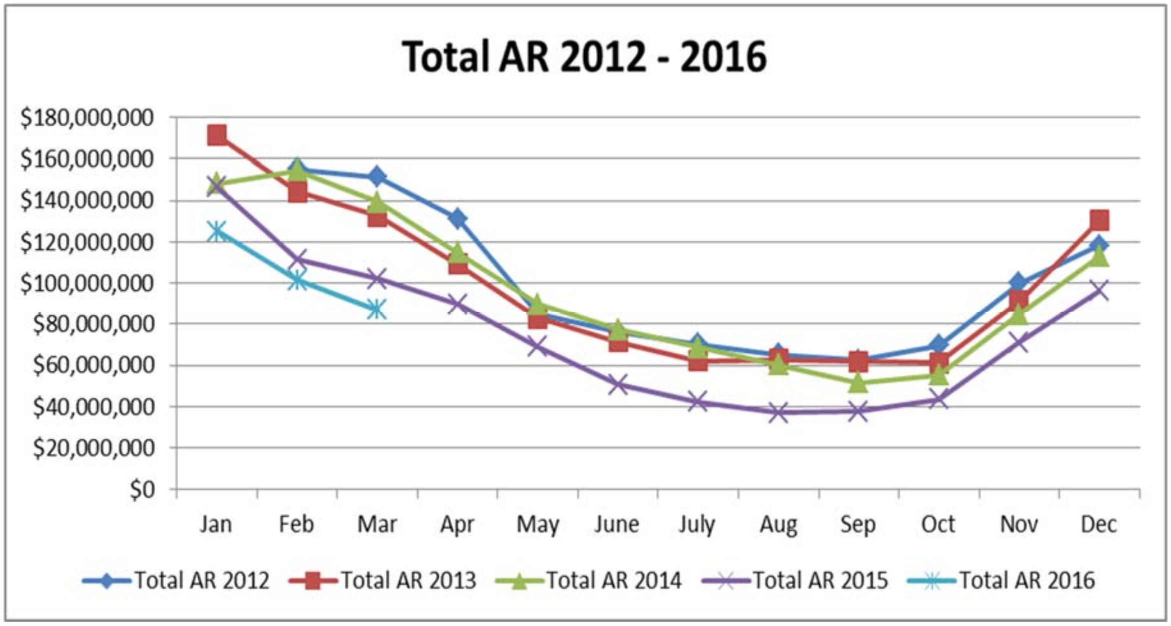
In 2015, the experience rate for bad debt to revenue was .24%. Lower than the budgeted amount of 0.30% and the lowest since bringing Customer Service back In-house.

8. Conclusions

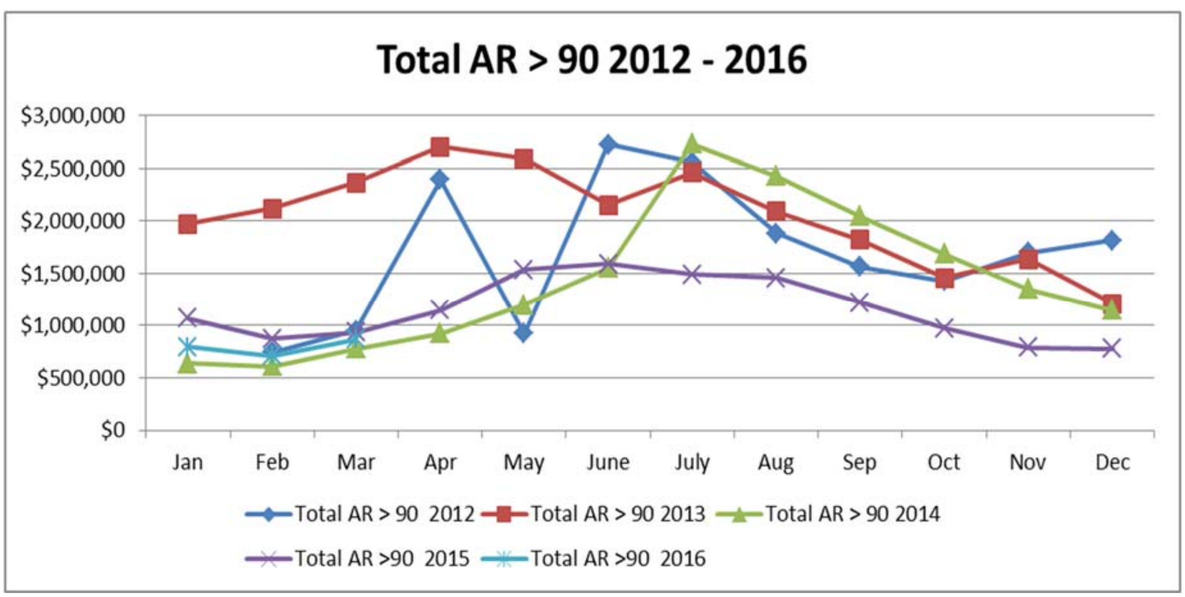
This report shows that AR numbers for 2015 have consistently improved, from previous levels, since Go-Live. . The active management of outstanding AR through work lists, specialized reports, and timely customer contacts as well as the coaching of staff on risk assessment and negotiations to support future payment arrangements within our diverse Customer base is expected to continue into 2016.

1. Overview

At the end of the first quarter, total receivables were at $87M which is the lowest it has been at this time of the year, four years running. This is due to several factors including improved focus of the collections team; improved collections processes; warmer winter weather and the relatively low price of natural gas.

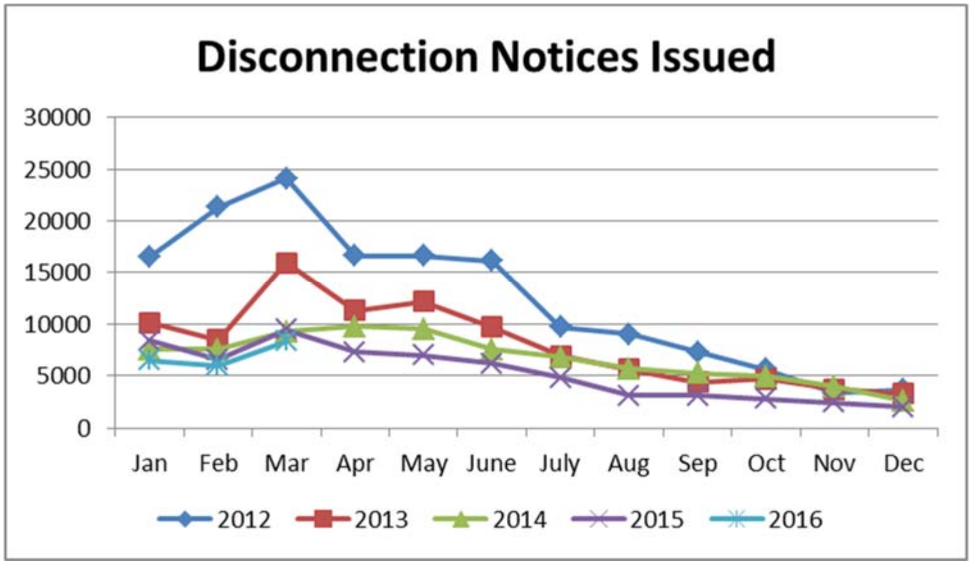


Total accounts receivable greater than 90 days were at $869K at the end of the first quarter. This is $67K lower at the same time last year.

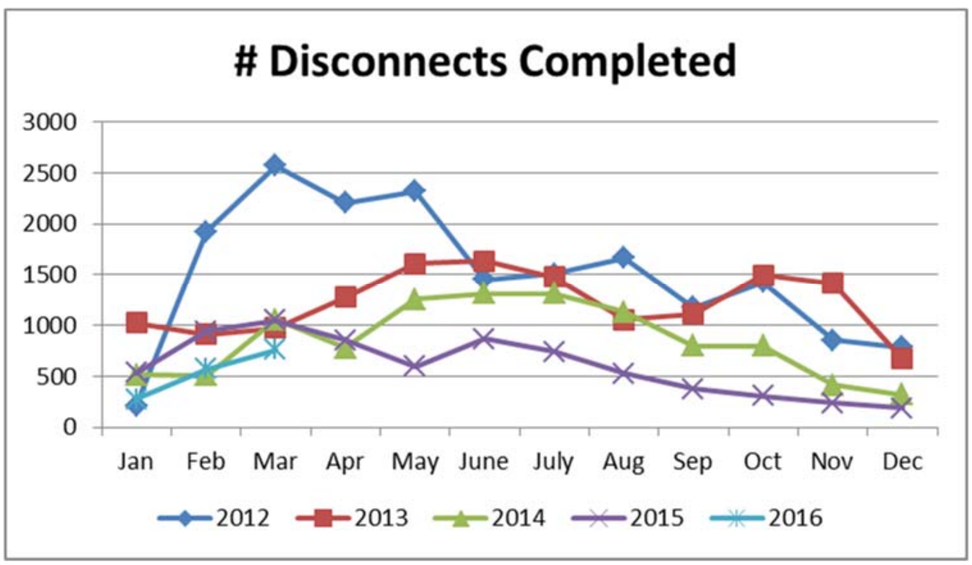


2. Collections Activity:

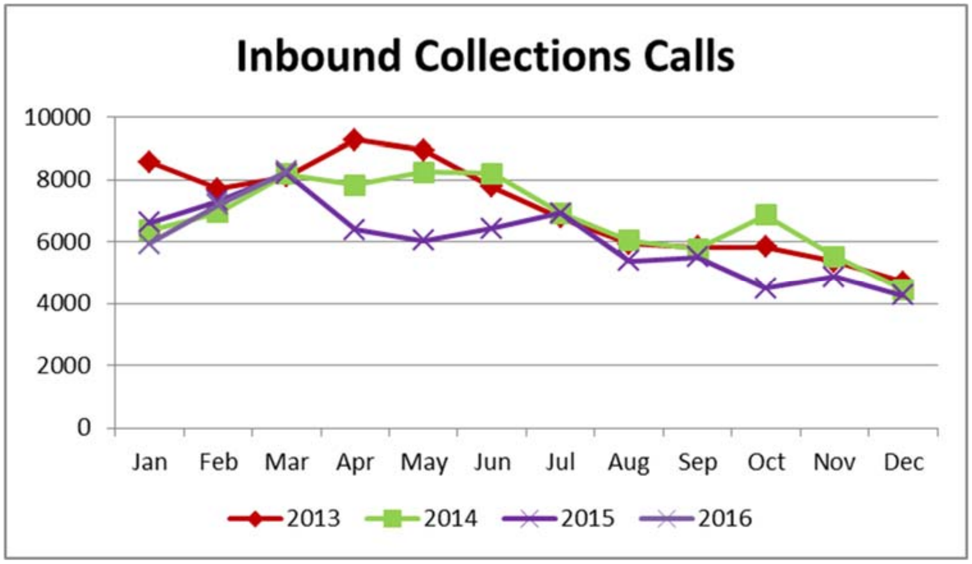
This quarter, 20,815 disconnection notices were issued. This was higher than last quarter at 7,144 notices and lower than the first quarter of last year which was 24,399 notices.



