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November 26, 2018

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

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

Dear Mr. Wruck:

**Re: FortisBC Energy Inc. (FEI or the Company) – Fort Nelson Service Area (Fort Nelson)**

**Gas Cost Reconciliation Account (GCRA), Commodity Cost Recovery Charge, and Storage and Transport Charges**

**2018 Fourth Quarter Gas Cost Report**

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The attached materials provide the FEI 2018 Fourth Quarter Gas Cost Report for Fort Nelson (the Fourth Quarter Report) as required under the British Columbia Utilities Commission (BCUC) guidelines. Pursuant to Order G-135-18 for the FEI 2016 Rate Design Application, the BCUC approved FEI's proposals to unbundle Fort Nelson Gas Cost Recovery Rates and to move to a rate structure the same as used in the FEI Mainland and Vancouver Island service area.

Fort Nelson's existing Gas Cost Recovery Rate bundles the commodity and midstream components. FEI does not allocate any storage and LNG costs to Fort Nelson in its midstream costs, but does include T-North Short-Haul capacity cost on the Enbridge pipeline system as a midstream cost. BCUC Order G-135-18 approved the gas cost allocation methodology for Fort Nelson to classify the commodity costs as energy-related and to allocate those costs to sales customers based on their forecast consumption, as is the current practice. The midstream costs are to be classified as demand-related and allocated to all sales customers based on the peak day demand or load factor adjusted volume basis, consistent with FEI's method of midstream cost allocation for the Mainland and Vancouver Island service area.

Commencing January 1, 2019 Fort Nelson unbundled Commodity Related Charges comprise two components: (i) a Cost of Gas (Commodity Cost Recovery Charge) and (ii) a Storage and Transport Charge. The commodity cost recovery charge includes the GCRA

amortization and is subject to quarterly review and resetting. The storage and transport recovery charges are subject to quarterly review and, under normal circumstances, will be reset on an annual basis with a January 1 effective date. The storage and transport recovery charges will not be allocated any of the GCRA deferral amortization as the midstream costs, consisting of only the T-North Short-Haul capacity costs, are not material nor subject to much variance.

### **Commodity Cost Recovery Charge and GCRA**

Based on the five-day average of the November 6, 7, 8, 9, and 13, 2018 forward prices for natural gas (five-day average forward prices ending November 13, 2018), the December 31, 2018 GCRA deferral balance is projected to be approximately \$134 thousand surplus after tax (Tab 1, Page 2, Column 14, Line 30). Further, based on the five-day average forward prices ending November 13, 2018, the gas purchase cost assumptions, and the forecast gas cost recoveries at present rates for the 12-month period ending December 31, 2019, and accounting for the projected December 31, 2018 deferral balance, the GCRA ratio is calculated to be 134.0% (Tab 1, Page 1, Column 4, Line 15), which falls outside the 95% to 105% deadband. The tested rate decrease that would produce a 100% commodity recovery-to-cost ratio is calculated to be \$0.394/GJ (Tab 1, Page 1, Column 5, Line 33), which falls within the \$0.50/GJ minimum rate change threshold. The results of the two-criteria rate adjustment mechanism indicate that at this time no change is required to the commodity cost recovery charge previously approved to be effective January 1, 2019, pursuant to Order G-135-18.

The schedules at Tab 1 provide details of the recorded and forecast, based on the five-day average forward prices ending November 13, 2018, GCRA gas supply costs and recoveries. Page 2 shows the existing bundled rate structure (gas cost recovery rates) for 2018; Pages 3 and 4 show the new unbundled rate structure (commodity and midstream) for 2019 and 2020.

### **Storage and Transport Charges**

The schedule in Tab 1, Page 8 provides the load factor adjusted allocation of the Fort Nelson transportation costs for all sales rate classes. The Company requests approval to set the Storage and Transport Charges for the sales rate classes, previously approved to be effective January 1, 2019 pursuant to Order G-135-18, to the revised amounts shown in Line 19 effective January 1, 2019. The Storage and Transport Charge for Rate Schedule 1 residential customers is proposed to increase by \$0.025/GJ, from \$0.019/GJ to \$0.044/GJ, effective January 1, 2019.

Provided in Tab 2, Pages 2 and 3 are the forecast monthly GCRA deferral balances based on the unbundled Commodity Cost Recovery Charge and the proposed Storage and Transport Charges, effective January 1, 2019.

Provided in Tab 3 are the details of the forecast gas costs for Fort Nelson. The Company requests the information contained in Tab 3 be treated as CONFIDENTIAL.

## **CONFIDENTIALITY**

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

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

## **SUMMARY**

The Company requests BCUC approval of the following, effective January 1, 2019:

- Approval for the Commodity Cost Recovery Charge, applicable to all sales rate classes in the Fort Nelson service area, to remain set at \$1.552/GJ.
- Approval to flow-through changes to the Storage and Transport Charges, applicable to all sales rate classes in the Fort Nelson service area, as set out in the schedule at Tab 1, Page 8.

For comparative purposes, the Company provides at Tabs 4 and 5 the tariff continuity and bill impact schedules for the Fort Nelson service area. The tariff continuity schedules in Tab 4 compare the previously endorsed January 1, 2019 rates (unbundled gas cost components per G-135-18, and interim delivery rates and rider per G-171-18) to the proposed January 1, 2019 rates which include the increases to the Storage and Transport Charges, as requested within the Fourth Quarter Report. The bill impact schedules in Tab 5 are based on the current bundled rates that customers are paying (effective January 1, 2018) to the proposed January 1, 2019 rates. As a result, the annual bill for a typical Fort Nelson Rate Schedule 1 residential customer with an average annual consumption of 125 GJ will increase by approximately \$51 or 6.7%.

The Company will continue to monitor the forward prices and will report these results in the 2019 First Quarter Gas Cost Report.

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

Sincerely,

**FORTISBC ENERGY INC.**

***Original signed:***

Diane Roy

Attachments

**FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA**  
**GAS COST RECONCILIATION ACCOUNT (GCRA) RATE CHANGE TRIGGER MECHANISM**  
**COST OF GAS (COMMODITY COST RECOVERY CHARGE) FLOW-THROUGH**  
**FOR THE FORECAST PERIOD JAN 2019 TO DEC 2019**  
**FIVE-DAY AVERAGE FORWARD PRICES - NOV 6, 7, 8, 9, AND 13, 2018**

Tab 1  
Page 1

| Line No. | Particulars  | Pre-Tax (\$000)   | Forecast Energy (TJ) | Percentage | Unit Cost (\$/GJ)                 | Reference / Comment                           |
|----------|--|-------------------|----------------------|------------|-----------------------------------|---|
|          | (1)  | (2)               | (3)                  | (4)        | (5)                               | (6)   |
| 1        | <b>Pursuant to BCUC Order G-135-18 of the FEI Rate Design Application for Fort Nelson Service Area to unbundle Gas Cost Recovery Charge:</b>   |                   |                      |            |                                   |   |
| 2        | Cost of Gas (Commodity Cost Recovery Rate)   |                   |                      |            | \$ 1.552                          |   |
| 3        | Storage and Transport  |                   |                      |            | 0.019                             |   |
| 4        | Existing Gas Cost Recovery Charge  |                   |                      |            | <u>\$ 1.571</u>                   |   |
| 5        |  |                   |                      |            |                                   |   |
| 6        |  |                   |                      |            |                                   |   |
| 7        |  |                   |                      |            |                                   |   |
| 8        | <b><u>(COST OF GAS) COMMODITY COST RECOVERY RATE CHANGE TRIGGER RATIO</u></b>  |                   |                      |            |                                   |   |
| 9        | (a)  |                   |                      |            |                                   |   |
| 10       | Projected Pre-Tax GCRA Deferral Balance at Dec 31, 2018  | \$ (184.2)        |                      |            |                                   | (Tab 1, Page 3, Col 14, Line 1)               |
| 11       | Forecast Total Commodity Related Costs - Jan 2019 to Dec 2019  | \$ 723.0          |                      |            |                                   | (Tab 1, Page 3, Col 14, Line 11)              |
| 12       | Forecast Recovery at Existing Cost of Gas Recovery Rate - Jan 2019 to Dec 2019   | \$ 722.3          |                      |            |                                   | (Tab 1, Page 3, Col 14, Line 19)              |
| 13       |  |                   |                      |            |                                   |   |
| 14       | <b>Trigger</b> = $\frac{\text{Forecast Recovery at Existing Cost of Gas Recovery Rate (Line 12)}}{\text{Forecast Commodity Related Costs (Line 11) + Projected GCRA Balance (Line 10)}}$ | \$ 722.3          |                      |            |                                   |   |
| 15       | <b>Ratio</b> = $\frac{\text{Forecast Recovery at Existing Cost of Gas Recovery Rate (Line 12)}}{\text{Forecast Commodity Related Costs (Line 11) + Projected GCRA Balance (Line 10)}}$   | \$ 538.8          |                      |            |                                   |   |
| 16       |  |                   |                      |            |                                   |   |
| 17       |  |                   |                      |            |                                   |   |
| 18       |  |                   |                      |            |                                   |   |
| 19       |  |                   |                      |            |                                   |   |
| 20       | <b>Cost of Gas (Commodity Cost Recovery Rate)</b>  |                   |                      |            | <u>\$ 1.552</u>                   | (Line 2)                                      |
| 21       |  |                   |                      |            |                                   |   |
| 22       |  |                   |                      |            |                                   |   |
| 23       |  |                   |                      |            |                                   |   |
| 24       |  |                   |                      |            |                                   |   |
| 25       | <b><u>COST OF GAS (COMMODITY COST RECOVERY RATE) CHANGE THRESHOLD (+/- \$0.50/GJ)</u></b>  |                   |                      |            |                                   |   |
| 26       |  |                   |                      |            |                                   |   |
| 27       | Forecast Sales Rate Classes Recovery Energy - Jan 2019 to Dec 2019   |                   | 465.4                |            |                                   | (Tab 1, Page 3, Col 14, Line 17)              |
| 28       | (a)  |                   |                      |            |                                   |   |
| 29       | Projected Pre-Tax GCRA Balance at Dec 31, 2018   | \$ (184.2)        |                      |            | \$ (0.3958) <sup>(b)</sup>        |   |
| 30       | Forecast 12-month Cost of Gas Activities - Jan 2019 to Dec 2019  | 0.8               |                      |            | 0.0016 <sup>(b)</sup>             |   |
| 31       | (Over) / Under Recovery at Existing Commodity Cost Recovery Rate   | <u>\$ (183.5)</u> |                      |            |                                   | (Line 10 + Line 11 - Line 12)                 |
| 32       |  |                   |                      |            |                                   |   |
| 33       | <b>Tested Commodity Cost Recovery Rate (Decrease) / Increase</b>   |                   |                      |            | <u>\$ (0.394 )</u> <sup>(b)</sup> | <b>Within minimum +/- \$0.50/GJ threshold</b> |

Notes:

- (a) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts.  
(b) Commodity Cost Recovery Rate in tariff is set at 3 decimal places. Individual rate components are shown to 4 decimals places.

Slight differences in totals due to rounding.

**FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA**  
**GCRA MONTHLY BALANCES AND ACTIVITIES AT EXISTING RATES**  
**RECORDED PERIOD TO OCT 2018 AND FORECAST TO DEC 2018**  
**FIVE-DAY AVERAGE FORWARD PRICES - NOV 6, 7, 8, 9, AND 13, 2018**

Tab 1  
Page 2

| Line No. | Particulars   |       | Recorded Jan-18     | Recorded Feb-18     | Recorded Mar-18     | Recorded Apr-18     | Recorded May-18     | Recorded Jun-18     | Recorded Jul-18     | Recorded Aug-18     | Recorded Sep-18     | Recorded Oct-18     | Projected Nov-18    | Projected Dec-18    | Jan-18 to Dec-18    |
|----------|---|-------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|          | (1)   |       | (2)                 | (3)                 | (4)                 | (5)                 | (6)                 | (7)                 | (8)                 | (9)                 | (10)                | (11)                | (12)                | (13)                | (14)                |
| 1        | <b>GCRA Balance - Beginning (Pre-tax)<sup>(a)</sup></b> |       | \$ (223,890)        | \$ (193,931)        | \$ (165,213)        | \$ (134,951)        | \$ (140,750)        | \$ (139,096)        | \$ (138,131)        | \$ (132,391)        | \$ (131,393)        | \$ (127,207)        | \$ (139,715)        | \$ (178,509)        | <b>\$ (223,890)</b> |
| 2        |   |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 3        |   |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 4        | Gas Costs Incurred                                      |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 5        | Commodity Purchases <sup>(b)</sup>                      | GJ    | 98,400              | 80,400              | 45,450              | 58,200              | 1,750               | 10,500              | 6,000               | 3,750               | 32,500              | 33,500              | 68,371              | 89,998              | 528,820             |
| 6        | Average Unit Cost of Gas Purchased                      | \$/GJ | 1.816               | 1.973               | 2.069               | 1.529               | 2.837               | 1.725               | 1.806               | 1.924               | 1.563               | 1.215               | 1.050               | 1.496               | 1.611               |
| 7        | (Line 8 / Line 5)                                       |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 8        | Total Purchase Costs                                    |       | \$ 178,661          | \$ 158,620          | \$ 94,030           | \$ 88,972           | \$ 4,965            | \$ 18,114           | \$ 10,837           | \$ 7,217            | \$ 50,801           | \$ 40,716           | \$ 71,789           | \$ 134,634          | \$ 859,355          |
| 9        | Imbalance Gas <sup>(c)</sup>                            |       | (5,610)             | (13,305)            | 31,681              | (32,776)            | 15,579              | (281)               | 1,416               | 6,346               | (11,328)            | 6,696               | (3,171)             | -                   | (4,752)             |
| 10       | Company Use Gas Recovered from O&M                      |       | (473)               | (384)               | (456)               | (246)               | (12)                | 9                   | (39)                | (27)                | (60)                | (107)               | (322)               | (540)               | (2,655)             |
| 11       | <b>Total Gas Costs Incurred</b>                         |       | <b>\$ 172,578</b>   | <b>\$ 144,932</b>   | <b>\$ 125,254</b>   | <b>\$ 55,950</b>    | <b>\$ 20,533</b>    | <b>\$ 17,843</b>    | <b>\$ 12,214</b>    | <b>\$ 13,536</b>    | <b>\$ 39,414</b>    | <b>\$ 47,305</b>    | <b>\$ 68,296</b>    | <b>\$ 134,093</b>   | <b>\$ 851,948</b>   |
| 12       |   |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 13       |   |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 14       | Gas Costs Recoveries                                    |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 15       | Sales Rate Classes Recovered                            | GJ    | 90,916              | 73,949              | 60,436              | 39,284              | 12,018              | 10,751              | 4,121               | 7,981               | 22,423              | 38,071              | 67,539              | 88,955              | 516,443             |
| 16       | Adjust Sales Under / (Over) Accrual <sup>(d)</sup>      | GJ    | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | 600                 | -                   | 600                 |
| 17       |   |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 18       | Recovery @ <b>Approved</b> Recovery Rates               |       | (142,553)           | (116,174)           | (94,945)            | (61,715)            | (18,881)            | (16,889)            | (6,475)             | (12,538)            | (35,226)            | (59,809)            | (107,047)           | (139,749)           | \$ (812,001)        |
| 19       | T-Service Balancing Gas                                 |       | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| 20       | T-Service UAF Recovered <sup>(e)</sup>                  |       | (66)                | (40)                | (47)                | (34)                | 2                   | 12                  | (0)                 | 0                   | (1)                 | (4)                 | (43)                | (51)                | (272)               |
| 21       | <b>Total Gas Cost Recoveries</b>                        |       | <b>\$ (142,619)</b> | <b>\$ (116,214)</b> | <b>\$ (94,992)</b>  | <b>\$ (61,749)</b>  | <b>\$ (18,879)</b>  | <b>\$ (16,877)</b>  | <b>\$ (6,475)</b>   | <b>\$ (12,538)</b>  | <b>\$ (35,228)</b>  | <b>\$ (59,814)</b>  | <b>\$ (107,090)</b> | <b>\$ (139,799)</b> | <b>\$ (812,273)</b> |
| 22       |   |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 23       |   |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 24       |   |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 25       | <b>GCRA Balance - Ending (Pre-tax)</b>                  |       | <b>\$ (193,931)</b> | <b>\$ (165,213)</b> | <b>\$ (134,951)</b> | <b>\$ (140,750)</b> | <b>\$ (139,096)</b> | <b>\$ (138,131)</b> | <b>\$ (132,391)</b> | <b>\$ (131,393)</b> | <b>\$ (127,207)</b> | <b>\$ (139,715)</b> | <b>\$ (178,509)</b> | <b>\$ (184,215)</b> | <b>\$ (184,215)</b> |
| 26       | (Line 1 + Line 11 + Line 21)                            |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 27       |   |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 28       | Tax Rate  |       | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               |
| 29       |   |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 30       | <b>GCRA Balance - Ending (After-tax)</b>                |       | <b>\$ (141,570)</b> | <b>\$ (120,606)</b> | <b>\$ (98,514)</b>  | <b>\$ (102,748)</b> | <b>\$ (101,540)</b> | <b>\$ (100,835)</b> | <b>\$ (96,646)</b>  | <b>\$ (95,917)</b>  | <b>\$ (92,861)</b>  | <b>\$ (101,992)</b> | <b>\$ (130,312)</b> | <b>\$ (134,477)</b> | <b>\$ (134,477)</b> |