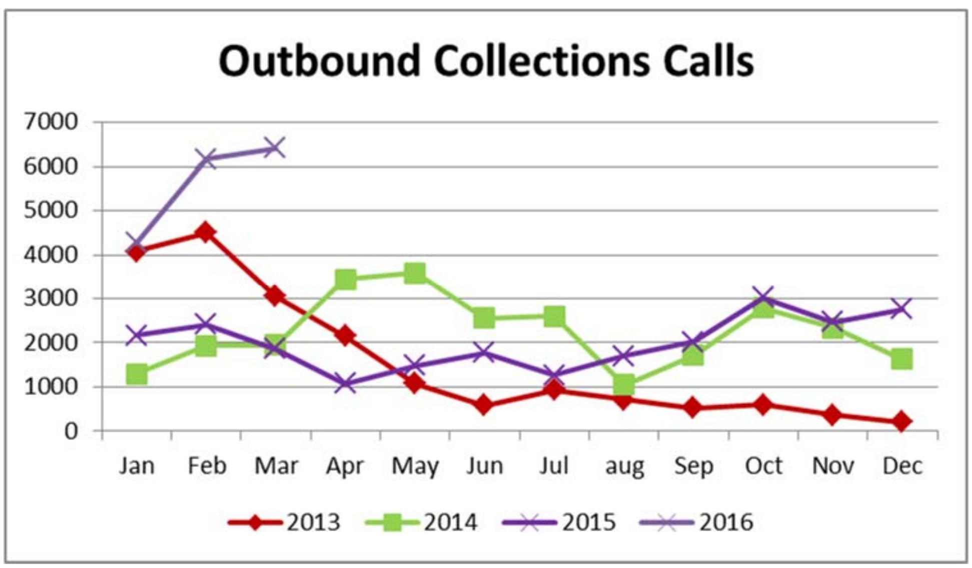
1,601disconnections for non-payment were completed in the First Quarter. This was higher than the fourth quarter of last year which was 731 and lower than the first quarter of 2015 which was 2,517.



Inbound collections calls made up 11.85% of the overall call volume in the First quarter of 2016. This was higher than the third (8.2%) and fourth (9%) quarters of last year.



This quarter, there were 16,852 live agent outbound calls made to obtain payments on accounts. This was higher than the fourth quarter (8,251) of 2015.



The 3 active accounts with the largest balances at the end of the first quarter were as follows:

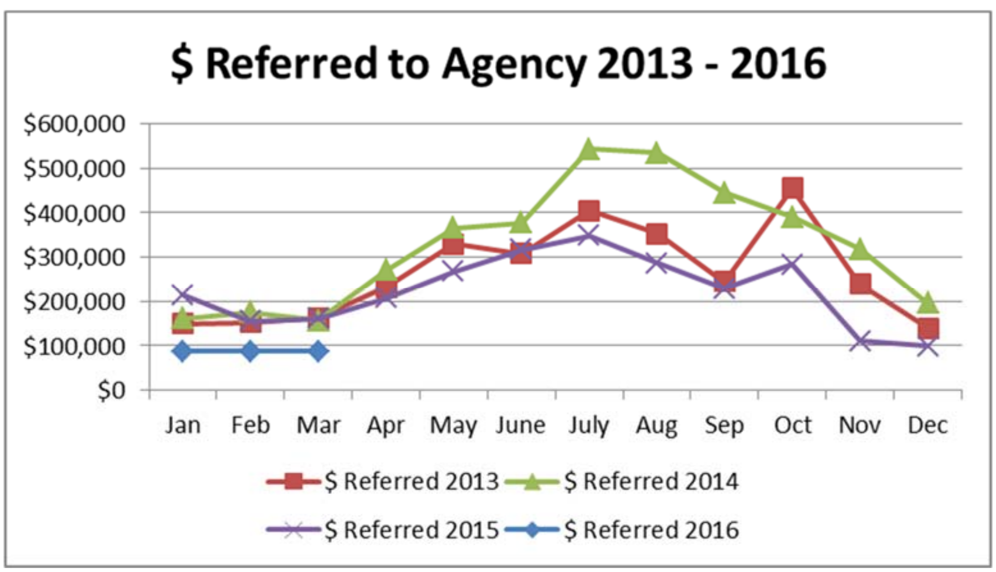
Account Name	Balance Outstanding	Status
[redacted]	$11,943	Payment arrangements in place to avoid disconnection. Customer had a one year backdated bill on commercial premise.
[redacted]	$11,234	Payment Arrangements in place to avoid disconnection of service.
[redacted]	$4,913	Customer made a recent payment of $8703.77
[redacted]	$14,964.64	Account is paid up to date.

In the first quarter, 62% of all payment arrangements made with customers were ultimately paid. This is slightly higher than last quarter at 60%.

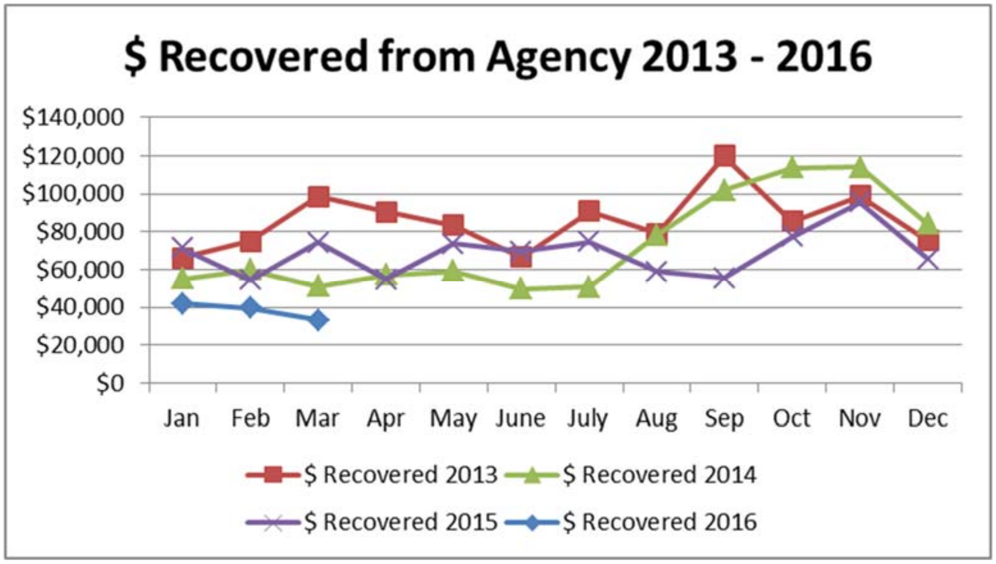
3. Accounts at Collection Agencies (Inactive):

First Placement Collections Activities

First placement collection activities refer to overdue balances that FortisBC was unable to collect in-house that are sent to third party collections. In Q1, $264K was referred to these first placement agencies. This amount is $266K lower than in Q1 of last year.



This quarter, we received $114K in recoveries from the 3rd party agencies which is approximately $85K lower than the same time last year.



4. Bankruptcy Activity:

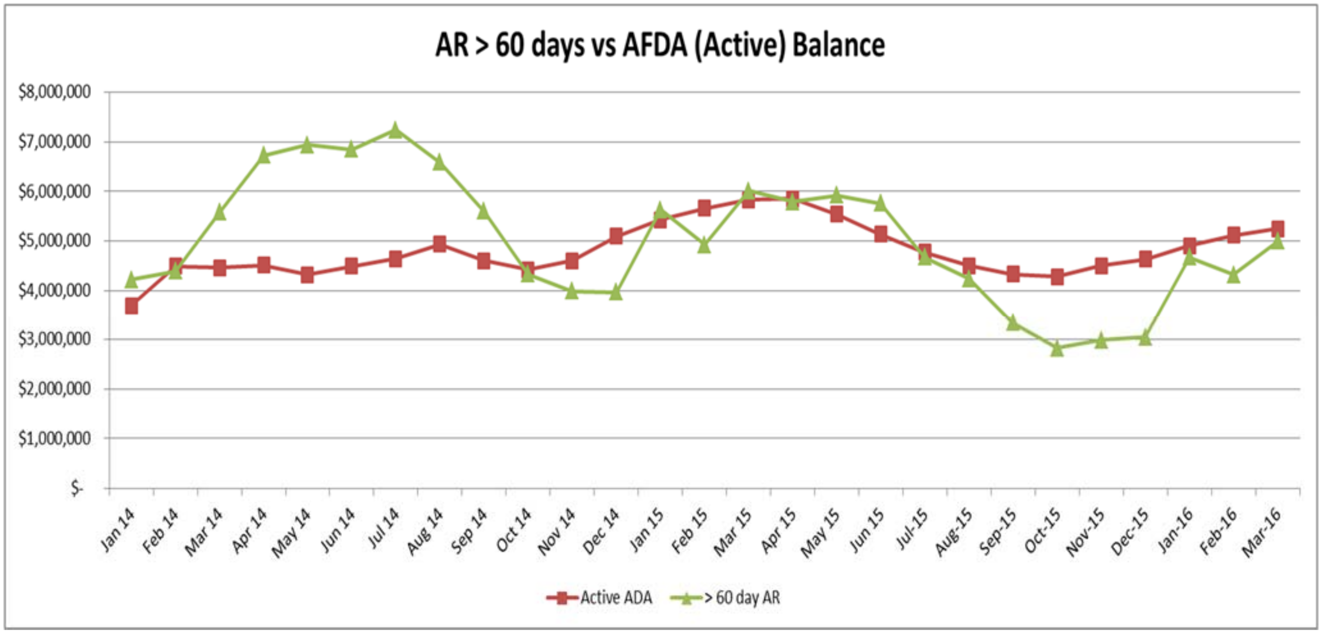
The first quarter of 2016 saw the Collections Team work 237 Accounts, totaling a $50K write-off to Insolvency.

5. ADA Activity and Balances

The ADA balance at the end of March was $28.3M which includes an active AR provision of $7.3M and an inactive AR provision of $21M as shown in the table below.

March 31 2016 ADA Provisioning ($ thousands)	**Active ADA**	**Inactive ADA**	**Total ADA**
Gas Account Balances Owing	(5,250)		(5,250)
Other Balances Owing	(2,047)		(2,047)
Assigned to First Placement		(9,552)	(9,552)
Assigned to Second Placement		(11,477)	(11,477)
Recalled for Second Placement Assignment		(10)	(10)
Grand Totals	(7,297)	(21,039)	(28,336)

The graph below reflects the difference between the AR > 60 days and the active ADA balance. It shows that the AFDA balance for active accounts is generally in line with the AR > 60 days amount.



6. Experience Rate:

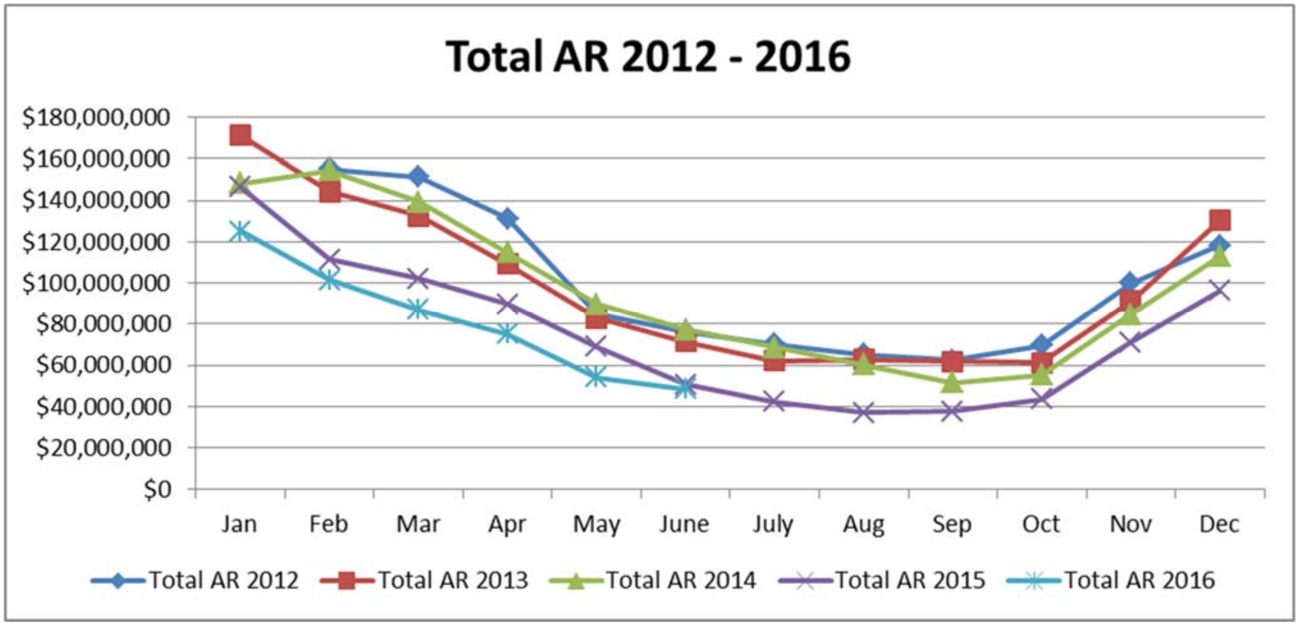
In 2016, the experience rate for bad debt to revenue was .22%. Lower than the budgeted amount of 0.30% and the lowest since bringing Customer Service back In-house.

7. Conclusions

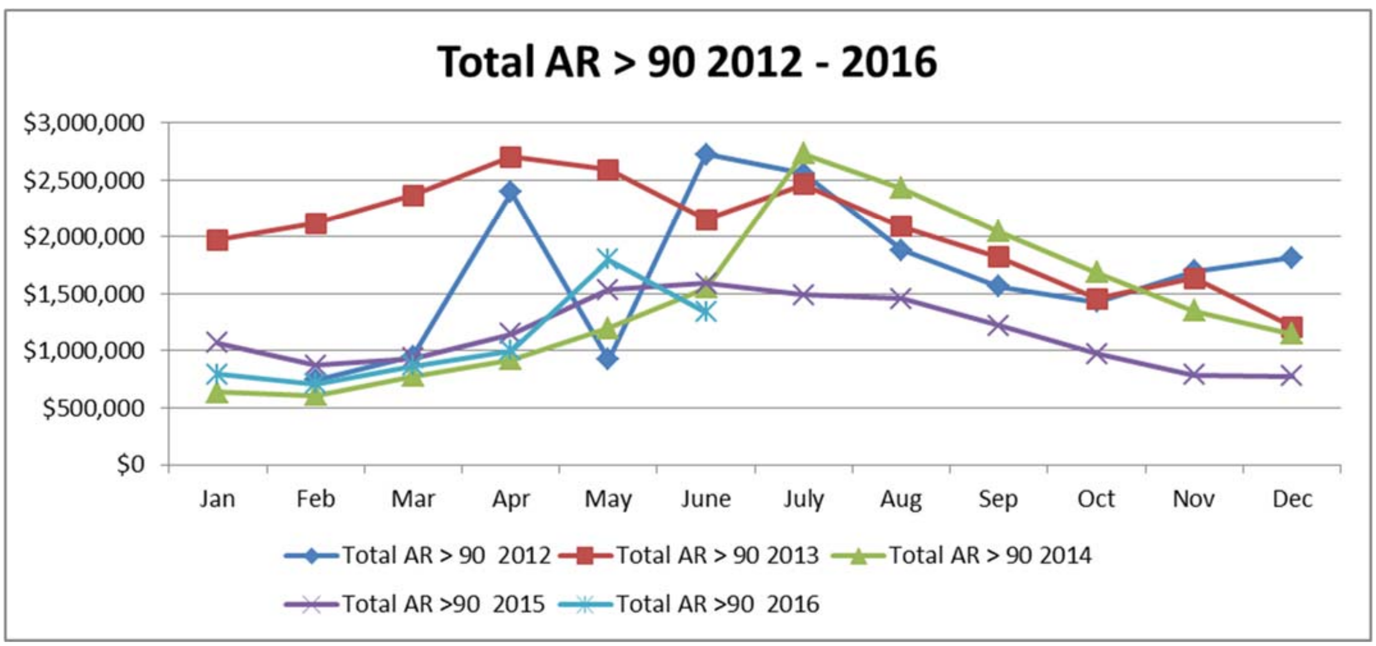
This report shows that AR numbers for 2016 have consistently improved, from previous levels, since Go-Live. The active management of outstanding AR through work lists, specialized reports, and timely customer contacts as well as the coaching of staff on risk assessment and negotiations to support future payment arrangements within our diverse Customer base will position us to have similar results in 2016 as experienced in 2015.

1. Overview

At the end of the second quarter, total receivables were at $48M which is the lowest it has been at this time of the year, four years running. This is due to several factors including improved focus of the collections team; improved collections processes; warmer winter weather and the relatively low price of natural gas.

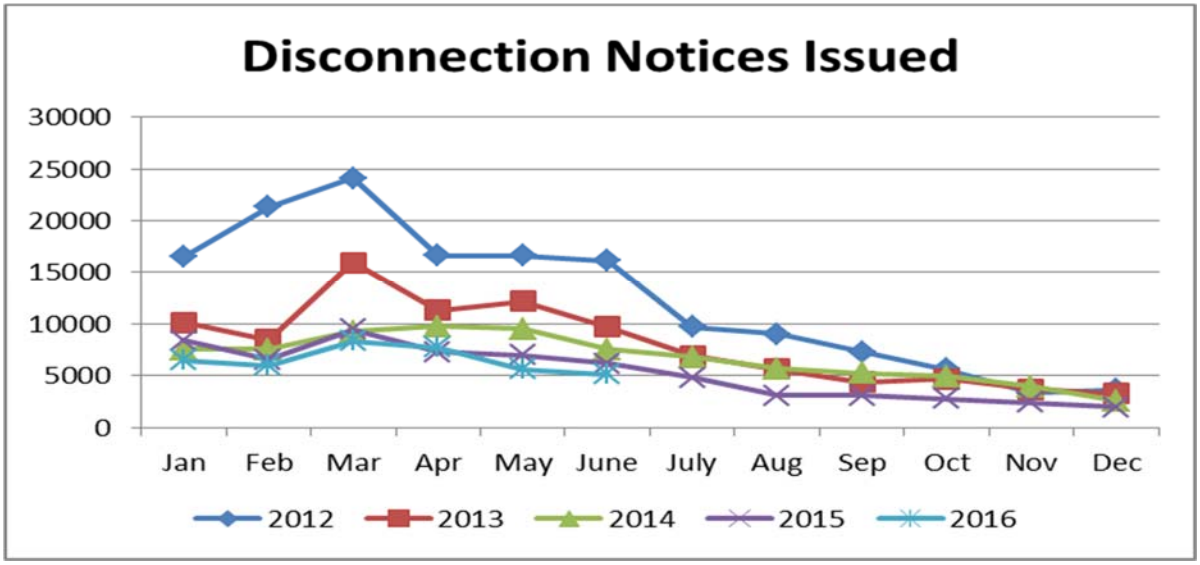


Total accounts receivable greater than 90 days were at $1.34M at the end of the second quarter. This is $254K lower at the same time last year.

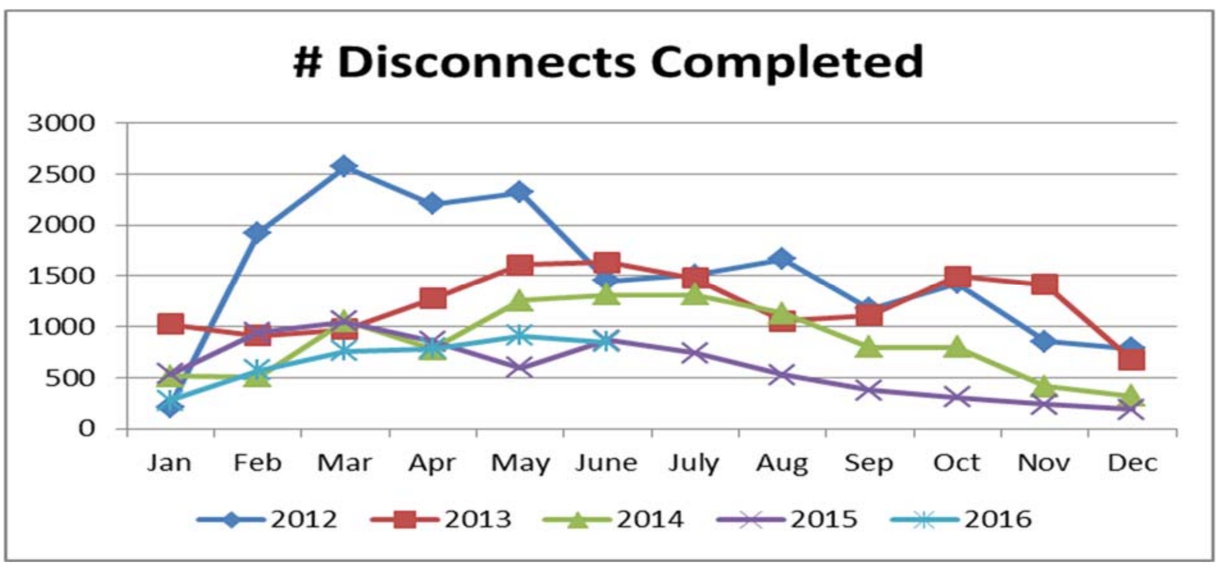


2. Collections Activity:

This quarter, 18,431 disconnection notices were issued. This was lower than last quarter at 20,815 notices and lower than the second quarter of last year which was 20,416 notices.