Notes:

- (a) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts.
- (b) Commodity Purchases include Company Use Gas quantities, as well as Sales & T-Service UAF requirements.
- (c) Imbalance Gas comprises the Westcoast Energy and T-Service imbalances, which vary monthly; the amount shown in the first Projected column reflects the forecast value to settle the total imbalance at the end of the recorded period.
- (d) Adjustment to the forecast recoveries to account for any under / (over) accrued Sales at the end of the recorded period.
- (e) Sales UAF costs are recovered via gas cost recovery rates; T-Service UAF costs are recovered via delivery revenues.

Slight differences in totals due to rounding.

**FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA**  
**GCRA MONTHLY BALANCES AND ACTIVITIES AT EXISTING RATES**  
**FORECAST PERIOD FROM JAN 2019 TO DEC 2019**  
**FIVE-DAY AVERAGE FORWARD PRICES - NOV 6, 7, 8, 9, AND 13, 2018**

Tab 1  
Page 3

| Line No. | Particulars   | Forecast Jan-19     | Forecast Feb-19     | Forecast Mar-19     | Forecast Apr-19     | Forecast May-19     | Forecast Jun-19     | Forecast Jul-19     | Forecast Aug-19     | Forecast Sep-19     | Forecast Oct-19     | Forecast Nov-19     | Forecast Dec-19     | Jan-19 to Dec-19    |
|----------|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|          | (1)   | (2)                 | (3)                 | (4)                 | (5)                 | (6)                 | (7)                 | (8)                 | (9)                 | (10)                | (11)                | (12)                | (13)                | (14)                |
| 1        | <b>GCRA Balance - Beginning (Pre-tax)<sup>(a)</sup></b>             | \$ (184,215)        | \$ (166,686)        | \$ (149,154)        | \$ (149,466)        | \$ (171,965)        | \$ (181,228)        | \$ (186,102)        | \$ (188,497)        | \$ (191,798)        | \$ (197,065)        | \$ (204,620)        | \$ (198,903)        | <b>\$ (184,215)</b> |
| 2        |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 3        |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 4        | Gas Costs Incurred  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 5        | Commodity Purchases <sup>(b)</sup>                                  | GJ 81,980           | 68,786              | 62,269              | 33,912              | 17,102              | 9,126               | 6,211               | 8,263               | 14,479              | 34,282              | 61,707              | 78,132              | 476,248             |
| 6        | Average Unit Cost of Gas Purchased                                  | \$/GJ 1.739         | 1.776               | 1.513               | 0.828               | 0.897               | 0.822               | 0.882               | 0.939               | 1.063               | 1.275               | 1.611               | 1.853               | 1.561               |
| 7        | (Line 8 / Line 5)   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 8        | Total Purchase Costs  | \$ 142,554          | \$ 122,191          | \$ 94,193           | \$ 28,069           | \$ 15,338           | \$ 7,498            | \$ 5,481            | \$ 7,759            | \$ 15,390           | \$ 43,709           | \$ 99,383           | \$ 144,796          | \$ 726,361          |
| 9        | Imbalance Gas <sup>(c)</sup>  | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| 10       | Company Use Gas Recovered from O&M                                  | (548)               | (600)               | (424)               | (157)               | (187)               | (48)                | (49)                | (32)                | (57)                | (51)                | (504)               | (676)               | (3,333)             |
| 11       | Total Commodity Related Costs                                       | \$ 142,007          | \$ 121,591          | \$ 93,769           | \$ 27,911           | \$ 15,152           | \$ 7,451            | \$ 5,432            | \$ 7,727            | \$ 15,332           | \$ 43,658           | \$ 98,879           | \$ 144,119          | \$ 723,029          |
| 12       | Transportation Costs <sup>(d)</sup>                                 | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 20,193              |
| 13       | <b>Total Gas Costs Incurred</b>                                     | <b>\$ 143,689</b>   | <b>\$ 123,274</b>   | <b>\$ 95,452</b>    | <b>\$ 29,594</b>    | <b>\$ 16,835</b>    | <b>\$ 9,133</b>     | <b>\$ 7,115</b>     | <b>\$ 9,410</b>     | <b>\$ 17,015</b>    | <b>\$ 45,341</b>    | <b>\$ 100,561</b>   | <b>\$ 145,802</b>   | <b>\$ 743,222</b>   |
| 14       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 15       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 16       | Gas Costs Recoveries  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 17       | Sales Rate Classes Recovered  | GJ 80,160           | 67,181              | 60,840              | 33,124              | 16,610              | 8,917               | 6,053               | 8,091               | 14,183              | 33,645              | 60,250              | 76,326              | 465,381             |
| 18       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 19       | Recovery @ <b>Approved</b> Cost of Gas Recovery Rate <sup>(d)</sup> | \$ (124,408)        | \$ (104,265)        | \$ (94,424)         | \$ (51,409)         | \$ (25,779)         | \$ (13,838)         | \$ (9,394)          | \$ (12,557)         | \$ (22,012)         | \$ (52,217)         | \$ (93,508)         | \$ (118,458)        | \$ (722,272)        |
| 20       | Recovery @ <b>Approved</b> Storage & Transport Rates <sup>(d)</sup> | (1,523)             | (1,276)             | (1,156)             | (629)               | (316)               | (169)               | (115)               | (154)               | (269)               | (639)               | (1,145)             | (1,450)             | (8,842)             |
| 21       | T-Service Balancing Gas   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| 22       | T-Service UAF Recovered <sup>(e)</sup>                              | (229)               | (200)               | (183)               | (55)                | (3)                 | (0)                 | (0)                 | (0)                 | (1)                 | (39)                | (192)               | (230)               | (1,133)             |
| 23       | <b>Total Gas Cost Recoveries</b>                                    | <b>\$ (126,160)</b> | <b>\$ (105,742)</b> | <b>\$ (95,763)</b>  | <b>\$ (52,093)</b>  | <b>\$ (26,097)</b>  | <b>\$ (14,008)</b>  | <b>\$ (9,509)</b>   | <b>\$ (12,711)</b>  | <b>\$ (22,283)</b>  | <b>\$ (52,896)</b>  | <b>\$ (94,845)</b>  | <b>\$ (120,139)</b> | <b>\$ (732,247)</b> |
| 24       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 25       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 26       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 27       | <b>GCRA Balance - Ending (Pre-tax)</b>                              | <b>\$ (166,686)</b> | <b>\$ (149,154)</b> | <b>\$ (149,466)</b> | <b>\$ (171,965)</b> | <b>\$ (181,228)</b> | <b>\$ (186,102)</b> | <b>\$ (188,497)</b> | <b>\$ (191,798)</b> | <b>\$ (197,065)</b> | <b>\$ (204,620)</b> | <b>\$ (198,903)</b> | <b>\$ (173,240)</b> | <b>\$ (173,240)</b> |
| 28       | (Line 1 + Line 13 + Line 23)  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 29       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 30       | Tax Rate  | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               |
| 31       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 32       | <b>GCRA Balance - Ending (After-tax)</b>                            | <b>\$ (121,681)</b> | <b>\$ (108,883)</b> | <b>\$ (109,110)</b> | <b>\$ (125,534)</b> | <b>\$ (132,296)</b> | <b>\$ (135,855)</b> | <b>\$ (137,602)</b> | <b>\$ (140,012)</b> | <b>\$ (143,858)</b> | <b>\$ (149,372)</b> | <b>\$ (145,199)</b> | <b>\$ (126,465)</b> | <b>\$ (126,465)</b> |

Notes:

- (a) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts.
- (b) Commodity Purchases include Company Use Gas quantities, as well as Sales & T-Service UAF requirements.
- (c) Imbalance Gas comprises the Westcoast Energy and T-Service imbalances, which vary monthly; the amount shown in the first Projected column reflects the forecast value to settle the total imbalance at the end of the recorded period.
- (d) BCUC Order and Decision G-135-18 of the 2016 FEI Rate Design Application for Fort Nelson Service Area approved to unbundle Fort Nelson rates into Cost of Gas, Storage and Transport Charges.
- (e) Sales UAF costs are recovered via gas cost recovery rates; T-Service UAF costs are recovered via delivery revenues.

Slight differences in totals due to rounding.

**FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA**  
**GCRA MONTHLY BALANCES AND ACTIVITIES AT EXISTING RATES**  
**FORECAST PERIOD FROM JAN 2020 TO DEC 2020**  
**FIVE-DAY AVERAGE FORWARD PRICES - NOV 6, 7, 8, 9, AND 13, 2018**

Tab 1  
Page 4

| Line No. | Particulars   | Forecast Jan-20     | Forecast Feb-20     | Forecast Mar-20    | Forecast Apr-20     | Forecast May-20     | Forecast Jun-20     | Forecast Jul-20     | Forecast Aug-20     | Forecast Sep-20     | Forecast Oct-20     | Forecast Nov-20     | Forecast Dec-20     | Jan-20 to Dec-20    |
|----------|---|---------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|          | (1)   | (2)                 | (3)                 | (4)                | (5)                 | (6)                 | (7)                 | (8)                 | (9)                 | (10)                | (11)                | (12)                | (13)                | (14)                |
| 1        | <b>GCRA Balance - Beginning (Pre-tax)<sup>(a)</sup></b>             | \$ (173,240)        | \$ (134,277)        | \$ (107,263)       | \$ (99,810)         | \$ (113,199)        | \$ (119,532)        | \$ (121,659)        | \$ (122,205)        | \$ (123,403)        | \$ (126,743)        | \$ (136,195)        | \$ (127,384)        | <b>\$ (173,240)</b> |
| 2        |   |                     |                     |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 3        |   |                     |                     |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 4        | Gas Costs Incurred  |                     |                     |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 5        | Commodity Purchases <sup>(b)</sup>                                  | GJ 77,360           | 65,032              | 59,212             | 32,174              | 16,231              | 8,657               | 5,890               | 7,815               | 13,721              | 32,422              | 58,517              | 73,922              | 450,953             |
| 6        | Average Unit Cost of Gas Purchased                                  | \$/GJ 2.029         | 1.936               | 1.643              | 1.074               | 1.044               | 1.102               | 1.163               | 1.174               | 1.177               | 1.201               | 1.667               | 1.817               | 1.687               |
| 7        | (Line 8 / Line 5)   |                     |                     |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 8        | Total Purchase Costs  | \$ 156,943          | \$ 125,928          | \$ 97,270          | \$ 34,542           | \$ 16,953           | \$ 9,536            | \$ 6,849            | \$ 9,178            | \$ 16,153           | \$ 38,938           | \$ 97,567           | \$ 134,282          | \$ 744,141          |
| 9        | Imbalance Gas <sup>(c)</sup>  | -                   | -                   | -                  | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| 10       | Company Use Gas Recovered from O&M                                  | (639)               | (655)               | (460)              | (204)               | (217)               | (64)                | (64)                | (40)                | (64)                | (48)                | (522)               | (663)               | (3,639)             |
| 11       | Total Commodity Related Costs                                       | \$ 156,304          | \$ 125,274          | \$ 96,810          | \$ 34,338           | \$ 16,736           | \$ 9,473            | \$ 6,785            | \$ 9,138            | \$ 16,089           | \$ 38,890           | \$ 97,045           | \$ 133,619          | \$ 740,502          |
| 12       | Transportation Costs <sup>(d)</sup>                                 | 1,683               | 1,683               | 1,683              | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 20,193              |
| 13       | <b>Total Gas Costs Incurred</b>                                     | <b>\$ 157,987</b>   | <b>\$ 126,957</b>   | <b>\$ 98,493</b>   | <b>\$ 36,021</b>    | <b>\$ 18,419</b>    | <b>\$ 11,155</b>    | <b>\$ 8,468</b>     | <b>\$ 10,821</b>    | <b>\$ 17,772</b>    | <b>\$ 40,572</b>    | <b>\$ 98,728</b>    | <b>\$ 135,301</b>   | <b>\$ 760,694</b>   |
| 14       |   |                     |                     |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 15       | Gas Costs Recoveries  |                     |                     |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 17       | Sales Rate Classes Recovered  | GJ 75,617           | 63,490              | 57,835             | 31,416              | 15,754              | 8,455               | 5,737               | 7,651               | 13,438              | 31,817              | 57,113              | 72,187              | 440,509             |
| 18       |   |                     |                     |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 19       | Recovery @ <b>Approved</b> Cost of Gas Recovery Rate <sup>(d)</sup> | \$ (117,358)        | \$ (98,536)         | \$ (89,759)        | \$ (48,758)         | \$ (24,450)         | \$ (13,122)         | \$ (8,904)          | \$ (11,875)         | \$ (20,855)         | \$ (49,380)         | \$ (88,640)         | \$ (112,034)        | \$ (683,670)        |
| 20       | Recovery @ <b>Approved</b> Storage & Transport Rates <sup>(d)</sup> | (1,437)             | (1,206)             | (1,099)            | (597)               | (299)               | (161)               | (109)               | (145)               | (255)               | (605)               | (1,085)             | (1,372)             | (8,370)             |
| 21       | T-Service Balancing Gas   | -                   | -                   | -                  | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| 22       | T-Service UAF Recovered <sup>(e)</sup>                              | (229)               | (200)               | (183)              | (55)                | (3)                 | (0)                 | (0)                 | (0)                 | (1)                 | (39)                | (192)               | (230)               | (1,133)             |
| 23       | <b>Total Gas Cost Recoveries</b>                                    | <b>\$ (119,024)</b> | <b>\$ (99,942)</b>  | <b>\$ (91,041)</b> | <b>\$ (49,409)</b>  | <b>\$ (24,752)</b>  | <b>\$ (13,283)</b>  | <b>\$ (9,013)</b>   | <b>\$ (12,020)</b>  | <b>\$ (21,112)</b>  | <b>\$ (50,024)</b>  | <b>\$ (89,917)</b>  | <b>\$ (113,636)</b> | <b>\$ (693,173)</b> |
| 24       |   |                     |                     |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 25       |   |                     |                     |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 26       |   |                     |                     |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 27       | <b>GCRA Balance - Ending (Pre-tax)</b>                              | <b>\$ (134,277)</b> | <b>\$ (107,263)</b> | <b>\$ (99,810)</b> | <b>\$ (113,199)</b> | <b>\$ (119,532)</b> | <b>\$ (121,659)</b> | <b>\$ (122,205)</b> | <b>\$ (123,403)</b> | <b>\$ (126,743)</b> | <b>\$ (136,195)</b> | <b>\$ (127,384)</b> | <b>\$ (105,719)</b> | <b>\$ (105,719)</b> |
| 28       | (Line 1 + Line 13 + Line 23)  |                     |                     |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 29       |   |                     |                     |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 30       | Tax Rate  | 27.0%               | 27.0%               | 27.0%              | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               |
| 31       |   |                     |                     |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 32       | <b>GCRA Balance - Ending (After-tax)</b>                            | <b>\$ (98,022)</b>  | <b>\$ (78,302)</b>  | <b>\$ (72,862)</b> | <b>\$ (82,635)</b>  | <b>\$ (87,258)</b>  | <b>\$ (88,811)</b>  | <b>\$ (89,209)</b>  | <b>\$ (90,085)</b>  | <b>\$ (92,522)</b>  | <b>\$ (99,422)</b>  | <b>\$ (92,991)</b>  | <b>\$ (77,175)</b>  | <b>\$ (77,175)</b>  |