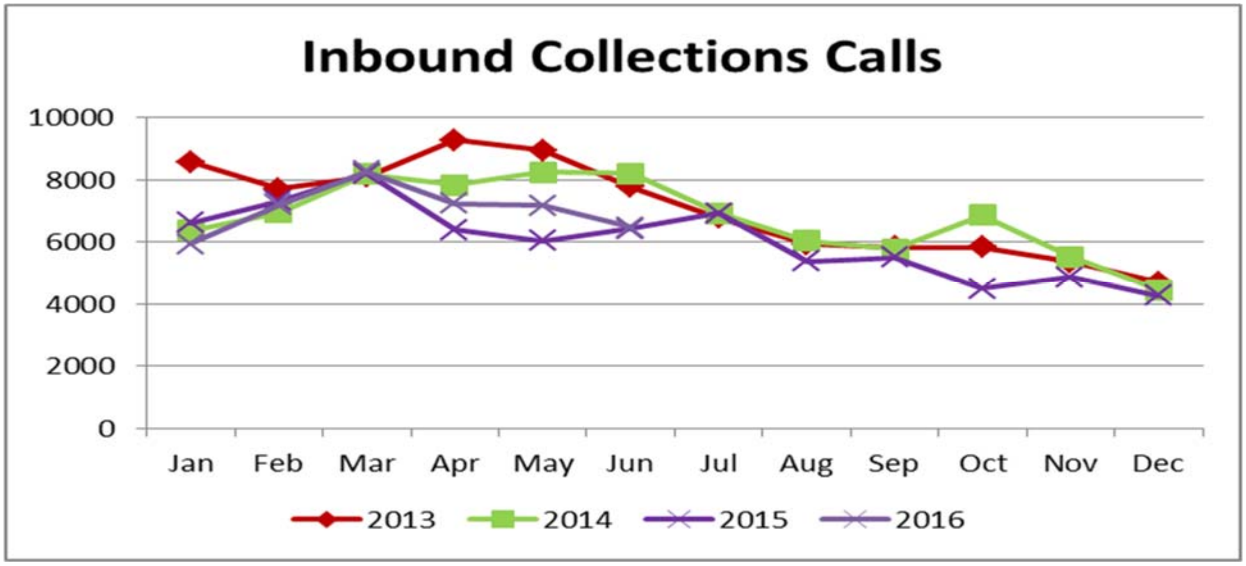


2,540 disconnections for non-payment were completed in the Second Quarter. This was higher than the first quarter of this year which was 1,601 and higher than the second quarter of 2015 which was 2,316.

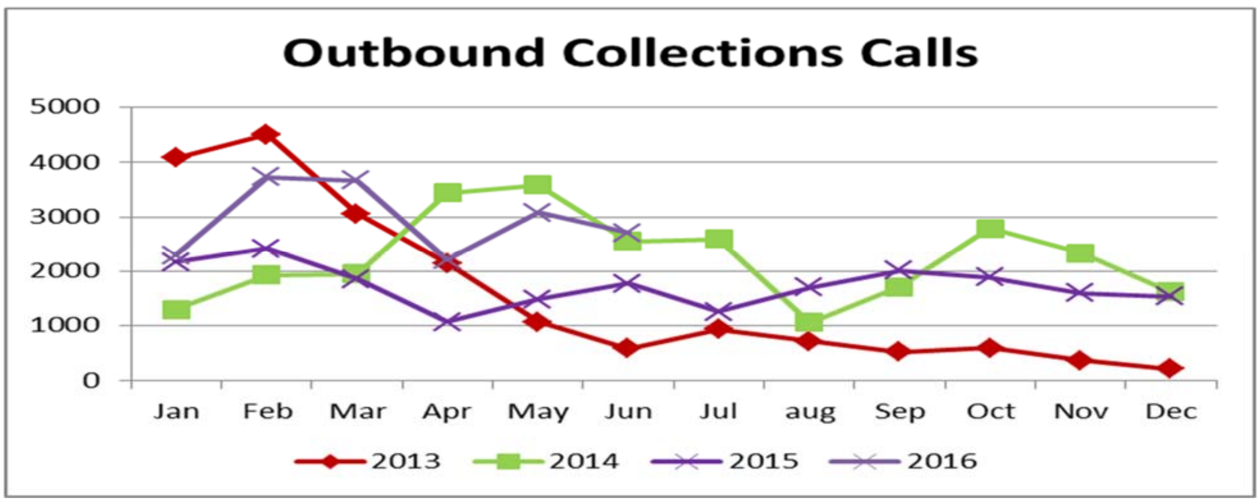


Accounts Receivable Overview (Gas)   Q2 2016

Inbound collections calls made up 11.13% of the overall call volume in the Second quarter of 2016, bringing the year to date overall percentage to 11.49%.



This quarter, there were 7,993 Right Party Connects for live agent outbound calls made to obtain payments on accounts. This was lower than the first quarter (9,693) of 2016.



The 4 active accounts with the largest balances at the end of the second quarter were as follows:

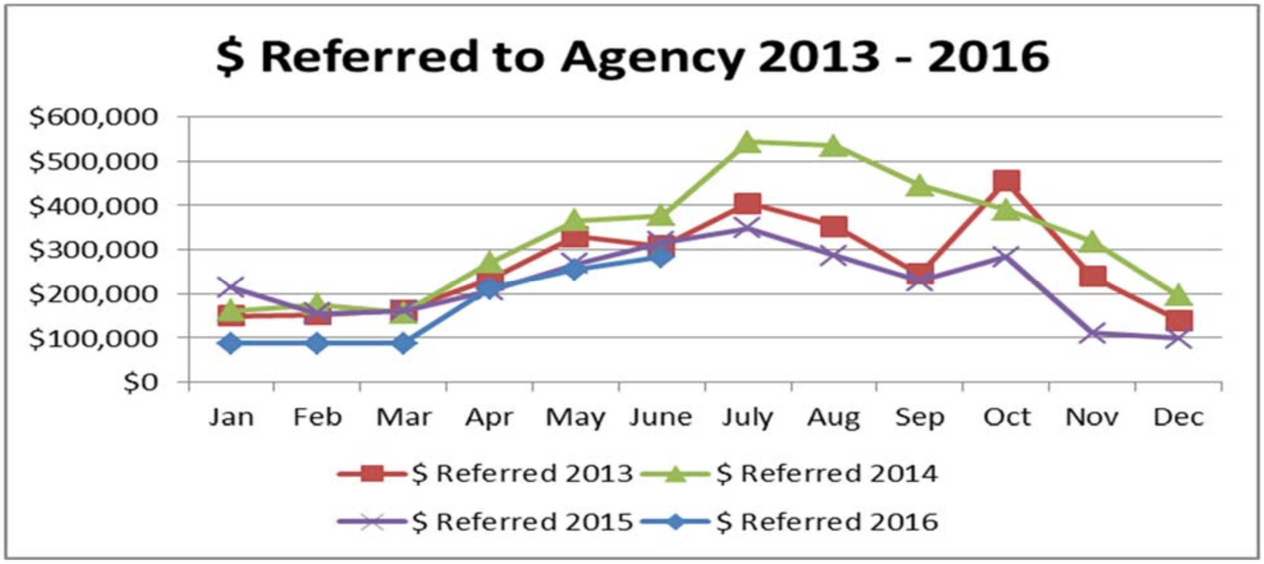
Account Name	Balance Outstanding	Status
[redacted]	$16,522.69	Customer paid $8000 July 11 , balance down to $ 8522.69 , negotiation is ongoing for customer to be caught up prior to winter
[redacted]	$ 10,559.39	Customer provided Fortis with a reading that triggered an $ 8197.11 bill. We are working with customer to grant us access to the meter for an actual readings
[redacted]	$7598.26	Customer was disputing charges; Charges explained and awaiting payments.
[redacted]	$7314.31	Restaurant fire; Pending disconnection.

In the second quarter, 60% of all payment arrangements made with customers were ultimately paid. This is slightly lower than last quarter at 62%.

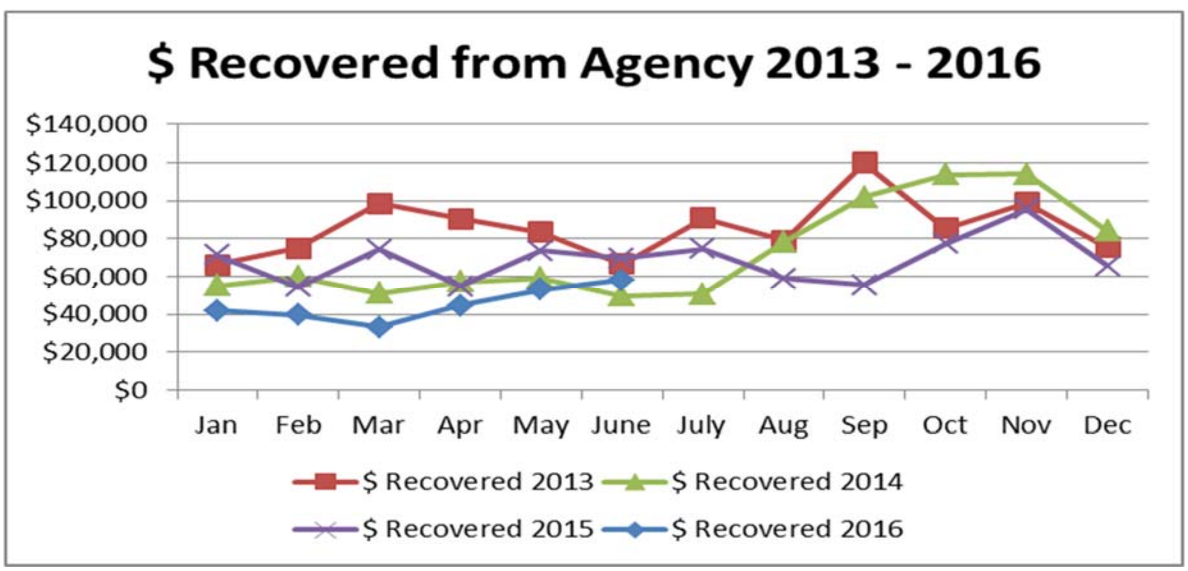
3. Accounts at Collection Agencies (Inactive):

First Placement Collections Activities

First placement collection activities refer to overdue balances that FortisBC was unable to collect in-house that are sent to third party collections. In Q2, $750K was referred to these first placement agencies. This amount is $42K lower than in Q2 of last year.



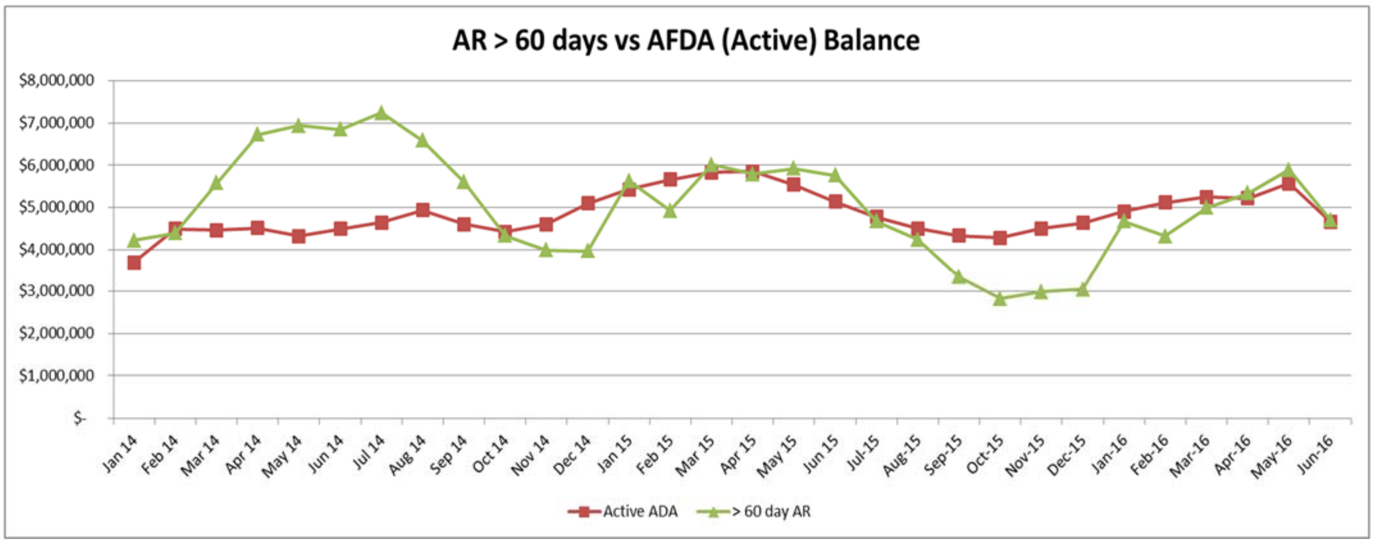
This quarter, we received $156K in recoveries from the 3rd party agencies which is approximately $90K lower than the same time last year.



4. Bankruptcy Activity:

The second quarter of 2016 saw the Collections Team write-off a total of $71,770.23 to Insolvency.

The graph below reflects the difference between the AR > 60 days and the active ADA balance. It shows that the AFDA balance for active accounts is generally in line with the AR > 60 days amount.



5. Experience Rate:

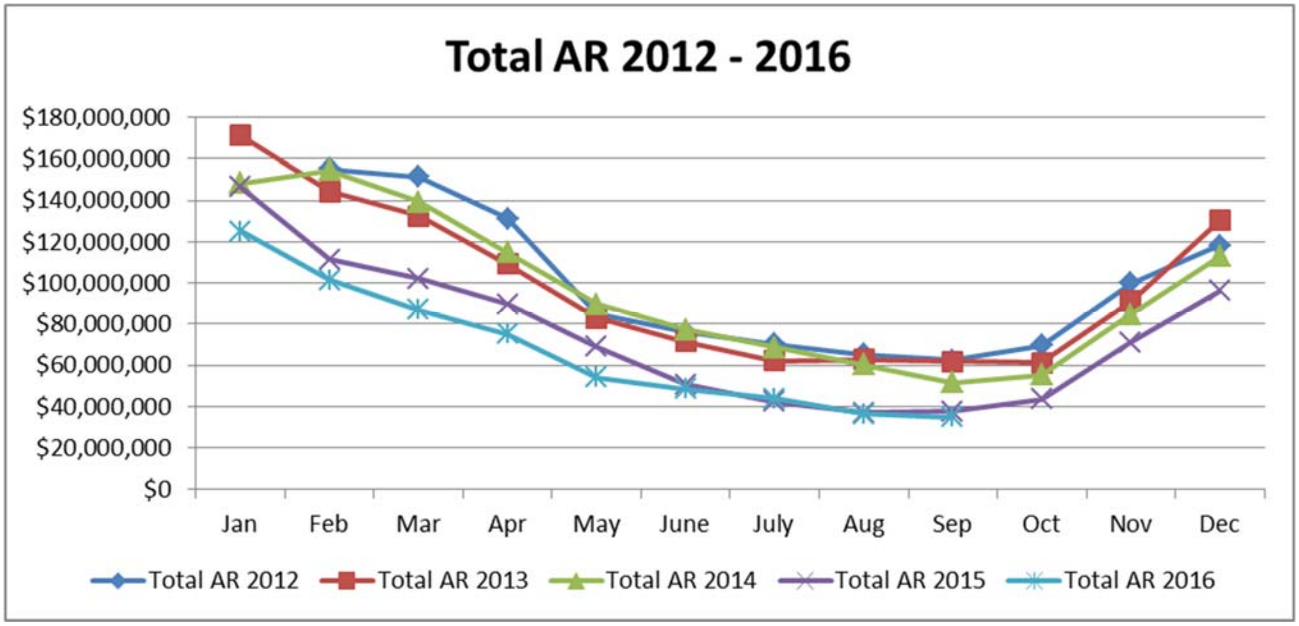
In 2016, the YTD experience rate for bad debt to revenue was .31%. Higher than the budgeted amount of 0.30% but expected to trend downwards as we progress into Q3/4.

6. Conclusions

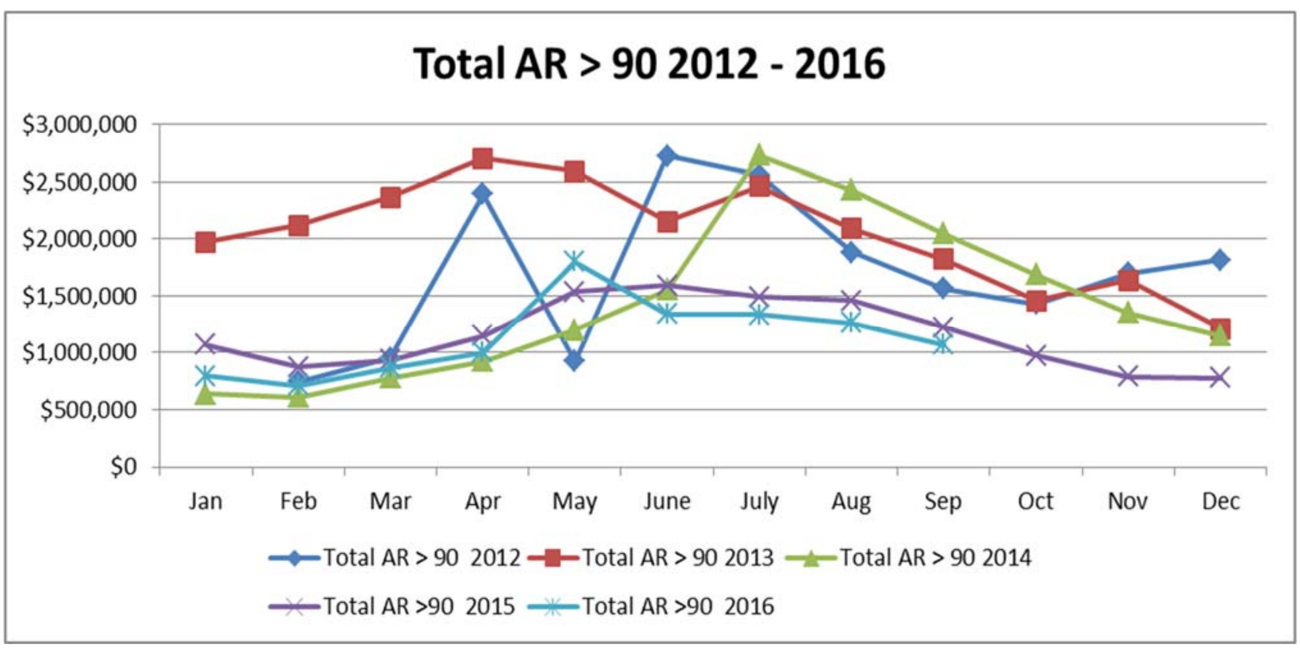
This report shows that AR numbers for 2016 have stabilized from previous levels, since Go-Live. The active management of outstanding AR through work lists, specialized reports, and timely customer contacts as well as the coaching of staff on risk assessment and negotiations to support future payment arrangements within our diverse Customer base will position us to have similar results in 2016 as experienced in 2015.

1. Overview

At the end of the third quarter, total receivables were at $35M which is the lowest it has been at this time of the year, four years running. This is due to several factors including improved focus of the collections team; improved collections processes; warmer winter weather and the relatively low price of natural gas.

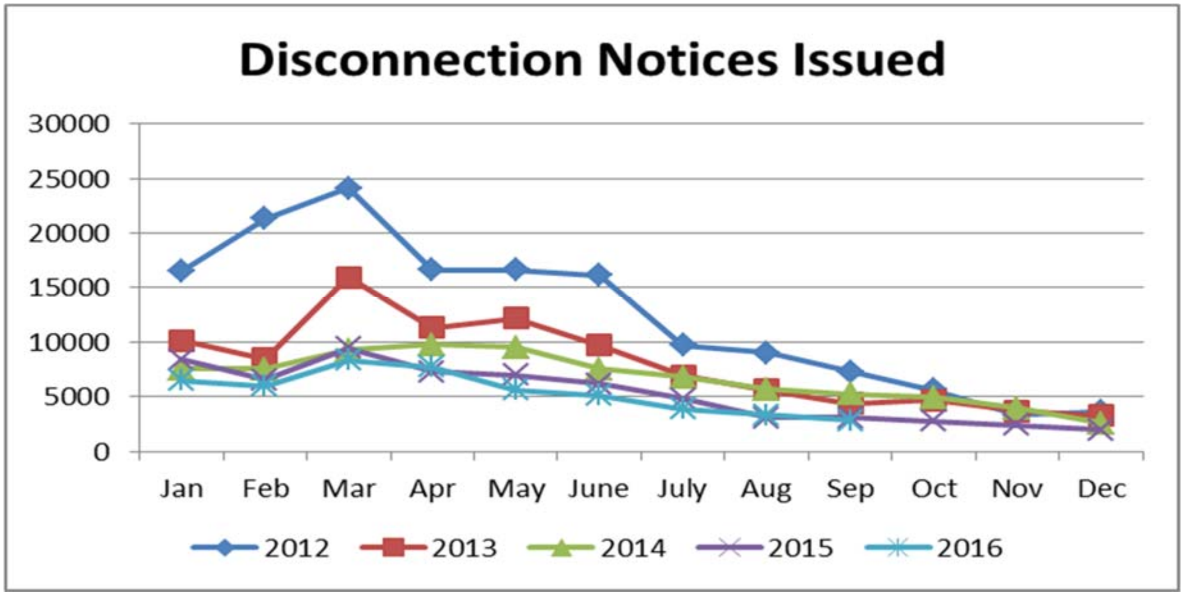


Total accounts receivable greater than 90 days were at $1.07M at the end of the third quarter. This is $156K lower at the same time last year.