Notes:

- (a) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts.
- (b) Commodity Purchases include Company Use Gas quantities, as well as Sales & T-Service UAF requirements.
- (c) Imbalance Gas comprises the Westcoast Energy and T-Service imbalances, which vary monthly; the amount shown in the first Projected column reflects the forecast value to settle the total imbalance at the end of the recorded period.
- (d) BCUC Order and Decision G-135-18 of the 2016 FEI Rate Design Application for Fort Nelson Service Area approved to unbundle Fort Nelson rates into Cost of Gas, Storage and Transport Charges.
- (e) Sales UAF costs are recovered via gas cost recovery rates; T-Service UAF costs are recovered via delivery revenues.

Slight differences in totals due to rounding.



**FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA**  
**STATION 2 INDEX FORECAST FOR THE PERIOD ENDING DEC 2020**

Tab 1  
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| Line No | Particulars   | Five-day Average Forward<br>Prices - Nov 6, 7, 8, 9, and<br>13, 2018 | Five-day Average Forward<br>Prices - Aug 22, 23, 24, 27,<br>and 28, 2018 | Change in Forward<br>Price |
|---------|---|--|--|----------------------------|
|         | (1)   | 2018 Q4 Gas Cost Report<br>(2)                                       | 2018 Q3 Gas Cost Report<br>(3)   | (4) = (2) - (3)            |
| 1       | <b>Station 2 Index Prices - \$CDN/GJ <sup>(a)</sup></b> |  |  |                            |
| 2       |   |  |  |                            |
| 3       | <b>2018</b>   |  |  |                            |
| 4       | July  | ↑ \$ 1.41  | <b>Recorded</b> \$ 1.41  | \$ -                       |
| 5       | August  | \$ 1.32  | <b>Forecast</b> \$ 1.32  | \$ 0.00                    |
| 6       | September   | \$ 1.16  | \$ 1.29  | \$ (0.13)                  |
| 7       | October   | \$ 0.95  | \$ 1.29  | \$ (0.35)                  |
| 8       | November  | \$ 0.59  | \$ 1.59  | \$ (1.00)                  |
| 9       | December  | \$ 1.60  | \$ 1.86  | \$ (0.26)                  |
| 10      | <b>2019</b>   |  |  |                            |
| 11      | January   | ↓ \$ 2.06  | \$ 1.98  | \$ 0.09                    |
| 12      | February  | \$ 2.08  | \$ 1.97  | \$ 0.11                    |
| 13      | March   | \$ 1.27  | \$ 1.65  | \$ (0.38)                  |
| 14      | April   | \$ 0.83  | \$ 1.17  | \$ (0.34)                  |
| 15      | May   | \$ 0.90  | \$ 1.03  | \$ (0.14)                  |
| 16      | June  | \$ 0.82  | \$ 1.06  | \$ (0.23)                  |
| 17      | July  | \$ 0.88  | \$ 1.19  | \$ (0.30)                  |
| 18      | August  | \$ 0.94  | \$ 1.19  | \$ (0.25)                  |
| 19      | September   | \$ 1.06  | \$ 1.18  | \$ (0.12)                  |
| 20      | October   | \$ 1.28  | \$ 1.27  | \$ 0.00                    |
| 21      | November  | \$ 1.51  | \$ 1.56  | \$ (0.05)                  |
| 22      | December  | \$ 1.87  | \$ 1.68  | \$ 0.20                    |
| 23      | <b>2020</b>   |  |  |                            |
| 24      | January   | \$ 2.14  | \$ 1.78  | \$ 0.35                    |
| 25      | February  | \$ 2.00  | \$ 1.71  | \$ 0.29                    |
| 26      | March   | \$ 1.56  | \$ 1.62  | \$ (0.06)                  |
| 27      | April   | \$ 1.07  | \$ 1.13  | \$ (0.05)                  |
| 28      | May   | \$ 1.04  | \$ 1.10  | \$ (0.05)                  |
| 29      | June  | \$ 1.10  | \$ 1.14  | \$ (0.03)                  |
| 30      | July  | \$ 1.16  | \$ 1.14  | \$ 0.02                    |
| 31      | August  | \$ 1.17  | \$ 1.14  | \$ 0.03                    |
| 32      | September   | \$ 1.18  | \$ 1.14  | \$ 0.04                    |
| 33      | October   | \$ 1.20  |  |                            |
| 34      | November  | \$ 1.56  |  |                            |
| 35      | December  | \$ 1.78  |  |                            |
| 36      | <i>Simple Average (Jan 2019 - Dec 2019)</i>             | \$ 1.29  | \$ 1.41  | -8.4% \$ (0.12)            |
| 37      | <i>Simple Average (Apr 2019 - Mar 2020)</i>             | \$ 1.32  | \$ 1.37  | -4.0% \$ (0.05)            |
| 38      | <i>Simple Average (Jul 2019 - Jun 2020)</i>             | \$ 1.37  | \$ 1.38  | -0.5% \$ (0.01)            |
| 39      | <i>Simple Average (Oct 2019 - Sep 2020)</i>             | \$ 1.42  | \$ 1.37  | 4.1% \$ 0.06               |
| 40      | <i>Simple Average (Jan 2020 - Dec 2020)</i>             | \$ 1.41  |  |                            |

Notes:

(a) Recorded monthly price reflects the average recorded cost for the month.

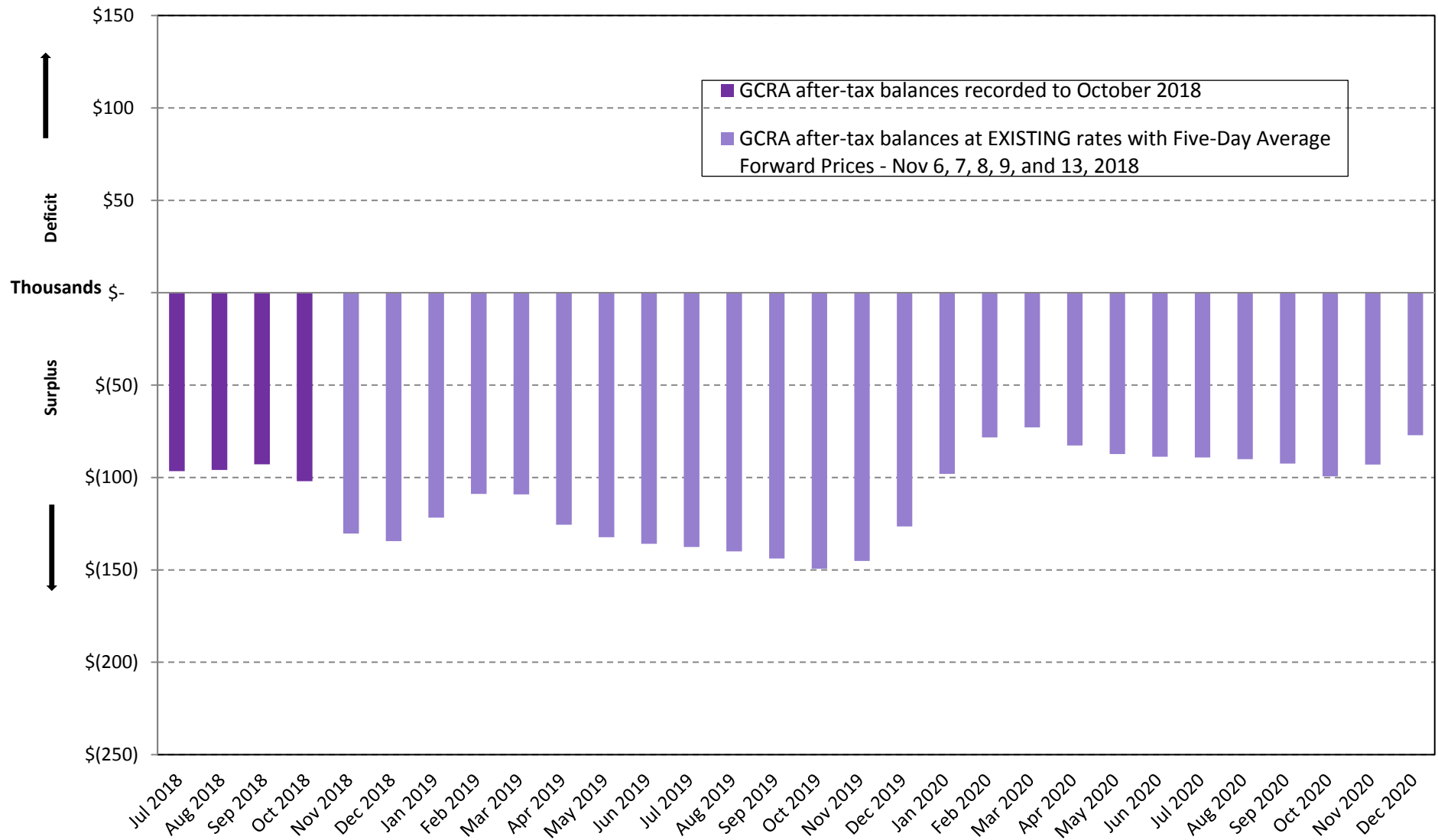
**FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA**  
**GCRA AFTER-TAX BALANCES AT EXISTING RECOVERY RATES**  
**FOR FORECAST PERIOD ENDING DEC 2020**  
**FIVE-DAY AVERAGE FORWARD PRICES - NOV 6, 7, 8, 9, AND 13, 2018**  
**(\$000)**

Tab 1  
Page 6

| Line No | Particulars |           | Five-day Average Forward<br>Prices - Nov 6, 7, 8, 9, and<br>13, 2018 |            | Five-day Average Forward<br>Prices - Aug 22, 23, 24, 27,<br>and 28, 2018 |           |
|---------|-------------|-----------|--|------------|--|-----------|
|         |             |           | 2018 Q4 Gas Cost Report  |            | 2018 Q3 Gas Cost Report  |           |
|         |             | (1)       |  | (2)        |  | (3)       |
| 1       | <b>2018</b> | July      |  | \$ (96.6)  | <b>Recorded</b>  | \$ (96.6) |
| 2       |             | August    |  | \$ (95.9)  | <b>Forecast</b>  | \$ (94.0) |
| 3       |             | September |  | \$ (92.9)  |  | \$ (93.1) |
| 4       |             | October   | <b>Recorded</b>  | \$ (102.0) |  | \$ (92.3) |
| 5       |             | November  | <b>Forecast</b>  | \$ (130.3) |  | \$ (82.0) |
| 6       |             | December  |  | \$ (134.5) |  | \$ (62.6) |
| 7       | <b>2019</b> | January   |  | \$ (121.7) |  | \$ (41.4) |
| 8       |             | February  |  | \$ (108.9) |  | \$ (23.6) |
| 9       |             | March     |  | \$ (109.1) |  | \$ (12.5) |
| 10      |             | April     |  | \$ (125.5) |  | \$ (20.7) |
| 11      |             | May       |  | \$ (132.3) |  | \$ (26.1) |
| 12      |             | June      |  | \$ (135.9) |  | \$ (28.4) |
| 13      |             | July      |  | \$ (137.6) |  | \$ (29.1) |
| 14      |             | August    |  | \$ (140.0) |  | \$ (30.2) |
| 15      |             | September |  | \$ (143.9) |  | \$ (33.2) |
| 16      |             | October   |  | \$ (149.4) |  | \$ (39.0) |
| 17      |             | November  |  | \$ (145.2) |  | \$ (32.3) |
| 18      |             | December  |  | \$ (126.5) |  | \$ (19.6) |
| 19      | <b>2020</b> | January   |  | \$ (98.0)  |  | \$ (3.2)  |
| 20      |             | February  |  | \$ (78.3)  |  | \$ 8.4    |
| 21      |             | March     |  | \$ (72.9)  |  | \$ 16.4   |
| 22      |             | April     |  | \$ (82.6)  |  | \$ 7.7    |
| 23      |             | May       |  | \$ (87.3)  |  | \$ 3.3    |
| 24      |             | June      |  | \$ (88.8)  |  | \$ 1.7    |
| 25      |             | July      |  | \$ (89.2)  |  | \$ 0.9    |
| 26      |             | August    |  | \$ (90.1)  |  | \$ (0.4)  |
| 27      |             | September |  | \$ (92.5)  |  | \$ (3.5)  |
| 28      |             | October   |  | \$ (99.4)  |  |           |
| 29      |             | November  |  | \$ (93.0)  |  |           |
| 30      |             | December  |  | \$ (77.2)  |  |           |