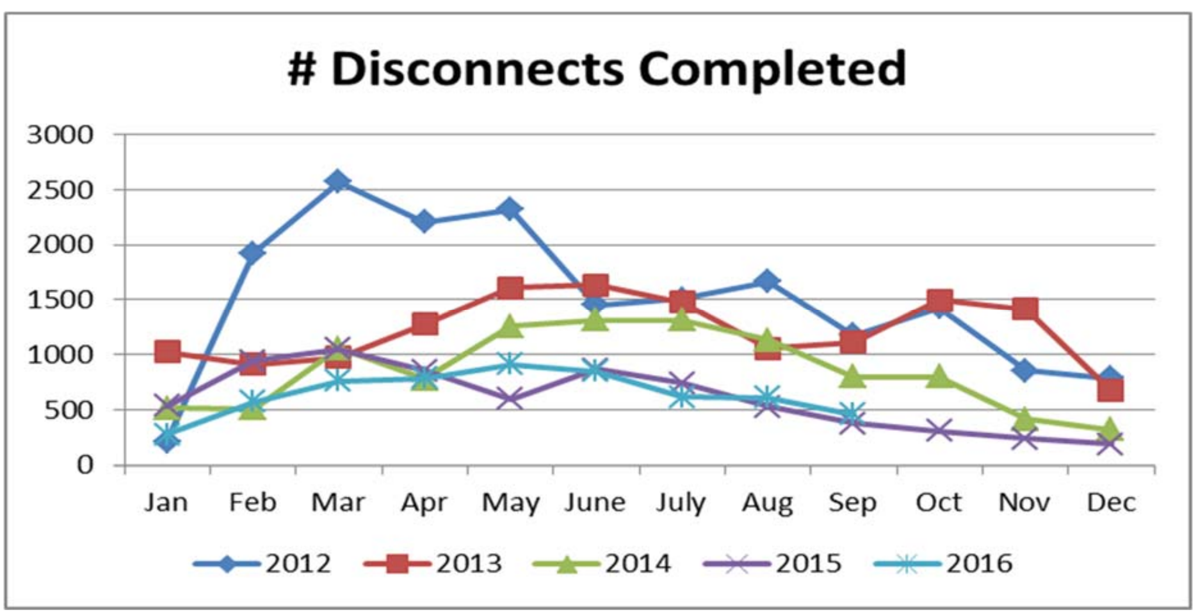


2. Collections Activity:

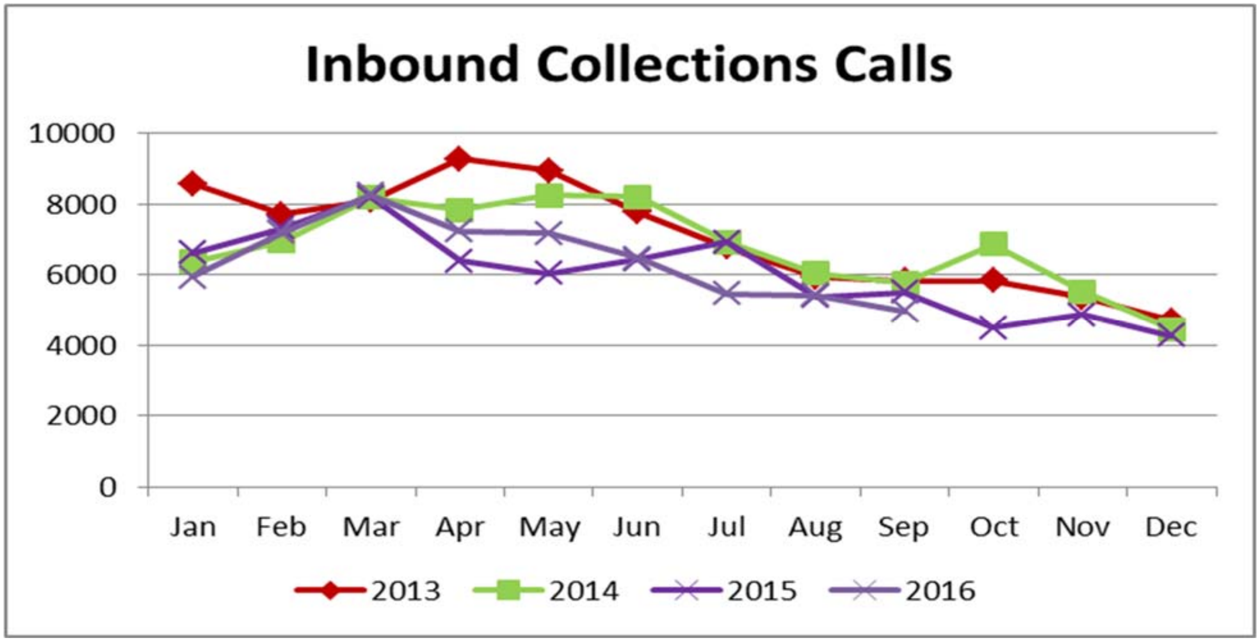
This quarter, 10,029 disconnection notices were issued. This was lower than last quarter at 18,431 notices and lower than the third quarter of last year which was 11,007 notices.



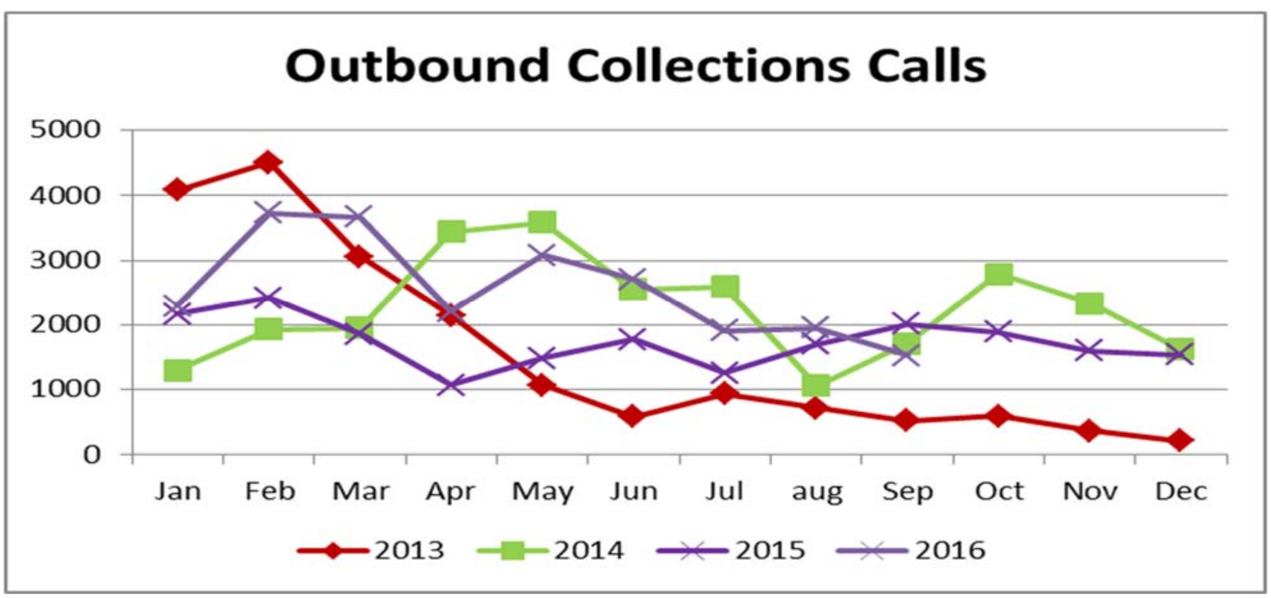
1,676 disconnections for non-payment were completed in the third quarter. This was lower than the second quarter of this year which was 2,540 and slightly higher than the third quarter of 2015 which was 1,641.



Inbound collections calls made up 8.77% of the overall call volume in the third quarter of 2016, bringing the year to date overall percentage to 10.59%.



This quarter, there were 5,387 Right Party Connects for live agent outbound calls made to obtain payments on accounts. This was lower than the second quarter (7,993) of 2016.



Accounts Receivable Overview (Gas) Q3 2016

Third quarter **Update** on the 4 active accounts with the largest balances at the end of the second quarter:

Account Name	Balance Outstanding	Status
[redacted]	$16,522.69	Customer paid $8000 July 11; balance down to $ 8522.69, negotiation is ongoing for customer to be caught up prior to winter. **Balance of $ 16,522.69 is now paid in full.**
[redacted]	$ 10,559.39	Customer provided Fortis with a reading that triggered an $ 8197.11 bill. We are working with customer to grant us access to the meter for an actual read. **Fortis acquired an actual read, bills were adjusted and customer currently has a credit of -3,411.57.**
[redacted]	$7598.26	Customer was disputing charges; Charges explained and awaiting payments. **Account is Paid in Full.**
[redacted]	$7314.31	Restaurant fire; Pending disconnection. **Account Finalized with closing balance of $5,984.74 due October 27th, 2016.**

Top 4 Active Accounts with the largest > 90 Days balance at the end of the third quarter:

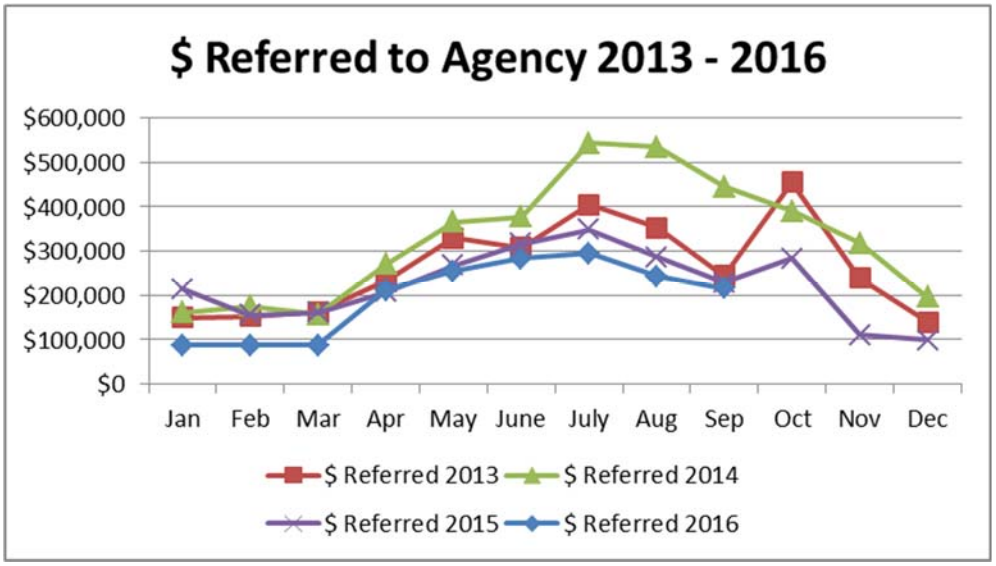
Account	Overdue Amount	Notes
[redacted]	$6100.08	Last payment went NSF; NOTD manually generated to expedite Dunning.
[redacted]	$ 4,841.44	Customer was disconnected and tampered with meter; collections monitoring for payments to avoid disconnection and possible plugging of meter.
[redacted]	$4,089.81	Backdated Bill; arrangements made to pay current charges plus additional $544 until balance is paid in full.
[redacted]	$3,762.91	BCUC Escalation: Settlement to pay monthly Current Charges plus additional $1000 until balance is paid in full.

In the third quarter, 58% of all payment arrangements made with customers were ultimately fulfilled. This is slightly lower than last quarter at 60%. Negotiation Training in Prince George and Willingdon Park in Q4 should have a positive impact on this going forward.

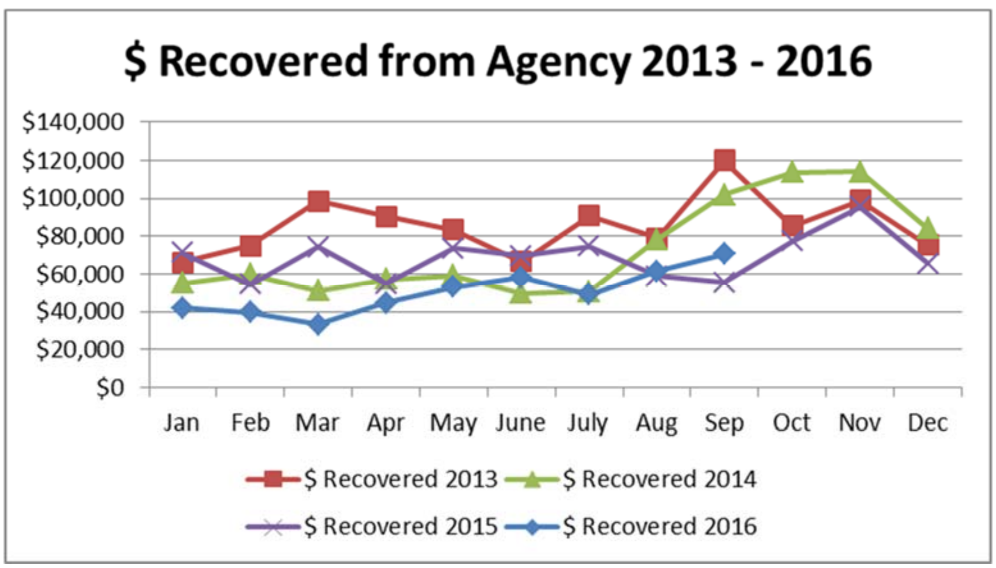
3. Accounts at Collection Agencies (Inactive):

First Placement Collections Activities

First placement collection activities refer to overdue balances that FortisBC was unable to collect in-house that are sent to third party collections. In Q3, $755K was referred to these first placement agencies. This amount is $109K lower than in Q3 of last year.