FortisBC Energy Inc. - Fort Nelson Service Areas  
 GCRA After-Tax Monthly Balances  
 Recorded to October 2018 and Forecast to December 2020

Tab 1  
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**FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA**  
**STORAGE AND TRANSPORT RELATED CHARGES FLOW-THROUGH BY RATE SCHEDULE**  
**FOR THE FORECAST PERIOD JAN 2019 TO DEC 2019**  
**FIVE-DAY AVERAGE FORWARD PRICES - NOV 6, 7, 8, 9, AND 13, 2018**

Tab 1  
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| Line No. | Particulars  | Unit  | Residential     | Commercial      |                 | General Firm Service | NGV             | Total     |
|----------|--|-------|-----------------|-----------------|-----------------|----------------------|-----------------|-----------|
|          |  |       | RS-1            | RS-2            | RS-3            | RS-5                 | RS-6            |           |
|          | (1)  |       | (2)             | (3)             | (4)             | (5)                  | (6)             | (7)       |
| 1        | <b>Fort Nelson Sales Quantity</b>  | GJ    | 244,160         | 160,160         | 61,061          | -                    | -               | 465,381   |
| 2        |  |       |                 |                 |                 |                      |                 |           |
| 3        | <b>Load Factor Adjusted Quantity</b>                                       |       |                 |                 |                 |                      |                 |           |
| 4        | Load Factor <sup>(a)</sup>   | %     | 31.6%           | 31.5%           | 37.7%           | 45.6%                | 100.0%          |           |
| 5        | Load Factor Adjusted Quantity <sup>(b)</sup>                               | GJ    | 773,003         | 508,787         | 161,993         | 91,040               | 3,000           | 1,537,823 |
| 6        | Load Factor Adjusted Volumetric Allocation                                 | %     | 50.3%           | 33.1%           | 10.5%           | 5.9%                 | 0.2%            | 100.0%    |
| 7        |  |       |                 |                 |                 |                      |                 |           |
| 8        |  |       |                 |                 |                 |                      |                 |           |
| 9        |  |       |                 |                 |                 |                      |                 |           |
| 10       | <b>Transport Costs Load Factor Adjusted Allocation</b>                     |       |                 |                 |                 |                      |                 |           |
| 11       | Transportation Costs Allocated by Rate Class <sup>(c)</sup>                | \$    | 10,759          | 7,082           | 2,255           | 1,267                | 42              | 21,404    |
| 12       | Transportation Costs Allocated by Rate Class - Unitized                    | \$/GJ | 0.0441          | 0.0442          | 0.0369          | 0.0305               | 0.0139          |           |
| 13       |  |       |                 |                 |                 |                      |                 |           |
| 14       |  |       |                 |                 |                 |                      |                 |           |
| 15       |  |       |                 |                 |                 |                      |                 |           |
| 16       |  |       |                 |                 |                 |                      |                 |           |
| 17       | <b>PROPOSED January 1, 2019 Flow-through Storage and Transport Charges</b> |       |                 |                 |                 |                      |                 |           |
| 18       |  |       |                 |                 |                 |                      |                 |           |
| 19       | <b>Storage and Transport Flow-Through</b>                                  |       | <b>\$ 0.044</b> | <b>\$ 0.044</b> | <b>\$ 0.037</b> | <b>\$ 0.031</b>      | <b>\$ 0.014</b> |           |
| 20       | Storage and Transport per BCUC Order G-135-18 <sup>(d)</sup>               |       | 0.019           | 0.019           | 0.019           | 0.019                | 0.019           |           |
| 21       | Increase / (Decrease)  | \$/GJ | \$ 0.025        | \$ 0.025        | \$ 0.018        | \$ 0.012             | \$ (0.005)      |           |
| 22       | Increase / (Decrease)  | %     | 131.93%         | 132.72%         | 94.35%          | 60.71%               | -26.74%         |           |

**Notes:**

- (a) Based on the historical 3-year (2015, 2016, and 2017 data) rolling average load factors for Rate Schedule 1, 2, 3 and 5; as used in setting rates effective January 1, 2019. BCUC Order and Decision G-4-18 for FEI 2016 Rate Design Application Decision approved load factor for Rate Schedule 5 to be a three year rolling average, same methodology as FEI.
- (b) No customers are forecast in RS-5 and RS-6. For rates setting purpose, assume 41,500 GJ for RS-5 and 3,000 GJ for RS-6 as forecast sales quantities to calculate load factor adjusted allocation.
- (c) Increase 6% transportation costs to cover the assumed RS-5 and RS-6 forecast sales quantities.
- (d) BCUC Order and Decision G-135-18 of the 2016 FEI Rate Design Application for Fort Nelson Service Area approved to unbundle Fort Nelson rates into Cost of Gas, Storage and Transport Charges.

Slight differences in totals due to rounding.

**FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA**  
**GCRA MONTHLY BALANCES AND ACTIVITIES AT EXISTING RATES**  
**RECORDED PERIOD TO OCT 2018 AND FORECAST TO DEC 2018**  
**FIVE-DAY AVERAGE FORWARD PRICES - NOV 6, 7, 8, 9, AND 13, 2018**

Tab 2  
Page 1

| Line No. | Particulars   |       | Recorded Jan-18     | Recorded Feb-18     | Recorded Mar-18     | Recorded Apr-18     | Recorded May-18     | Recorded Jun-18     | Recorded Jul-18     | Recorded Aug-18     | Recorded Sep-18     | Recorded Oct-18     | Projected Nov-18    | Projected Dec-18    | Jan-18 to Dec-18    |
|----------|---|-------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|          | (1)   |       | (2)                 | (3)                 | (4)                 | (5)                 | (6)                 | (7)                 | (8)                 | (9)                 | (10)                | (11)                | (12)                | (13)                | (14)                |
| 1        | <b>GCRA Balance - Beginning (Pre-tax)<sup>(a)</sup></b> |       | \$ (223,890)        | \$ (193,931)        | \$ (165,213)        | \$ (134,951)        | \$ (140,750)        | \$ (139,096)        | \$ (138,131)        | \$ (132,391)        | \$ (131,393)        | \$ (127,207)        | \$ (139,715)        | \$ (178,509)        | <b>\$ (223,890)</b> |
| 2        |   |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 3        |   |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 4        | Gas Costs Incurred                                      |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 5        | Commodity Purchases <sup>(b)</sup>                      | GJ    | 98,400              | 80,400              | 45,450              | 58,200              | 1,750               | 10,500              | 6,000               | 3,750               | 32,500              | 33,500              | 68,371              | 89,998              | 528,820             |
| 6        | Average Unit Cost of Gas Purchased                      | \$/GJ | 1.816               | 1.973               | 2.069               | 1.529               | 2.837               | 1.725               | 1.806               | 1.924               | 1.563               | 1.215               | 1.050               | 1.496               | 1.611               |
| 7        | (Line 8 / Line 5)                                       |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 8        | Total Purchase Costs                                    |       | \$ 178,661          | \$ 158,620          | \$ 94,030           | \$ 88,972           | \$ 4,965            | \$ 18,114           | \$ 10,837           | \$ 7,217            | \$ 50,801           | \$ 40,716           | \$ 71,789           | \$ 134,634          | \$ 859,355          |
| 9        | Imbalance Gas <sup>(c)</sup>                            |       | (5,610)             | (13,305)            | 31,681              | (32,776)            | 15,579              | (281)               | 1,416               | 6,346               | (11,328)            | 6,696               | (3,171)             | -                   | (4,752)             |
| 10       | Company Use Gas Recovered from O&M                      |       | (473)               | (384)               | (456)               | (246)               | (12)                | 9                   | (39)                | (27)                | (60)                | (107)               | (322)               | (540)               | (2,655)             |
| 11       | <b>Total Gas Costs Incurred</b>                         |       | <b>\$ 172,578</b>   | <b>\$ 144,932</b>   | <b>\$ 125,254</b>   | <b>\$ 55,950</b>    | <b>\$ 20,533</b>    | <b>\$ 17,843</b>    | <b>\$ 12,214</b>    | <b>\$ 13,536</b>    | <b>\$ 39,414</b>    | <b>\$ 47,305</b>    | <b>\$ 68,296</b>    | <b>\$ 134,093</b>   | <b>\$ 851,948</b>   |
| 12       |   |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 13       |   |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 14       | Gas Costs Recoveries                                    |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 15       | Sales Rate Classes Recovered                            | GJ    | 90,916              | 73,949              | 60,436              | 39,284              | 12,018              | 10,751              | 4,121               | 7,981               | 22,423              | 38,071              | 67,539              | 88,955              | 516,443             |
| 16       | Adjust Sales Under / (Over) Accrual <sup>(d)</sup>      | GJ    | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | 600                 | -                   | 600                 |
| 17       |   |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 18       | Recovery @ <b>Approved</b> Recovery Rates               |       | (142,553)           | (116,174)           | (94,945)            | (61,715)            | (18,881)            | (16,889)            | (6,475)             | (12,538)            | (35,226)            | (59,809)            | (107,047)           | (139,749)           | \$ (812,001)        |
| 19       | T-Service Balancing Gas                                 |       | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| 20       | T-Service UAF Recovered <sup>(e)</sup>                  |       | (66)                | (40)                | (47)                | (34)                | 2                   | 12                  | (0)                 | 0                   | (1)                 | (4)                 | (43)                | (51)                | (272)               |
| 21       | <b>Total Gas Cost Recoveries</b>                        |       | <b>\$ (142,619)</b> | <b>\$ (116,214)</b> | <b>\$ (94,992)</b>  | <b>\$ (61,749)</b>  | <b>\$ (18,879)</b>  | <b>\$ (16,877)</b>  | <b>\$ (6,475)</b>   | <b>\$ (12,538)</b>  | <b>\$ (35,228)</b>  | <b>\$ (59,814)</b>  | <b>\$ (107,090)</b> | <b>\$ (139,799)</b> | <b>\$ (812,273)</b> |
| 22       |   |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 23       |   |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 24       |   |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 25       | <b>GCRA Balance - Ending (Pre-tax)</b>                  |       | <b>\$ (193,931)</b> | <b>\$ (165,213)</b> | <b>\$ (134,951)</b> | <b>\$ (140,750)</b> | <b>\$ (139,096)</b> | <b>\$ (138,131)</b> | <b>\$ (132,391)</b> | <b>\$ (131,393)</b> | <b>\$ (127,207)</b> | <b>\$ (139,715)</b> | <b>\$ (178,509)</b> | <b>\$ (184,215)</b> | <b>\$ (184,215)</b> |
| 26       | (Line 1 + Line 11 + Line 21)                            |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 27       |   |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 28       | Tax Rate  |       | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               |
| 29       |   |       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 30       | <b>GCRA Balance - Ending (After-tax)</b>                |       | <b>\$ (141,570)</b> | <b>\$ (120,606)</b> | <b>\$ (98,514)</b>  | <b>\$ (102,748)</b> | <b>\$ (101,540)</b> | <b>\$ (100,835)</b> | <b>\$ (96,646)</b>  | <b>\$ (95,917)</b>  | <b>\$ (92,861)</b>  | <b>\$ (101,992)</b> | <b>\$ (130,312)</b> | <b>\$ (134,477)</b> | <b>\$ (134,477)</b> |

Notes:

- (a) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts.
- (b) Commodity Purchases include Company Use Gas quantities, as well as Sales & T-Service UAF requirements.
- (c) Imbalance Gas comprises the Westcoast Energy and T-Service imbalances, which vary monthly; the amount shown in the first Projected column reflects the forecast value to settle the total imbalance at the end of the recorded period.
- (d) Adjustment to the forecast recoveries to account for any under / (over) accrued Sales at the end of the recorded period.
- (e) Sales UAF costs are recovered via gas cost recovery rates; T-Service UAF costs are recovered via delivery revenues.

Slight differences in totals due to rounding.

**FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA**  
**GCRA MONTHLY BALANCES AND ACTIVITIES AT EXISTING COST OF GAS RATE AND PROPOSED STORAGE AND TRANSPORT CHARGES**  
**FORECAST PERIOD FROM JAN 2019 TO DEC 2019**  
**FIVE-DAY AVERAGE FORWARD PRICES - NOV 6, 7, 8, 9, AND 13, 2018**

Tab 2  
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| Line No. | Particulars   | Forecast Jan-19     | Forecast Feb-19     | Forecast Mar-19     | Forecast Apr-19     | Forecast May-19     | Forecast Jun-19     | Forecast Jul-19     | Forecast Aug-19     | Forecast Sep-19     | Forecast Oct-19     | Forecast Nov-19     | Forecast Dec-19     | Jan-19 to Dec-19    |
|----------|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|          | (1)   | (2)                 | (3)                 | (4)                 | (5)                 | (6)                 | (7)                 | (8)                 | (9)                 | (10)                | (11)                | (12)                | (13)                | (14)                |
| 1        | <b>GCRA Balance - Beginning (Pre-tax)<sup>(a)</sup></b>             | \$ (184,215)        | \$ (168,618)        | \$ (152,705)        | \$ (154,484)        | \$ (177,779)        | \$ (187,438)        | \$ (192,525)        | \$ (195,063)        | \$ (198,556)        | \$ (204,164)        | \$ (212,528)        | \$ (208,266)        | <b>\$ (184,215)</b> |
| 2        |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 3        |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 4        | Gas Costs Incurred  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 5        | Commodity Purchases <sup>(b)</sup>                                  | GJ 81,980           | 68,786              | 62,269              | 33,912              | 17,102              | 9,126               | 6,211               | 8,263               | 14,479              | 34,282              | 61,707              | 78,132              | 476,248             |
| 6        | Average Unit Cost of Gas Purchased                                  | \$/GJ 1.739         | 1.776               | 1.513               | 0.828               | 0.897               | 0.822               | 0.882               | 0.939               | 1.063               | 1.275               | 1.611               | 1.853               | 1.561               |
| 7        | (Line 8 / Line 5)   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 8        | Total Purchase Costs  | \$ 142,554          | \$ 122,191          | \$ 94,193           | \$ 28,069           | \$ 15,338           | \$ 7,498            | \$ 5,481            | \$ 7,759            | \$ 15,390           | \$ 43,709           | \$ 99,383           | \$ 144,796          | \$ 726,361          |
| 9        | Imbalance Gas <sup>(c)</sup>  | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| 10       | Company Use Gas Recovered from O&M                                  | (548)               | (600)               | (424)               | (157)               | (187)               | (48)                | (49)                | (32)                | (57)                | (51)                | (504)               | (676)               | (3,333)             |
| 11       | Total Commodity Related Costs                                       | \$ 142,007          | \$ 121,591          | \$ 93,769           | \$ 27,911           | \$ 15,152           | \$ 7,451            | \$ 5,432            | \$ 7,727            | \$ 15,332           | \$ 43,658           | \$ 98,879           | \$ 144,119          | \$ 723,029          |
| 12       | Transportation Costs <sup>(d)</sup>                                 | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 20,193              |
| 13       | <b>Total Gas Costs Incurred</b>                                     | <b>\$ 143,689</b>   | <b>\$ 123,274</b>   | <b>\$ 95,452</b>    | <b>\$ 29,594</b>    | <b>\$ 16,835</b>    | <b>\$ 9,133</b>     | <b>\$ 7,115</b>     | <b>\$ 9,410</b>     | <b>\$ 17,015</b>    | <b>\$ 45,341</b>    | <b>\$ 100,561</b>   | <b>\$ 145,802</b>   | <b>\$ 743,222</b>   |
| 14       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 15       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 16       | Gas Costs Recoveries  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 17       | Sales Rate Classes Recovered  | GJ 80,160           | 67,181              | 60,840              | 33,124              | 16,610              | 8,917               | 6,053               | 8,091               | 14,183              | 33,645              | 60,250              | 76,326              | 465,381             |
| 18       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 19       | Recovery @ <b>Approved</b> Cost of Gas Recovery Rate <sup>(d)</sup> | \$ (124,408)        | \$ (104,265)        | \$ (94,424)         | \$ (51,409)         | \$ (25,779)         | \$ (13,838)         | \$ (9,394)          | \$ (12,557)         | \$ (22,012)         | \$ (52,217)         | \$ (93,508)         | \$ (118,458)        | \$ (722,272)        |
| 20       | Recovery @ <b>Proposed</b> Storage & Transport Rates <sup>(d)</sup> | (3,456)             | (2,895)             | (2,623)             | (1,425)             | (712)               | (382)               | (259)               | (345)               | (610)               | (1,449)             | (2,599)             | (3,295)             | (20,049)            |
| 21       | T-Service Balancing Gas   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| 22       | T-Service UAF Recovered <sup>(e)</sup>                              | (229)               | (200)               | (183)               | (55)                | (3)                 | (0)                 | (0)                 | (0)                 | (1)                 | (39)                | (192)               | (230)               | (1,133)             |
| 23       | <b>Total Gas Cost Recoveries</b>                                    | <b>\$ (128,093)</b> | <b>\$ (107,361)</b> | <b>\$ (97,230)</b>  | <b>\$ (52,889)</b>  | <b>\$ (26,493)</b>  | <b>\$ (14,221)</b>  | <b>\$ (9,654)</b>   | <b>\$ (12,903)</b>  | <b>\$ (22,623)</b>  | <b>\$ (53,705)</b>  | <b>\$ (96,299)</b>  | <b>\$ (121,984)</b> | <b>\$ (743,454)</b> |
| 24       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 25       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 26       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 27       | <b>GCRA Balance - Ending (Pre-tax)</b>                              | <b>\$ (168,618)</b> | <b>\$ (152,705)</b> | <b>\$ (154,484)</b> | <b>\$ (177,779)</b> | <b>\$ (187,438)</b> | <b>\$ (192,525)</b> | <b>\$ (195,063)</b> | <b>\$ (198,556)</b> | <b>\$ (204,164)</b> | <b>\$ (212,528)</b> | <b>\$ (208,266)</b> | <b>\$ (184,447)</b> | <b>\$ (184,447)</b> |
| 28       | (Line 1 + Line 13 + Line 23)  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 29       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 30       | Tax Rate  | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               |
| 31       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 32       | <b>GCRA Balance - Ending (After-tax)</b>                            | <b>\$ (123,091)</b> | <b>\$ (111,475)</b> | <b>\$ (112,773)</b> | <b>\$ (129,779)</b> | <b>\$ (136,830)</b> | <b>\$ (140,543)</b> | <b>\$ (142,396)</b> | <b>\$ (144,946)</b> | <b>\$ (149,040)</b> | <b>\$ (155,145)</b> | <b>\$ (152,034)</b> | <b>\$ (134,647)</b> | <b>\$ (134,647)</b> |

Notes:

- (a) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts.
- (b) Commodity Purchases include Company Use Gas quantities, as well as Sales & T-Service UAF requirements.
- (c) Imbalance Gas comprises the Westcoast Energy and T-Service imbalances, which vary monthly; the amount shown in the first Projected column reflects the forecast value to settle the total imbalance at the end of the recorded period.
- (d) BCUC Order and Decision G-135-18 of the 2016 FEI Rate Design Application for Fort Nelson Service Area approved to unbundle Fort Nelson rates into Cost of Gas, Storage and Transport Charges.
- (e) Sales UAF costs are recovered via gas cost recovery rates; T-Service UAF costs are recovered via delivery revenues.

Slight differences in totals due to rounding.

**FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA**  
**GCRA MONTHLY BALANCES AND ACTIVITIES AT EXISTING COST OF GAS RATE AND PROPOSED STORAGE AND TRANSPORT CHARGES**  
**FORECAST PERIOD FROM JAN 2020 TO DEC 2020**  
**FIVE-DAY AVERAGE FORWARD PRICES - NOV 6, 7, 8, 9, AND 13, 2018**

Tab 2  
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| Line No. | Particulars   | Forecast Jan-20     | Forecast Feb-20     | Forecast Mar-20     | Forecast Apr-20     | Forecast May-20     | Forecast Jun-20     | Forecast Jul-20     | Forecast Aug-20     | Forecast Sep-20     | Forecast Oct-20     | Forecast Nov-20     | Forecast Dec-20     | Jan-20 to Dec-20    |
|----------|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|          | (1)   | (2)                 | (3)                 | (4)                 | (5)                 | (6)                 | (7)                 | (8)                 | (9)                 | (10)                | (11)                | (12)                | (13)                | (14)                |
| 1        | <b>GCRA Balance - Beginning (Pre-tax)<sup>(a)</sup></b>             | \$ (184,447)        | \$ (147,314)        | \$ (121,836)        | \$ (115,782)        | \$ (129,927)        | \$ (136,637)        | \$ (138,966)        | \$ (139,649)        | \$ (141,030)        | \$ (144,693)        | \$ (154,912)        | \$ (147,483)        | <b>\$ (184,447)</b> |
| 2        |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 3        |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 4        | Gas Costs Incurred  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 5        | Commodity Purchases <sup>(b)</sup>                                  | GJ 77,360           | 65,032              | 59,212              | 32,174              | 16,231              | 8,657               | 5,890               | 7,815               | 13,721              | 32,422              | 58,517              | 73,922              | 450,953             |
| 6        | Average Unit Cost of Gas Purchased                                  | \$/GJ 2.029         | 1.936               | 1.643               | 1.074               | 1.044               | 1.102               | 1.163               | 1.174               | 1.177               | 1.201               | 1.667               | 1.817               | 1.687               |
| 7        | (Line 8 / Line 5)   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 8        | Total Purchase Costs  | \$ 156,943          | \$ 125,928          | \$ 97,270           | \$ 34,542           | \$ 16,953           | \$ 9,536            | \$ 6,849            | \$ 9,178            | \$ 16,153           | \$ 38,938           | \$ 97,567           | \$ 134,282          | \$ 744,141          |
| 9        | Imbalance Gas <sup>(c)</sup>  | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| 10       | Company Use Gas Recovered from O&M                                  | (639)               | (655)               | (460)               | (204)               | (217)               | (64)                | (64)                | (40)                | (64)                | (48)                | (522)               | (663)               | (3,639)             |
| 11       | Total Commodity Related Costs                                       | \$ 156,304          | \$ 125,274          | \$ 96,810           | \$ 34,338           | \$ 16,736           | \$ 9,473            | \$ 6,785            | \$ 9,138            | \$ 16,089           | \$ 38,890           | \$ 97,045           | \$ 133,619          | \$ 740,502          |
| 12       | Transportation Costs <sup>(d)</sup>                                 | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 1,683               | 20,193              |
| 13       | <b>Total Gas Costs Incurred</b>                                     | <b>\$ 157,987</b>   | <b>\$ 126,957</b>   | <b>\$ 98,493</b>    | <b>\$ 36,021</b>    | <b>\$ 18,419</b>    | <b>\$ 11,155</b>    | <b>\$ 8,468</b>     | <b>\$ 10,821</b>    | <b>\$ 17,772</b>    | <b>\$ 40,572</b>    | <b>\$ 98,728</b>    | <b>\$ 135,301</b>   | <b>\$ 760,694</b>   |
| 14       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 15       | Gas Costs Recoveries  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 17       | Sales Rate Classes Recovered  | GJ 75,617           | 63,490              | 57,835              | 31,416              | 15,754              | 8,455               | 5,737               | 7,651               | 13,438              | 31,817              | 57,113              | 72,187              | 440,509             |
| 18       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 19       | Recovery @ <b>Approved</b> Cost of Gas Recovery Rate <sup>(d)</sup> | \$ (117,358)        | \$ (98,536)         | \$ (89,759)         | \$ (48,758)         | \$ (24,450)         | \$ (13,122)         | \$ (8,904)          | \$ (11,875)         | \$ (20,855)         | \$ (49,380)         | \$ (88,640)         | \$ (112,034)        | \$ (683,670)        |
| 20       | Recovery @ <b>Proposed</b> Storage & Transport Rates <sup>(d)</sup> | (3,267)             | (2,742)             | (2,497)             | (1,354)             | (676)               | (363)               | (246)               | (327)               | (578)               | (1,372)             | (2,467)             | (3,120)             | (19,010)            |
| 21       | T-Service Balancing Gas   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| 22       | T-Service UAF Recovered <sup>(e)</sup>                              | (229)               | (200)               | (183)               | (55)                | (3)                 | (0)                 | (0)                 | (0)                 | (1)                 | (39)                | (192)               | (230)               | (1,133)             |
| 23       | <b>Total Gas Cost Recoveries</b>                                    | <b>\$ (120,854)</b> | <b>\$ (101,479)</b> | <b>\$ (92,439)</b>  | <b>\$ (50,166)</b>  | <b>\$ (25,129)</b>  | <b>\$ (13,485)</b>  | <b>\$ (9,150)</b>   | <b>\$ (12,202)</b>  | <b>\$ (21,435)</b>  | <b>\$ (50,791)</b>  | <b>\$ (91,299)</b>  | <b>\$ (115,384)</b> | <b>\$ (703,813)</b> |
| 24       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 25       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 26       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 27       | <b>GCRA Balance - Ending (Pre-tax)</b>                              | <b>\$ (147,314)</b> | <b>\$ (121,836)</b> | <b>\$ (115,782)</b> | <b>\$ (129,927)</b> | <b>\$ (136,637)</b> | <b>\$ (138,966)</b> | <b>\$ (139,649)</b> | <b>\$ (141,030)</b> | <b>\$ (144,693)</b> | <b>\$ (154,912)</b> | <b>\$ (147,483)</b> | <b>\$ (127,566)</b> | <b>\$ (127,566)</b> |
| 28       | (Line 1 + Line 13 + Line 23)  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 29       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 30       | Tax Rate  | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               | 27.0%               |
| 31       |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 32       | <b>GCRA Balance - Ending (After-tax)</b>                            | <b>\$ (107,539)</b> | <b>\$ (88,940)</b>  | <b>\$ (84,521)</b>  | <b>\$ (94,847)</b>  | <b>\$ (99,745)</b>  | <b>\$ (101,446)</b> | <b>\$ (101,944)</b> | <b>\$ (102,952)</b> | <b>\$ (105,626)</b> | <b>\$ (113,086)</b> | <b>\$ (107,663)</b> | <b>\$ (93,123)</b>  | <b>\$ (93,123)</b>  |

Notes:

- (a) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts.
- (b) Commodity Purchases include Company Use Gas quantities, as well as Sales & T-Service UAF requirements.
- (c) Imbalance Gas comprises the Westcoast Energy and T-Service imbalances, which vary monthly; the amount shown in the first Projected column reflects the forecast value to settle the total imbalance at the end of the recorded period.
- (d) BCUC Order and Decision G-135-18 of the 2016 FEI Rate Design Application for Fort Nelson Service Area approved to unbundle Fort Nelson rates into Cost of Gas, Storage and Transport Charges.
- (e) Sales UAF costs are recovered via gas cost recovery rates; T-Service UAF costs are recovered via delivery revenues.

Slight differences in totals due to rounding.

**FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA**  
**GCRA AFTER-TAX BALANCES AT PROPOSED STORAGE AND TRANSPORT RATES**  
**FOR FORECAST PERIOD ENDING DEC 2020**  
**FIVE-DAY AVERAGE FORWARD PRICES - NOV 6, 7, 8, 9, AND 13, 2018**  
**(\$000)**

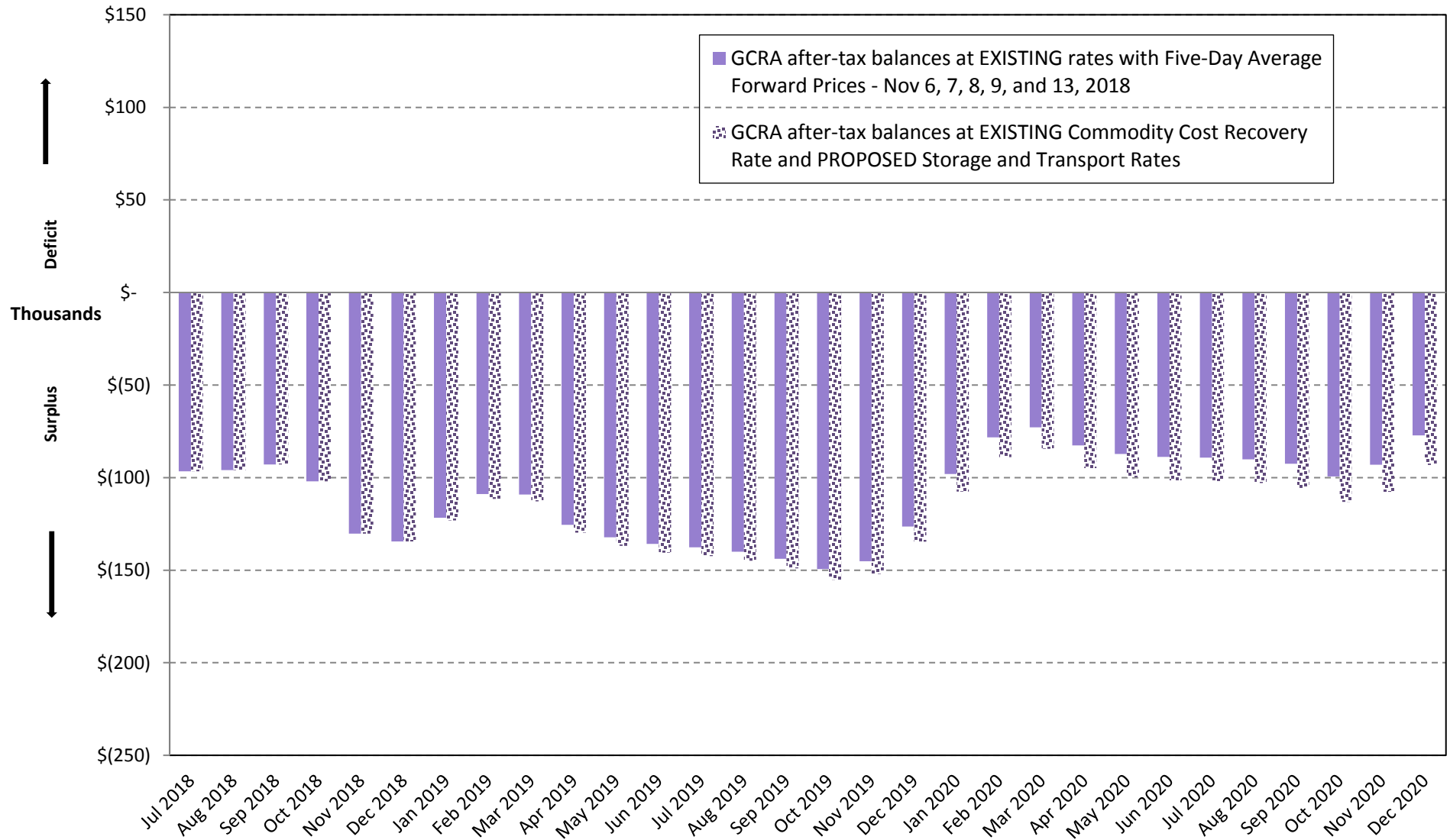
Tab 2  
Page 4

| Line No | Particulars |           | 2018 Q4 Gas Cost Report<br>Jan 1, 2019 Proposed Rates |            | 2018 Q4 Gas Cost Report<br>Existing Rates |            |
|---------|-------------|-----------|---|------------|---|------------|
|         |             | (1)       |   | (2)        |   | (3)        |
| 1       | <b>2018</b> | July      |   | \$ (96.6)  |   | \$ (96.6)  |
| 2       |             | August    |   | \$ (95.9)  |   | \$ (95.9)  |
| 3       |             | September |   | \$ (92.9)  |   | \$ (92.9)  |
| 4       |             | October   | <b>Recorded</b>                                       | \$ (102.0) | <b>Recorded</b>                           | \$ (102.0) |
| 5       |             | November  | <b>Forecast</b>                                       | \$ (130.3) | <b>Forecast</b>                           | \$ (130.3) |
| 6       |             | December  |   | \$ (134.5) |   | \$ (134.5) |
| 7       | <b>2019</b> | January   |   | \$ (123.1) |   | \$ (121.7) |
| 8       |             | February  |   | \$ (111.5) |   | \$ (108.9) |
| 9       |             | March     |   | \$ (112.8) |   | \$ (109.1) |
| 10      |             | April     |   | \$ (129.8) |   | \$ (125.5) |
| 11      |             | May       |   | \$ (136.8) |   | \$ (132.3) |
| 12      |             | June      |   | \$ (140.5) |   | \$ (135.9) |
| 13      |             | July      |   | \$ (142.4) |   | \$ (137.6) |
| 14      |             | August    |   | \$ (144.9) |   | \$ (140.0) |
| 15      |             | September |   | \$ (149.0) |   | \$ (143.9) |
| 16      |             | October   |   | \$ (155.1) |   | \$ (149.4) |
| 17      |             | November  |   | \$ (152.0) |   | \$ (145.2) |
| 18      |             | December  |   | \$ (134.6) |   | \$ (126.5) |
| 19      | <b>2020</b> | January   |   | \$ (107.5) |   | \$ (98.0)  |
| 20      |             | February  |   | \$ (88.9)  |   | \$ (78.3)  |
| 21      |             | March     |   | \$ (84.5)  |   | \$ (72.9)  |
| 22      |             | April     |   | \$ (94.8)  |   | \$ (82.6)  |
| 23      |             | May       |   | \$ (99.7)  |   | \$ (87.3)  |
| 24      |             | June      |   | \$ (101.4) |   | \$ (88.8)  |
| 25      |             | July      |   | \$ (101.9) |   | \$ (89.2)  |
| 26      |             | August    |   | \$ (103.0) |   | \$ (90.1)  |
| 27      |             | September |   | \$ (105.6) |   | \$ (92.5)  |
| 28      |             | October   |   | \$ (113.1) |   | \$ (99.4)  |
| 29      |             | November  |   | \$ (107.7) |   | \$ (93.0)  |
| 30      |             | December  |   | \$ (93.1)  |   | \$ (77.2)  |



FortisBC Energy Inc. - Fort Nelson Service Areas  
 GCRA After-Tax Monthly Balances  
 Recorded to October 2018 and Forecast to December 2020

Tab 2  
 Page 5



FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA  
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY  
PROPOSED JANUARY 1, 2019 RATES  
BCUC ORDERS G-135-18, G-171-18 G-XX-18

TAB 4  
PAGE 1  
SCHEDULE 1

| RATE SCHEDULE 1:<br>RESIDENTIAL SERVICE |  | ENDORSED JANUARY 1, 2019 TARIFF RATES <sup>1</sup> | DELIVERY MARGIN AND COMMODITY<br>RELATED CHARGES CHANGES | PROPOSED JANUARY 1, 2019 RATES <sup>2</sup> |
|---|--|--|--|---|
| Line<br>No.                             | Particulars  | Fort Nelson  | Fort Nelson  | Fort Nelson                                 |
|   | (1)  | (2)  | (3)  | (4)   |
| 1                                       | <u>Delivery Margin Related Charges</u>                 |  |  |   |
| 2                                       | <b>Basic Charge per Day</b>                            | <b>\$0.3701</b>                                    | <b>\$0.0000</b>  | <b>\$0.3701</b>                             |
| 3                                       |  |  |  |   |
| 4                                       | Delivery Charge per GJ                                 | \$3.712  | \$0.000  | \$3.712                                     |
| 5                                       | Rider 5 RSAM per GJ                                    | \$0.199  | \$0.000  | \$0.199                                     |
| 6                                       | <b>Subtotal Delivery Margin Related Charges per GJ</b> | <b>\$3.911</b>                                     | <b>\$0.000</b>   | <b>\$3.911</b>                              |
| 7                                       |  |  |  |   |
| 8                                       |  |  |  |   |
| 9                                       | <u>Commodity Related Charges</u>                       |  |  |   |
| 10                                      | Storage and Transport Charge per GJ                    | \$0.019  | \$0.025  | \$0.044                                     |
| 11                                      | Cost of Gas (Commodity Cost Recovery Charge) per GJ    | \$1.552  | \$0.000  | \$1.552                                     |
| 12                                      | <b>Subtotal of Commodity Related Charges per GJ</b>    | <b>\$1.571</b>                                     | <b>\$0.025</b>   | <b>\$1.596</b>                              |

<sup>1</sup> Pursuant to BCUC endorsed tariff pages effective January 1, 2019 in accordance with BCUC Order and Decision G-135-18 of the 2016 FEI Rate Design Application (RDA) for Fort Nelson and BCUC Order G-171-18 of the FEI 2019-2020 RRA for Fort Nelson.

<sup>2</sup> Delivery rates and delivery rate rider 5 are approved interim pursuant to BCUC Order G-171-18 of the FEI 2019-2020 RRA for Fort Nelson.

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA  
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY  
PROPOSED JANUARY 1, 2019 RATES  
BCUC ORDERS G-135-18, G-171-18 G-XX-18

TAB 4  
PAGE 2  
SCHEDULE 2

| RATE SCHEDULE 2:<br>SMALL COMMERCIAL SERVICE |  | ENDORSED JANUARY 1, 2019 TARIFF RATES <sup>1</sup> | DELIVERY MARGIN AND COMMODITY<br>RELATED CHARGES CHANGES | PROPOSED JANUARY 1, 2019 RATES <sup>2</sup> |
|--|--|--|--|---|
| Line<br>No.                                  | Particulars  | Fort Nelson  | Fort Nelson  | Fort Nelson                                 |
|  | (1)  | (2)  | (3)  | (4)   |
| 1  | <u>Delivery Margin Related Charges</u>                 |  |  |   |
| 2  | <b>Basic Charge per Day</b>                            | <b>\$1.2151</b>                                    | <b>\$0.0000</b>  | <b>\$1.2151</b>                             |
| 3  |  |  |  |   |
| 4  | Delivery Charge per GJ                                 | \$3.996  | \$0.000  | \$3.996                                     |
| 5  | Rider 5 RSAM per GJ                                    | \$0.199  | \$0.000  | \$0.199                                     |
| 6  | <b>Subtotal Delivery Margin Related Charges per GJ</b> | <b>\$4.195</b>                                     | <b>\$0.000</b>   | <b>\$4.195</b>                              |
| 7  |  |  |  |   |
| 8  |  |  |  |   |
| 9  | <u>Commodity Related Charges</u>                       |  |  |   |
| 10   | Storage and Transport Charge per GJ                    | \$0.019  | \$0.025  | \$0.044                                     |
| 11   | Cost of Gas (Commodity Cost Recovery Charge) per GJ    | \$1.552  | \$0.000  | \$1.552                                     |
| 12   | <b>Subtotal of Commodity Related Charges per GJ</b>    | <b>\$1.571</b>                                     | <b>\$0.025</b>   | <b>\$1.596</b>                              |

<sup>1</sup> Pursuant to BCUC endorsed tariff pages effective January 1, 2019 in accordance with BCUC Order and Decision G-135-18 of the 2016 FEI Rate Design Application (RDA) for Fort Nelson and BCUC Order G-171-18 of the FEI 2019-2020 RRA for Fort Nelson.

<sup>2</sup> Delivery rates and delivery rate rider 5 are approved interim pursuant to BCUC Order G-171-18 of the FEI 2019-2020 RRA for Fort Nelson.

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA  
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY  
PROPOSED JANUARY 1, 2019 RATES  
BCUC ORDERS G-135-18, G-171-18 G-XX-18

TAB 4  
PAGE 3  
SCHEDULE 3

| RATE SCHEDULE 3:<br>LARGE COMMERCIAL SERVICE |  | ENDORSED JANUARY 1, 2019 TARIFF RATES <sup>1</sup> | DELIVERY MARGIN AND COMMODITY<br>RELATED CHARGES CHANGES | PROPOSED JANUARY 1, 2019 RATES <sup>2</sup> |
|--|--|--|--|---|
| Line<br>No.                                  | Particulars  | Fort Nelson  | Fort Nelson  | Fort Nelson                                 |
|  | (1)  | (2)  | (3)  | (4)   |
| 1  | <u>Delivery Margin Related Charges</u>                 |  |  |   |
| 2  | <b>Basic Charge per Day</b>                            | <b>\$3.6845</b>                                    | <b>\$0.0000</b>  | <b>\$3.6845</b>                             |
| 3  |  |  |  |   |
| 4  | Delivery Charge per GJ                                 | \$3.492  | \$0.000  | \$3.492                                     |
| 5  | Rider 5 RSAM per GJ                                    | \$0.199  | \$0.000  | \$0.199                                     |
| 6  | <b>Subtotal Delivery Margin Related Charges per GJ</b> | <b>\$3.691</b>                                     | <b>\$0.000</b>   | <b>\$3.691</b>                              |
| 7  |  |  |  |   |
| 8  |  |  |  |   |
| 9  | <u>Commodity Related Charges</u>                       |  |  |   |
| 10   | Storage and Transport Charge per GJ                    | \$0.019  | \$0.018  | \$0.037                                     |
| 11   | Cost of Gas (Commodity Cost Recovery Charge) per GJ    | \$1.552  | \$0.000  | \$1.552                                     |
| 12   | <b>Subtotal of Commodity Related Charges per GJ</b>    | <b>\$1.571</b>                                     | <b>\$0.018</b>   | <b>\$1.589</b>                              |

<sup>1</sup> Pursuant to BCUC endorsed tariff pages effective January 1, 2019 in accordance with BCUC Order and Decision G-135-18 of the 2016 FEI Rate Design Application (RDA) for Fort Nelson and BCUC Order G-171-18 of the FEI 2019-2020 RRA for Fort Nelson.

<sup>2</sup> Delivery rates and delivery rate rider 5 are approved interim pursuant to BCUC Order G-171-18 of the FEI 2019-2020 RRA for Fort Nelson.

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA  
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY  
PROPOSED JANUARY 1, 2019 RATES  
BCUC ORDERS G-135-18, G-171-18 G-XX-18

TAB 4  
PAGE 4  
SCHEDULE 5

| RATE SCHEDULE 5<br>GENERAL FIRM SERVICE |  | ENDORSED JANUARY 1, 2019 TARIFF RATES <sup>1</sup> | DELIVERY MARGIN AND COMMODITY<br>RELATED CHARGES CHANGES | PROPOSED JANUARY 1, 2019 RATES <sup>2</sup> |
|---|--|--|--|---|
| Line No.                                | Particulars  | Fort Nelson  | Fort Nelson  | Fort Nelson                                 |
|   | (1)  | (2)  | (3)  | (4)   |
| 1                                       | <u>Delivery Margin Related Charges</u>                 |  |  |   |
| 2                                       | <b>Basic Charge per Month</b>                          | \$600.00   | \$0.00   | \$600.00                                    |
| 3                                       |  |  |  |   |
| 4                                       | <b>Demand Charge per Month per GJ</b>                  | \$31.785   | \$0.000  | \$31.785                                    |
| 5                                       |  |  |  |   |
| 6                                       | <b>Delivery Charge per GJ</b>                          | \$1.053  | \$0.000  | \$1.053                                     |
| 7                                       | Rider 5 RSAM per GJ                                    | \$0.199  | \$0.000  | \$0.199                                     |
| 8                                       | Subtotal <b>Delivery Margin Related Charges per GJ</b> | <b>\$1.252</b>                                     | <b>\$0.000</b>   | <b>\$1.252</b>                              |
| 9                                       | <u>Commodity Related Charges</u>                       |  |  |   |
| 10                                      | Cost of Gas (Commodity Cost Recovery Charge) per GJ    | \$1.552  | \$0.000  | \$1.552                                     |
| 11                                      | Storage and Transport Charge per GJ                    | \$0.019  | \$0.012  | \$0.031                                     |
| 12                                      | Subtotal <b>of Commodity Related Charges per GJ</b>    | <b>\$1.571</b>                                     | <b>\$0.012</b>   | <b>\$1.583</b>                              |
| 13                                      |  |  |  |   |
| 14                                      |  |  |  |   |
| 15                                      |  |  |  |   |
| 16                                      |  |  |  |   |
| 17                                      | <b>Total Variable Cost per gigajoule</b>               | <b>\$2.823</b>                                     | <b>\$0.012</b>   | <b>\$2.835</b>                              |

<sup>1</sup> Pursuant to BCUC endorsed tariff pages effective January 1, 2019 in accordance with BCUC Order and Decision G-135-18 of the 2016 FEI Rate Design Application (RDA) for Fort Nelson and BCUC Order G-171-18 of the FEI 2019-2020 RRA for Fort Nelson.