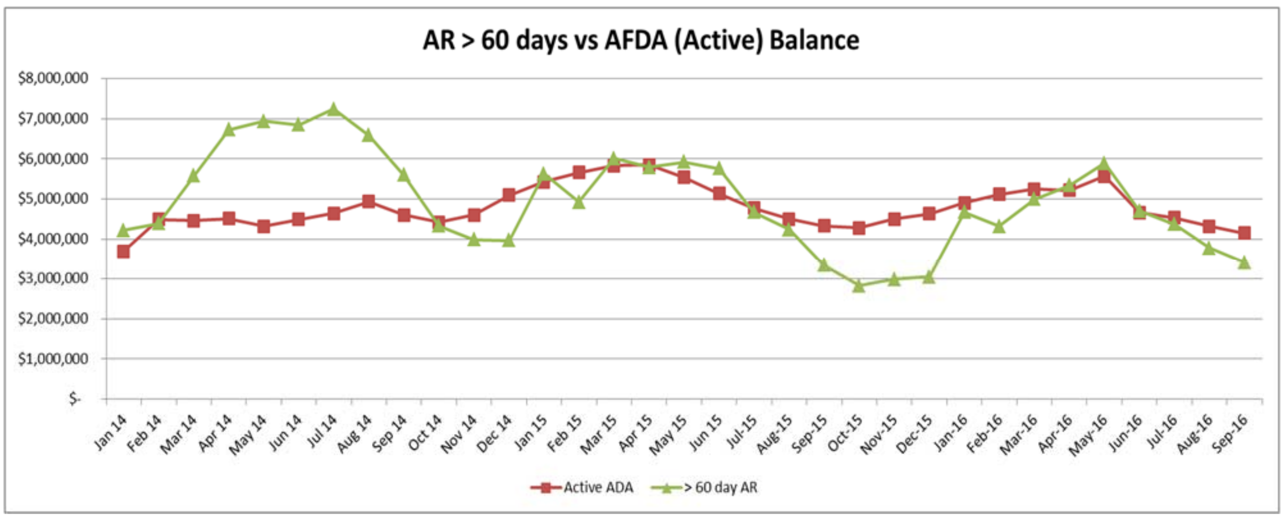
This quarter, we received $181K in recoveries from the 3rd party agencies which is approximately $8K lower than the same time last year.



4. Bankruptcy Activity:

The third quarter of 2016 saw the Collections Team write-off a total of $66,640.10 to Insolvency. This was approximately $5K lower than last quarter.

The graph below reflects the difference between the AR > 60 days and the active ADA balance. It shows that the AFDA balance for active accounts is generally in line with the AR > 60 days amount.



5. Experience Rate:

In 2016, the YTD experience rate for bad debt to revenue was .28%. Lower than the budgeted amount of 0.30% and expected to continue trending downwards as we progress into Q4.

6. Conclusions

This report shows that AR numbers for 2016 have stabilized from previous levels, since Go-Live. The active management of outstanding AR through work lists, specialized reports, and timely customer contacts as well as the coaching of staff on risk assessment and negotiations to support future payment arrangements within our diverse Customer base will position us to be $1M favorable to plan in 2016.

Attachment 46.4

The 2016 (three-year rolling average) result was 9, which is better than the benchmark of 16. The three-year rolling average of the June 2017 year-to-date results is 8, also below and better than the benchmark.

Principal factors influencing results for this metric include economic growth (i.e., construction activity), damage prevention awareness programs, and heightened public awareness created by the BC One Call program. The current three-year rolling average result reflects an ongoing positive trend for this metric. Increased awareness through targeted workshops with municipalities and excavating contractors, together with a higher number of calls generated by the BC One Call program have contributed to the improved performance. The increase in BC One calls is related to increased funding of the BC One Call program which has raised awareness.

The Company's 2009 to 2016 annual and 2017 year-to-date results along with the three year rolling averages are provided below. The annual result has been trending downward as has the three-year rolling average. This is due to the historical upward trend in BC One Calls (increased awareness and increased construction activity) as well as the declining historical trend in line damages.

Table 13-5: Historical Public Contact with Pipelines Results

Description	2009	2010	2011	2012	2013	2014	2015	2016	June 2017 YTD
Annual Results	20	19	16	13	10	9	8	8	7
Three year rolling average	26	22	18	16	13	11	9	9	8
Benchmark	n/a	n/a	n/a	n/a	n/a	16	16	16	16
Threshold	n/a	n/a	n/a	n/a	n/a	16	16	16	16
Calls to BC One Call	72,691	78,734	82,396	86,828	92,002	107,509	122,627	129,645	75,052
Line Damages	1,435	1,457	1,329	1,094	955	954	1,035	1,086	535

13.2.2 Responsiveness to Customer Needs Service Quality Indicators

First Contact Resolution

First Call Resolution (FCR) measures the percentage of customers who receive resolution to their issue in one contact with FEI. The Company determines the FCR results using a customer survey, tracking the number of customers who responded that their issue was resolved in the first contact with the Company. The FCR rate is impacted by factors such as the quality and effectiveness of the Company's coaching and training programs and the composition of the different call drivers.

The 2016 result was 81 percent which was better than the benchmark of 78 percent approved by the Commission. The June 2017 year-to-date performance is 80 percent and better than the benchmark.

The Company's 2009 to 2016 annual and 2017 year-to-date results are provided below. The improvement in 2012 reflects the repatriation of the contact centre function from a third party provider. Results have remained consistent after 2012.

Table 13-6: Historical First Contact Resolution Levels

Description	2009	2010	2011	2012	2013	2014	2015	2016	June 2017 YTD
Annual Results	72%	77%	75%	78%	81%	80%	81%	81%	80%
Benchmark	n/a	n/a	n/a	n/a	n/a	78%	78%	78%	78%
Threshold	n/a	n/a	n/a	n/a	n/a	74%	74%	74%	74%

Billing Index

The Billing Index indicator tracks the effectiveness of the Company's billing system by measuring the percentage of customer bills produced meeting performance criteria. The Billing Index is a composite index with three components:

- Billing completion (percent of accounts billed within two days of the billing due date);
- Billing timeliness (percent of invoices delivered to Canada Post within two days of file creation); and
- Billing accuracy (percent of bills without a production issue based on input data).

The objective is to achieve a score of five or less.

The Billing Index is impacted by factors such as the performance of the Company's billing system, weather variability, which can cause a high volume of billing checks and estimation issues, and mail delivery by Canada Post.

The 2016 result was 0.57 which was better than the benchmark of 5.0. The June 2017 year-to-date performance is 0.63 which is also better than the benchmark. No significant billing issues have arisen in 2016 or so far in 2017.

The 2016 Billing Index sub-measures calculation is as follows.

Table 13-7: Calculation of 2016 Billing Index

Billing sub-measure	Percent Achieved (PA)	Formula		Result
Billing Accuracy (Percent of bills without a Production Issue, based on input data); Target - 99.9%	99.98%	If (PA≥99.9%,5000*(1 - PA),1.05-PA))	0	0
Billing Timeliness (Percent of invoices delivered to Canada Post within 2 days of file creation); Target - 95%	99.15%	(100%-PA)*100	0	0.85
Billing Completion (Percent of accounts billed within 2 days of the billing due date); Target - 95%	97.62%	(100%-PA)*100	1.7	2.38
Billing Service Quality Indicator; Target < 5.0		(Accuracy PA+Timeliness PA+Completion PA)/3	0.57	0.57

The Company's 2009 to 2016 annual and 2017 year-to-date results are provided below. The results were higher in 2012 as that was the year when the Company transitioned its billing functions in-house from its previous third party provider; a process that included all new systems and employees during 2012.

Table 13-8: Historical Billing Index Results

Description	2009	2010	2011	2012	2013	2014	2015	2016	June 2017 YTD
Annual Results	3.75	2.4	0.24	3.01	1.43	0.89	1.06	0.57	0.63
Benchmark	n/a	n/a	n/a	n/a	n/a	5.0	5.0	5.0	5.0
Threshold	n/a	n/a	n/a	n/a	n/a	5.0	5.0	5.0	5.0

Meter Reading Accuracy

This SQI compares the number of meters that are read to those scheduled to be read. Providing accurate and timely meter reads for customers is a key driver for the Company and its customers. The results are calculated as:

$$\frac{\text{Number of scheduled meters read}}{\text{Number of scheduled meters for reading}}$$

Factors influencing this SQI's performance include the resources available, system issues impacting the Company's billing or reading collections systems, weather conditions including road and highway conditions and traffic related issues.

The 2016 result was 96.9 percent which was better than the benchmark of 95 percent approved by the Commission. The June 2017 year-to-date performance is 95.5 percent and is also better than the benchmark.

The Company's 2009 to 2016 annual and 2017 year-to-date results are provided below. As this SQI was not tracked prior to 2013, there are no results available for those years. The Company started tracking gas Meter Reading Accuracy in 2013 when the Gas monthly meter reading function was moved to a new third party meter reading vendor. Performance improved in 2014 after the new vendor stabilized their new meter reading staff and systems in the latter part of 2013.

While the 2017 year-to-date results are above the benchmark, meter reading accuracy results were lower than previous years during the first several months due to challenging winter weather conditions.

Table 13-9: Historical Meter Reading Accuracy Results

Description	2009	2010	2011	2012	2013	2014	2015	2016	June 2017 YTD
Annual Results	n/a	n/a	n/a	n/a	92.5%	97.0%	97.5%	96.9%	95.5%
Benchmark	n/a	n/a	n/a	n/a	n/a	95.0%	95.0%	95.0%	95.0%
Threshold	n/a	n/a	n/a	n/a	n/a	92.0%	92.0%	92.0%	92.0%

Telephone Service Factor (Non-Emergency)

The Telephone Service Factor (Non-Emergency) measures the percentage of non-emergency calls that are answered in 30 seconds. It is calculated as:

$$\frac{\text{Number of non-emergency calls answered within 30 seconds}}{\text{Number of non-emergency calls received}}$$

Similar to the TSF (Emergency), this is a measure of how well the Company can balance costs and service levels with the overall objective to maintain a consistent TSF level. This ensures the Company is staying within appropriate cost levels and maintaining adequate service for its customers. The principal factors influencing the TSF results include volume and type of inbound calls received and the resources available to answer those calls. Staffing is matched to the expected call volume based on historical data in order to reach the service level benchmark desired. Other factors that can influence the non-emergency TSF are billing system related issues and weather patterns that may generate high numbers of billing related queries and the complexity of the calls.

The 2016 result was 71 percent which was better than the benchmark of 70 percent. The June 2017 year-to-date performance is 70 percent which meets the benchmark. Although the benchmark has been achieved year to date, call volumes related to higher bills during the winter months have been greater than recent years and this has contributed to challenges meeting this benchmark in the first half of the year.

The Company's 2009 to 2016 annual and 2017 year-to-date results are provided below. As indicated in the following table, the Company's TSF (Non-Emergency) results were consistent with a benchmark of 75 percent from 2009 to 2014. The 2014 result was achieved with the Company targeting 75 percent as the benchmark. The Commission approved the revised target of 70 percent in mid-September 2014. In 2015 and subsequent years, actual results are expected to be reflective of the revised target of 70 percent.

Table 13-10: Historical TSF (Non-Emergency) Results

	2009	2010	2011	2012	2013	2014		2015	2016	June 2017 YTD
	77%	77%	75%	76%	73%	75%		71%	71%	70%
						Jan-Aug	Sept-Dec			
Benchmark	>=75%	>=75%	>=75%	>=75%	>=75%	>=75%	>=70%	70%	70%	70%
Threshold	n/a	n/a	n/a	n/a	n/a	n/a	68%	68%	68%	68%

Meter Exchange Appointments

The Meter Exchange Appointments SQI measures FEI's performance in meeting appointments for meter exchanges (excluding industrial meters). The calculation for percentage meter exchange appointments met is calculated as:

$$\frac{\text{Number of meter exchange appointments met}}{\text{Number of meter exchange appointments made}}$$

Factors influencing results include process improvements, number of emergencies, weather and traffic conditions. The process improvements initiated in recent years have resulted in the contact center and operations departments working more closely together in order to better meet the needs of customers and match resources to appointments while maintaining emergency response capabilities.

The 2016 result was 96.9 percent which was better than the benchmark of 95 percent approved by the Commission. The June 2017 year-to-date performance is 97.1 percent and also better than the benchmark. The June 2017 year-to-date result continues to improve on the performance observed in recent years.

The Company's 2009 to 2016 annual and 2017 year-to-date results are provided below.

Table 13-11: Historical Meter Exchange Appointment Results

Description	2009	2010	2011	2012	2013	2014	2015	2016	June 2017 YTD
Annual Results	94.7%	94.2%	96.5%	96.5%	97.0%	95.5%	96.6%	96.9%	97.1%
Benchmark	n/a	n/a	n/a	n/a	n/a	95.0%	95.0%	95.0%	95.0%
Threshold	n/a	n/a	n/a	n/a	n/a	93.8%	93.8%	93.8%	93.8%

Customer Satisfaction Index

The Customer Satisfaction Index (CSI) is an informational indicator that measures overall customer satisfaction with the Company. The index reflects customer feedback about important service touch points including the contact centre, perceived accuracy of meter reading, energy conservation information and field services. The index includes feedback from both residential and mass market commercial customers. The survey is conducted quarterly and results are presented as a score out of ten.

The 2016 result was 8.8, higher than the 8.6 score in 2015. The June 2017 year-to-date average index score is 8.3, lower than the 8.7 score for the same period last year. Of the five measures that make up the overall score, year-to-date results were lower in all categories. Year-to date decreases from June 2016 to June 2017 were observed. The score for overall satisfaction and accuracy of meter reading decreased from 8.5 to 8.3 and 8.4 to 8.1, respectively. The energy conservation information, contact centre and field services metrics decreased from 7.7 to 7.5, 8.9 to 8.2 and 9.4 to 8.9 respectively from June 2016 year-to-date to June 2017 year-to-date. Although not conclusive, customer comments and statistical analysis suggest that the lower 2017 year-to-date result may be associated with lower customer satisfaction with the cost of natural gas following commodity cost increases in October 2016, followed by a colder, wetter winter.

The Company's 2009 to 2016 annual and 2017 year-to-date results, in the previous and current formats, are provided below.

Table 13-12: Historical Customer Satisfaction Results

Description	2009	2010	2011	2012	2013	2014	2015	2016	June 2017 YTD
Annual Results – current format	n/a	n/a	8.3	8.3	8.3	8.5	8.6	8.8	8.3
Annual Results – prior format	80.1%	80.0%	79.3%	78.9%	n/a	n/a	n/a	n/a	n/a
Benchmark	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Threshold	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

For the years 2009 through 2012, the satisfaction scores were presented as percentages and reflect the results of a different customer satisfaction model. Originally introduced in 2002, the historical metric was calculated using the results of four satisfaction surveys, including a biannual residential survey, as well as annual builder-developer, small commercial and large commercial surveys. Each audience was assigned a contributing weight to determine a final index score, which was presented as a percentage. To maintain a level of comparability, the Company ran parallel CSI studies in 2011 and 2012. As shown in the table above, the CSI scores were 79.3 percent and 8.3 in 2011 and 78.9 percent and 8.3 in 2012.

Telephone Abandon Rate

The Telephone Abandon Rate is an informational indicator that measures the percent of calls abandoned by the customer before speaking to a customer service representative. Abandon rates can be due to waiting times, or due to customers receiving their required information through informational messages in the Company's Interactive Voice Response (IVR) system such that the customer no longer needs to speak to an agent.

The 2016 result was 2.2 percent and consistent with the prior years' results. The June 2017 year-to-date result of 2.0 percent is consistent with the Company's prior and full years' results.

The Company's 2012 to 2015 results, which are reflective of performance since the repatriation of outsourced Customer Service functions, are provided below. Telephone Abandon Rates prior to 2012 were not reported from our third party Customer Service provider.

Table 13-13: Historical Telephone Abandon Rates

Description	2009	2010	2011	2012	2013	2014	2015	2016	June 2017 YTD
Annual Results	n/a	n/a	n/a	2.2%	2.1%	1.8%	2.0%	2.2%	2.0%
Benchmark	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Threshold	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

13.2.3 Reliability Service Quality Indicators

Transmission Reportable Incidents

The Transmission Reportable Incidents metric, an informational indicator as approved by the Commission, measures the number of reportable incidents to outside agencies for transmission assets as defined by the Oil and Gas Commission (OGC). The metric is intended to be an indicator of the integrity of the transmission system.

Prior to the third quarter of 2014, the practice was to report only on the higher pressure transmission events designated as serious. However, the OGC put in place new reporting criteria effective October 1, 2014, which required the Company to report on more incidents and events. As of October 1, 2014, the Company reports Transmission Reportable Incidents based on the new OGC reporting criteria, including Level 1, 2, and 3 reportable incidents for both transmission and intermediate pressure assets that operate at a pressure exceeding 100 psi. This includes pipelines, mains, services, stations, LNG plants and compressor stations, but excludes distribution assets that operate below 100 psi. The change in the OGC reporting criteria limits the comparability of historical performance data for this metric.

Attachment 53.1

Attachment 53.1

	City	Residential Customers as at December 2016
1	100 Mile House	3,387
2	108 Mile House	1
3	108 Mile Ranch	57
4	70 Mile House	124
5	Abbotsford	30,043
6	Agassiz	1,799
7	Aldergrove	4,259
8	Anmore	676
9	Armstrong	1,767
10	Arrow Creek	1
11	Ashcroft	661
12	Belcarra	230
13	Black Creek	162
14	Blind Bay	774
15	Brackendale	3
16	Burnaby	37,829
17	Cache Creek	533
18	Campbell River	7,093
19	Castlegar	3,765
20	Cawston	105
21	Cedar	5
22	Central Saanich	2,281
23	Chase	1,334
24	Chemainus	919
25	Chetwynd	1,245
26	Chilliwack	25,860
27	Christina Lake	522
28	Clinton	283
29	Cobble Hill	799
30	Coldstream	3,898
31	Colwood	2,694
32	Comox	3,702
33	Coombs	63
34	Coquitlam	29,165
35	Courtenay	5,543
36	Cowichan Bay	298
37	Cranbrook	8,470
38	Creston	2,656
39	Crofton	239
40	Cultus Lake	630
41	Cumberland	695
42	Delta	27,078
43	Duncan	3,145
44	Elkford	993
45	Enderby	1,273
46	Errington	1
47	Esquimalt	1,586
48	Falkland	236
49	Fernie	3,419
50	Fort Nelson	1,983
51	Fruitvale	958
52	Gibsons	2,512
53	Grand Forks	2,092
54	Greenwood	272
55	Grindrod	278
56	Halfmoon Bay	273
57	Harrison Hot Springs	657
58	Hedley	123
59	Heffley Creek	3
60	Highlands	79

	City	Residential Customers as at December 2016
61	Hixon	90
62	Hope	2,360
63	Hudson's Hope	334
64	Kaleden	364
65	Kamloops	30,554
66	Kelowna	36,638
67	Keremeos	887
68	Kersley	198
69	Kimberley	3,931
70	Lac La Hache	484
71	Ladysmith	1,932
72	Lake Country	5
73	Langford	4,364
74	Langley	32,919
75	Lantzville	467
76	Lazo	239
77	Lindell Beach	126
78	Logan Lake	850
79	Lone Butte	14
80	Lower Nicola	85
81	Lumby	1,132
82	Mackenzie	1,579
83	Maple Ridge	22,786
84	Merritt	3,159
85	Merville	14
86	Metchosin	118
87	Midway	218
88	Mill Bay	594
89	Mission	11,015
90	Montrose	449
91	Nanaimo	15,612
92	Nanoose Bay	654
93	Naramata	445
94	Nelson	4,849
95	New Westminster	8,673
96	North Cowichan	28
97	North Saanich	945
98	North Vancouver	29,594
99	Oak Bay	3,586
100	Okanagan Falls	1,254
101	Oliver	1,942
102	Osoyoos	2,602
103	Oyama	5
104	Parksville	5,135
105	Peachland	2,449
106	Penticton	10,298
107	Pitt Meadows	4,583
108	Port Alberni	2,992
109	Port Coquitlam	13,502
110	Port Moody	7,244
111	Powell River	3,495
112	Prince George	28,275
113	Princeton	1,195
114	Pritchard	88
115	Qualicum Beach	2,869
116	Quesnel	7,022
117	Revelstoke	1,403
118	Richmond	39,761
119	Roberts Creek	657
120	Robson	436

	City	Residential Customers as at December 2016
121	Rock Creek	89
122	Rosedale	1,080
123	Rossland	1,524
124	Royston	127
125	Saanich	13,184
126	Salmo	446
127	Salmon Arm	6,744
128	Savona	280
129	Sechelt	2,853
130	Shawnigan Lake	355
131	Sidney	1,900
132	Sooke	1,115
133	Sorrento	1,807
134	Spallumcheen	1,181
135	Sparwood	1,720
136	Squamish	4,118
137	Summerland	3,623
138	Surrey	104,949
139	Tappen	451
140	Tobiano	48
141	Trail	3,079
142	Tsawwassen	169
143	Vancouver	95,191
144	Vernon	16,462
145	Victoria	8,566
146	View Royal	1,572
147	Warfield	635
148	West Kelowna	13,896
149	West Vancouver	12,544
150	Whistler	2,638
151	White Rock	4,208
152	Williams Lake	6,481
153	Winfield	4,232
154	Wynndel	67

Attachment 53.2

REFER TO LIVE SPREADSHEET MODEL

Provided in electronic format only

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