<sup>2</sup> Delivery rates and delivery rate rider 5 are approved interim pursuant to BCUC Order G-171-18 of the FEI 2019-2020 RRA for Fort Nelson.

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA  
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY  
PROPOSED JANUARY 1, 2019 RATES  
BCUC ORDERS G-135-18, G-171-18 G-XX-18

TAB 4  
PAGE 5  
SCHEDULE 6

| RATE SCHEDULE 6:<br>NATURAL GAS VEHICLE SERVICE |   | ENDORSED JANUARY 1, 2019 TARIFF RATES <sup>1</sup> | DELIVERY MARGIN AND COMMODITY<br>RELATED CHARGES CHANGES | PROPOSED JANUARY 1, 2019 RATES <sup>2</sup> |
|---|---|--|--|---|
| Line<br>No.                                     | Particulars   | Fort Nelson  | Fort Nelson  | Fort Nelson                                 |
|   | (1)   | (2)  | (3)  | (4)   |
| 1   | <u>Delivery Margin Related Charges</u>              |  |  |   |
| 2   | <b>Basic Charge per Day</b>                         | \$2.0041   | \$0.0000   | \$2.0041                                    |
| 3   |   |  |  |   |
| 4   | <b>Delivery Charge per GJ</b>                       | \$2.899  | \$0.000  | \$2.899                                     |
| 5   |   |  |  |   |
| 6   |   |  |  |   |
| 7   | <u>Commodity Related Charges</u>                    |  |  |   |
| 8   | Cost of Gas (Commodity Cost Recovery Charge) per GJ | \$1.552  | \$0.000  | \$1.552                                     |
| 9   | Storage and Transport Charge per GJ                 | \$0.019  | (\$0.005 )   | \$0.014                                     |
| 10  | <b>Subtotal of Commodity Related Charges per GJ</b> | <b>\$1.571</b>                                     | <b>(\$0.005 )</b>  | <b>\$1.566</b>                              |
| 11  |   |  |  |   |
| 12  |   |  |  |   |
| 13  |   |  |  |   |
| 14  |   |  |  |   |
| 15  | <b>Total Variable Cost per gigajoule</b>            | <b>\$4.470</b>                                     | <b>(\$0.005)</b>   | <b>\$4.465</b>                              |

<sup>1</sup> Pursuant to BCUC endorsed tariff pages effective January 1, 2019 in accordance with BCUC Order and Decision G-135-18 of the 2016 FEI Rate Design Application (RDA) for Fort Nelson and BCUC Order G-171-18 of the FEI 2019-2020 RRA for Fort Nelson.

<sup>2</sup> Delivery rates and delivery rate rider 5 are approved interim pursuant to BCUC Order G-171-18 of the FEI 2019-2020 RRA for Fort Nelson.

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA  
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY  
PROPOSED JANUARY 1, 2019 RATES  
BCUC ORDER G-135-18, G-171-18

TAB 4  
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SCHEDULE 25

| RATE SCHEDULE 25<br>GENERAL FIRM TRANSPORTATION SERVICE |  | ENDORSED JANUARY 1, 2019 TARIFF RATES <sup>1</sup> | DELIVERY MARGIN AND COMMODITY<br>RELATED CHARGES CHANGES | PROPOSED JANUARY 1, 2019 RATES <sup>2</sup> |
|---|--|--|--|---|
| Line No.  | Particulars  | Fort Nelson  | Fort Nelson  | Fort Nelson                                 |
|   | (1)  | (2)  | (3)  | (4)   |
| 1   | <u>Delivery Margin Related Charges</u>                           |  |  |   |
| 2   | <b>Basic Charge per Month</b>                                    | \$600.00   | \$0.00   | \$600.00                                    |
| 3   |  |  |  |   |
| 4   | <b>Demand Charge per Month per GJ</b>                            | \$31.785   | \$0.000  | \$31.785                                    |
| 5   |  |  |  |   |
| 6   | <b>Delivery Charge per GJ</b>                                    | \$1.053  | \$0.000  | \$1.053                                     |
| 7   |  |  |  |   |
| 8   | <b>Administration Charge per Month</b>                           | \$39.00  | \$0.00   | \$39.00                                     |
| 9   |  |  |  |   |
| 10  | <b>Rider 5 RSAM per GJ</b>                                       | \$0.199  | \$0.000  | \$0.199                                     |
| 10  |  |  |  |   |
| 11  | <u>Non-Standard Charges</u>                                      |  |  |   |
| 12  | <b>Unauthorized Overrun Gas Charges</b>                          |  |  |   |
| 13  | Per Gigajoule on first 5 percent of specified quantity           | Station 2 Daily Price                              | \$0.00   | Station 2 Daily Price                       |
| 14  |  | The greater of \$20.00/GJ or 1.5 x the             |  | The greater of \$20.00/GJ or 1.5 x the      |
| 15  | Per Gigajoule on all Gas over 5 percent of specified quantity    | Station 2 Daily Price                              | \$0.00   | Station 2 Daily Price                       |
| 16  |  |  |  |   |
| 17  | <b>Charge per Gigajoule of Balancing Service provided</b>        |  |  |   |
| 18  | Quantities of Gas less than 10% of the Rate Schedule 25          |  |  |   |
| 19  | Authorized Quantity  | No charge  | \$0.00   | No charge                                   |
| 20  |  |  |  |   |
| 21  | Quantities of Gas over the greater of 100 Gigajoules or equal    |  |  |   |
| 22  | to or in excess of 10% or less than 20% of the Rate Schedule     |  |  |   |
| 23  | 25 Authorized Quantity   | \$0.25   | \$0.00   | \$0.25                                      |
| 24  |  |  |  |   |
| 25  | Quantities of Gas over the greater of 100 Gigajoules or equal    |  |  |   |
| 26  | to or in excess of 20% of the Rate Schedule 25 Authorized        |  |  |   |
| 27  | Quantity   |  |  |   |
| 28  |  |  |  |   |
| 29  |  |  |  |   |
| 30  | <b>Charge per Gigajoule of Balancing and/or Backstopping Gas</b> | Station 2 Daily Price                              | \$0.00   | Station 2 Daily Price                       |
| 31  |  |  |  |   |
| 32  |  |  |  |   |
| 33  |  |  |  |   |
| 34  |  |  |  |   |
| 35  | <b>Total Variable Cost per gigajoule</b>                         | <u>\$1.252</u>                                     | <u>\$0.000</u>   | <u>\$1.252</u>                              |

<sup>1</sup> Pursuant to BCUC endorsed tariff pages effective January 1, 2019 in accordance with BCUC Order and Decision G-135-18 of the 2016 FEI Rate Design Application (RDA) for Fort Nelson and BCUC Order G-171-18 of the FEI 2019-2020 RRA for Fort Nelson.

<sup>2</sup> Delivery rates and delivery rate rider 5 are approved interim pursuant to BCUC Order G-171-18 of the FEI 2019-2020 RRA for Fort Nelson.

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA  
DELIVERY MARGIN AND COMMODITY RELATED CHARGES CHANGES  
BCUC ORDERS G-135-18, G-171-18 G-XX-18  
**RATE SCHEDULE 1 - RESIDENTIAL SERVICE**

TAB 5  
PAGE 1

| Line No. | Particular   | EXISTING RATES JANUARY 1, 2018 |        |                 | PROPOSED JANUARY 1, 2019 RATES <sup>1,2</sup> |          |      | Annual Increase/Decrease |   |
|----------|--|--------------------------------|--------|-----------------|---|----------|------|--------------------------|---|
|          |  | Quantity                       |        | Rate            | Annual \$                                     | Quantity | Rate | Annual \$                | Annual \$ % of Previous Total Annual Bill |
| 1        | <b>FORT NELSON SERVICE AREA</b>                          |                                |        |                 |   |          |      |                          |   |
| 2        |  |                                |        |                 |   |          |      |                          |   |
| 3        | <b><u>RATE 1 DOMESTIC SERVICE OPTION B</u></b>           |                                |        |                 |   |          |      |                          |   |
| 4        | <u>Monthly Charge</u>                                    |                                |        |                 |   |          |      |                          |   |
| 5        | Delivery Charge per Day                                  | 365.25                         | days x | \$0.4588        | = \$167.5767                                  |          |      |                          |   |
| 6        | Rider 5 - RSAM per Day                                   | 365.25                         | days x | \$0.0257        | = \$9.3869                                    |          |      |                          |   |
| 7        | Gas Cost Recovery Charge Prorated to Daily Basis         | 365.25                         | days x | \$0.1032        | = 37.6938                                     |          |      |                          |   |
| 8        | Minimum Monthly Charge (includes the first 2 gigajoules) |                                |        | <u>\$0.5877</u> | <u>\$214.66</u>                               |          |      |                          |   |
| 9        |  |                                |        |                 |   |          |      |                          |   |
| 10       | <u>Next 28 Gigajoules in any month</u>                   |                                |        |                 |   |          |      |                          |   |
| 11       | Delivery Charge per GJ                                   | 101                            | GJ x   | \$3.557         | = \$359.2570                                  |          |      |                          |   |
| 12       | Rider 5 - RSAM per GJ                                    | 101                            | GJ x   | 0.391           | = 39.4910                                     |          |      |                          |   |
| 13       | Gas Cost Recovery Charge per GJ                          | 101                            | GJ x   | 1.571           | = 158.6710                                    |          |      |                          |   |
| 14       | Total Charges per GJ                                     |                                |        | <u>\$5.519</u>  | <u>\$557.42</u>                               |          |      |                          |   |
| 15       |  |                                |        |                 |   |          |      |                          |   |
| 16       | <u>Excess of 30 Gigajoules in any month</u>              |                                |        |                 |   |          |      |                          |   |
| 17       | Delivery Charge per GJ                                   | 0                              | GJ x   | \$3.455         | = \$0.0000                                    |          |      |                          |   |
| 18       | Rider 5 - RSAM per GJ                                    | 0                              | GJ x   | 0.391           | = 0.0000                                      |          |      |                          |   |
| 19       | Gas Cost Recovery Charge per GJ                          | 0                              | GJ x   | 1.571           | = 0.0000                                      |          |      |                          |   |
| 20       | Total Charges per GJ                                     |                                |        | <u>\$5.417</u>  | <u>\$0.00</u>                                 |          |      |                          |   |
| 21       |  |                                |        |                 |   |          |      |                          |   |
| 22       | <b>Total</b>   | <u>125</u>                     | GJ x   |                 | <u>\$772.08</u>                               |          |      |                          |   |
| 23       |  |                                |        |                 |   |          |      |                          |   |
| 24       | <u>Summary of Annual Delivery and Commodity Charges</u>  |                                |        |                 |   |          |      |                          |   |
| 25       | <b>Subtotal of Delivery Charges (including RSAM)</b>     |                                |        |                 | <u>\$575.71</u>                               |          |      |                          |   |
| 26       | <b>Subtotal of Commodity Charges</b>                     |                                |        |                 | <u>\$196.36</u>                               |          |      |                          |   |
| 27       |  |                                |        |                 |   |          |      |                          |   |
| 28       |  |                                |        |                 |   |          |      |                          |   |
| 29       | <b><u>RATE SCHEDULE 1 - RESIDENTIAL SERVICE</u></b>      |                                |        |                 |   |          |      |                          |   |
| 30       | <u>Delivery Margin Related Charges</u>                   |                                |        |                 |   |          |      |                          |   |
| 31       | Basic Charge per Day                                     | 365.25                         | days x | \$0.3701        | = \$135.18                                    |          |      |                          |   |
| 32       |  |                                |        |                 |   |          |      |                          |   |
| 33       | Delivery Charge per GJ                                   | 125.0                          | GJ x   | \$3.712         | = 464.0000                                    |          |      |                          |   |
| 34       | Rider 5 RSAM per GJ                                      | 125.0                          | GJ x   | \$0.199         | = 24.8750                                     |          |      |                          |   |
| 35       | Subtotal Delivery Margin Related Charges                 |                                |        |                 | <u>\$624.06</u>                               |          |      | <u>\$48.35</u>           | <b>6.26%</b>                              |
| 36       |  |                                |        |                 |   |          |      |                          |   |
| 37       | <u>Commodity Related Charges</u>                         |                                |        |                 |   |          |      |                          |   |
| 38       | Storage and Transport Charge per GJ                      | 125.0                          | GJ x   | \$0.044         | = \$5.50                                      |          |      |                          |   |
| 39       |  |                                |        |                 |   |          |      |                          |   |
| 40       | Cost of Gas (Commodity Cost Recovery Charge) per GJ      | 125.0                          | GJ x   | \$1.552         | = \$194.00                                    |          |      |                          |   |
| 41       | Subtotal Commodity Related Charges                       |                                |        |                 | <u>\$199.50</u>                               |          |      | <u>\$3.14</u>            | <b>0.41%</b>                              |
| 42       |  |                                |        |                 |   |          |      |                          |   |
| 43       | <b>Total (with effective \$/GJ rate)</b>                 | <u>125.0</u>                   |        |                 | <u>\$6.588</u>                                |          |      | <u>\$823.56</u>          | <u>\$51.48</u> <b>6.67%</b>               |

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

<sup>1</sup> Pursuant to BCUC endorsed tariff pages effective January 1, 2019 in accordance with BCUC Order and Decision G-135-18 of the 2016 FEI Rate Design Application (RDA) for Fort Nelson.

<sup>2</sup> Delivery rates and delivery rate rider 5 are approved interim pursuant to BCUC Order G-171-18 of the FEI 2019-2020 RRA for Fort Nelson.



FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA  
DELIVERY MARGIN AND COMMODITY RELATED CHARGES CHANGES  
BCUC ORDERS G-135-18, G-171-18 G-XX-18  
**RATE SCHEDULE 2 -SMALL COMMERCIAL SERVICE**

TAB 5  
PAGE 2

| Line No. | Particular   | EXISTING RATES JANUARY 1, 2018 |        |            | PROPOSED JANUARY 1, 2019 RATES <sup>1,2</sup> |          |      | Annual Increase/Decrease |                                 |
|----------|--|--------------------------------|--------|------------|---|----------|------|--------------------------|---------------------------------|
|          |  | Quantity                       |        | Rate       | Annual \$                                     | Quantity | Rate | Annual \$                | % of Previous Total Annual Bill |
| 1        | <b>FORT NELSON SERVICE AREA</b>                          |                                |        |            |   |          |      |                          |                                 |
| 2        |  |                                |        |            |   |          |      |                          |                                 |
| 3        | <b><u>RATE 2.1 GENERAL SERVICE</u></b>                   |                                |        |            |   |          |      |                          |                                 |
| 4        | <u>Monthly Charge</u>                                    |                                |        |            |   |          |      |                          |                                 |
| 5        | Delivery Charge per Day                                  | 365.25                         | days x | \$1.3358 = | \$487.9010                                    |          |      |                          |                                 |
| 6        | Rider 5 - RSAM per Day                                   | 365.25                         | days x | \$0.0257 = | 9.3869  |          |      |                          |                                 |
| 7        | Gas Cost Recovery Charge Prorated to Daily Basis         | 365.25                         | days x | \$0.1032 = | 37.6938                                       |          |      |                          |                                 |
| 8        | Minimum Monthly Charge (includes the first 2 gigajoules) |                                |        | \$1.4647   | <b>\$534.98</b>                               |          |      |                          |                                 |
| 9        |  |                                |        |            |   |          |      |                          |                                 |
| 10       | <u>Next 298 Gigajoules in any month</u>                  |                                |        |            |   |          |      |                          |                                 |
| 11       | Delivery Charge per GJ                                   | 326                            | GJ x   | \$4.003 =  | \$1,304.9780                                  |          |      |                          |                                 |
| 12       | Rider 5 - RSAM per GJ                                    | 326                            | GJ x   | 0.391 =    | 127.4660                                      |          |      |                          |                                 |
| 13       | Gas Cost Recovery Charge per GJ                          | 326                            | GJ x   | 1.571 =    | 512.1460                                      |          |      |                          |                                 |
| 14       | Total Charges per GJ                                     |                                |        | \$5.965    | <b>\$1,944.59</b>                             |          |      |                          |                                 |
| 15       |  |                                |        |            |   |          |      |                          |                                 |
| 16       | <u>Excess of 300 Gigajoules in any month</u>             |                                |        |            |   |          |      |                          |                                 |
| 17       | Delivery Charge per GJ                                   | 0                              | GJ x   | \$3.879 =  | \$0.0000                                      |          |      |                          |                                 |
| 18       | Rider 5 - RSAM per GJ                                    | 0                              | GJ x   | 0.391 =    | 0.0000  |          |      |                          |                                 |
| 19       | Gas Cost Recovery Charge per GJ                          | 0                              | GJ x   | 1.571 =    | 0.0000  |          |      |                          |                                 |
| 20       | Total Charges per GJ                                     |                                |        | \$5.841    | <b>\$0.00</b>                                 |          |      |                          |                                 |
| 21       |  |                                |        |            |   |          |      |                          |                                 |
| 22       | <b>Total</b>   | 350                            | GJ x   |            | <b>\$2,479.57</b>                             |          |      |                          |                                 |
| 23       |  |                                |        |            |   |          |      |                          |                                 |
| 24       | <u>Summary of Annual Delivery and Commodity Charges</u>  |                                |        |            |   |          |      |                          |                                 |
| 25       | <b>Subtotal of Delivery Charges (including RSAM)</b>     |                                |        |            | <b>\$1,929.73</b>                             |          |      |                          |                                 |
| 26       | <b>Subtotal of Commodity Charges</b>                     |                                |        |            | <b>\$549.84</b>                               |          |      |                          |                                 |
| 27       |  |                                |        |            |   |          |      |                          |                                 |
| 28       |  |                                |        |            |   |          |      |                          |                                 |
| 29       | <b><u>RATE SCHEDULE 2 -SMALL COMMERCIAL SERVICE</u></b>  |                                |        |            |   |          |      |                          |                                 |
| 30       | <u>Delivery Margin Related Charges</u>                   |                                |        |            |   |          |      |                          |                                 |
| 31       | Basic Charge per Day                                     | 365.25                         | days x | \$1.2151 = | \$443.82                                      |          |      |                          |                                 |
| 32       |  |                                |        |            |   |          |      |                          |                                 |
| 33       | Delivery Charge per GJ                                   | 350.0                          | GJ x   | \$3.996 =  | 1,398.6000                                    |          |      |                          |                                 |
| 34       | Rider 5 RSAM per GJ                                      | 350.0                          | GJ x   | \$0.199 =  | 69.6500                                       |          |      |                          |                                 |
| 35       | Subtotal Delivery Margin Related Charges                 |                                |        |            | <b>\$1,912.07</b>                             |          |      | <b>(\$17.66 )</b>        | <b>-0.71%</b>                   |
| 36       |  |                                |        |            |   |          |      |                          |                                 |
| 37       | <u>Commodity Related Charges</u>                         |                                |        |            |   |          |      |                          |                                 |
| 38       | Storage and Transport Charge per GJ                      | 350.0                          | GJ x   | \$0.044 =  | \$15.40                                       |          |      |                          |                                 |
| 39       |  |                                |        |            |   |          |      |                          |                                 |
| 40       | Cost of Gas (Commodity Cost Recovery Charge) per GJ      | 350.0                          | GJ x   | \$1.552 =  | \$543.20                                      |          |      |                          |                                 |
| 41       | Subtotal Commodity Related Charges                       |                                |        |            | <b>\$558.60</b>                               |          |      | <b>\$8.76</b>            | <b>0.35%</b>                    |
| 42       |  |                                |        |            |   |          |      |                          |                                 |
| 43       | <b>Total (with effective \$/GJ rate)</b>                 | 350.0                          |        | \$7.059    | <b>\$2,470.67</b>                             |          |      | <b>(\$8.90 )</b>         | <b>-0.36%</b>                   |

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

<sup>1</sup> Pursuant to BCUC endorsed tariff pages effective January 1, 2019 in accordance with BCUC Order and Decision G-135-18 of the 2016 FEI Rate Design Application (RDA) for Fort Nelson.

<sup>2</sup> Delivery rates and delivery rate rider 5 are approved interim pursuant to BCUC Order G-171-18 of the FEI 2019-2020 RRA for Fort Nelson.

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA  
DELIVERY MARGIN AND COMMODITY RELATED CHARGES CHANGES  
BCUC ORDER G-135-18, G-171-18  
**RATE SCHEDULE 25 - GENERAL FIRM TRANSPORTATION SERVICE**

TAB 5  
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| Line No. | Particular   | EXISTING RATES JANUARY 1, 2018 |          |             | PROPOSED JANUARY 1, 2019 RATES <sup>1,2</sup> |                   |           | Annual Increase/Decrease |                                 |
|----------|--|--------------------------------|----------|-------------|---|-------------------|-----------|--------------------------|---------------------------------|
|          |  | Quantity                       | Rate     | Annual \$   | Quantity                                      | Rate              | Annual \$ | Annual \$                | % of Previous Total Annual Bill |
| 1        | <b>FORT NELSON SERVICE AREA</b>                                      |                                |          |             |   |                   |           |                          |                                 |
| 2        |  |                                |          |             |   |                   |           |                          |                                 |
| 3        | <b>RATE SCHEDULE 25 TRANSPORTATION SERVICE</b>                       |                                |          |             |   |                   |           |                          |                                 |
| 4        | <u>Transportation Delivery Charges</u>                               |                                |          |             |   |                   |           |                          |                                 |
| 5        |  |                                |          |             |   |                   |           |                          |                                 |
| 6        | Delivery Charge per Gigajoule  |                                |          |             |   |                   |           |                          |                                 |
| 7        | i) First 20 Gigajoules   | 240                            | GJ x     | \$4.522     |   |                   |           |                          |                                 |
| 8        | ii) Next 260 Gigajoules  | 3,120                          | GJ x     | \$4.201     |   |                   |           |                          |                                 |
| 9        | iii) Excess over 280 Gigajoules                                      | 38,140                         | GJ x     | \$3.450     |   |                   |           |                          |                                 |
| 10       | iv) Minimum Delivery Charge per month                                | 12                             | months x | \$1,826.000 |   |                   |           |                          |                                 |
| 11       |  |                                |          |             |   |                   |           |                          |                                 |
| 12       | Administration Charge per month                                      | 12                             | months x | \$202.00    |   |                   |           |                          |                                 |
| 13       |  |                                |          |             |   |                   |           |                          |                                 |
| 14       | Rider 5: RSAM per GJ   | 41,500                         | GJ x     | \$0.391     |   |                   |           |                          |                                 |
| 15       |  |                                |          |             |   |                   |           |                          |                                 |
| 16       | <b>Total Transportation Delivery &amp; Administration Charges</b>    | 41,500                         | GJ x     | \$3.962     |   |                   |           |                          |                                 |
| 17       |  |                                |          |             |   |                   |           |                          |                                 |
| 18       |  |                                |          |             |   |                   |           |                          |                                 |
| 19       | <b><u>RATE SCHEDULE 25 - GENERAL FIRM TRANSPORTATION SERVICE</u></b> |                                |          |             |   |                   |           |                          |                                 |
| 20       | <u>Delivery Margin Related Charges</u>                               |                                |          |             |   |                   |           |                          |                                 |
| 21       | Basic Charge per Month   |                                |          |             | 12  | months x \$600.00 | =         | <b>\$7,200.00</b>        |                                 |
| 22       |  |                                |          |             |   |                   |           |                          |                                 |
| 23       | Administration Charge per Month                                      |                                |          |             | 12  | months x \$39.00  | =         | <b>\$468.00</b>          |                                 |
| 24       |  |                                |          |             |   |                   |           |                          |                                 |
| 25       | Demand Charge per Month per GJ                                       |                                |          |             | 292.7   | GJ x \$31.785     | =         | <b>\$111,641.63</b>      |                                 |
| 26       |  |                                |          |             |   |                   |           |                          |                                 |
| 27       | Delivery Charge per GJ   |                                |          |             | 41,500.0                                      | GJ x \$1.053      | =         | \$43,699.5000            |                                 |
| 28       | Rider 5 RSAM per GJ  |                                |          |             | 41,500.0                                      | GJ x \$0.199      | =         | 8,258.5000               |                                 |
| 29       | Subtotal Delivery Margin Related Charges                             |                                |          |             |   |                   |           | <b>\$51,958.00</b>       |                                 |
| 30       |  |                                |          |             |   |                   |           |                          |                                 |
| 31       | Total (with effective \$/GJ rate)                                    |                                |          |             | 41,500.0                                      | \$4.127           |           | <b>\$171,267.63</b>      | <b>\$6,841.73</b> <b>4.16%</b>  |

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

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<sup>2</sup> Delivery rates and delivery rate rider 5 are approved interim pursuant to BCUC Order G-171-18 of the FEI 2019-2020 RRA for Fort Nelson.

FORTISBC ENERGY INC. - FORT NELSON SERVICE AREA  
 DELIVERY MARGIN AND COMMODITY RELATED CHARGES CHANGES  
 BCUC ORDERS G-135-18, G-171-18 G-XX-18  
**RATE SCHEDULE 3 - LARGE COMMERCIAL SERVICE**

TAB 5  
 PAGE 3

| Line No. | Particular   | EXISTING RATES JANUARY 1, 2018 |        |          | PROPOSED JANUARY 1, 2019 RATES <sup>1,2</sup> |          |         | Annual Increase/Decrease |                                 |
|----------|--|--------------------------------|--------|----------|---|----------|---------|--------------------------|---------------------------------|
|          |  | Quantity                       |        | Rate     | Annual \$                                     | Quantity | Rate    | Annual \$                | % of Previous Total Annual Bill |
| 1        | <b>FORT NELSON SERVICE AREA</b>                          |                                |        |          |   |          |         |                          |                                 |
| 2        |  |                                |        |          |   |          |         |                          |                                 |
| 3        | <b>RATE 2.2 GENERAL SERVICE</b>                          |                                |        |          |   |          |         |                          |                                 |
| 4        | <u>Monthly Charge</u>                                    |                                |        |          |   |          |         |                          |                                 |
| 5        | Delivery Charge per Day                                  | 365.25                         | days x | \$1.3358 | = \$487.9010                                  |          |         |                          |                                 |
| 6        | Rider 5 - RSAM per Day                                   | 365.25                         | days x | \$0.0257 | = 9.3869                                      |          |         |                          |                                 |
| 7        | Gas Cost Recovery Charge Prorated to Daily Basis         | 365.25                         | days x | \$0.1032 | = 37.6938                                     |          |         |                          |                                 |
| 8        | Minimum Monthly Charge (includes the first 2 gigajoules) |                                |        | \$1.4647 | <b>\$534.98</b>                               |          |         |                          |                                 |
| 9        |  |                                |        |          |   |          |         |                          |                                 |
| 10       | <u>Next 298 Gigajoules in any month</u>                  |                                |        |          |   |          |         |                          |                                 |
| 11       | Delivery Charge per GJ                                   | 3,141                          | GJ x   | \$4.003  | = \$12,573.4230                               |          |         |                          |                                 |
| 12       | Reserved for Future Use                                  | 3,141                          | GJ x   | 0.391    | = 1,228.1310                                  |          |         |                          |                                 |
| 13       | Gas Cost Recovery Charge per GJ                          | 3,141                          | GJ x   | 1.571    | = 4,934.5110                                  |          |         |                          |                                 |
| 14       | Total Charges per GJ                                     |                                |        | \$5.965  | <b>\$18,736.07</b>                            |          |         |                          |                                 |
| 15       |  |                                |        |          |   |          |         |                          |                                 |
| 16       | <u>Excess of 300 Gigajoules in any month</u>             |                                |        |          |   |          |         |                          |                                 |
| 17       | Delivery Charge per GJ                                   | 0                              | GJ x   | \$3.879  | = \$0.0000                                    |          |         |                          |                                 |
| 18       | Reserved for Future Use                                  | 0                              | GJ x   | 0.391    | = 0.0000                                      |          |         |                          |                                 |
| 19       | Gas Cost Recovery Charge per GJ                          | 0                              | GJ x   | 1.571    | = 0.0000                                      |          |         |                          |                                 |
| 20       | Total Charges per GJ                                     |                                |        | \$5.841  | <b>\$0.00</b>                                 |          |         |                          |                                 |
| 21       |  |                                |        |          |   |          |         |                          |                                 |
| 22       | <b>Total</b>   | 3,165                          | GJ     |          | <b>\$19,271.05</b>                            |          |         |                          |                                 |
| 23       |  |                                |        |          |   |          |         |                          |                                 |
| 24       | <u>Summary of Annual Delivery and Commodity Charges</u>  |                                |        |          |   |          |         |                          |                                 |
| 25       | <b>Subtotal of Delivery Charges (including RSAM)</b>     |                                |        |          | <b>\$14,298.84</b>                            |          |         |                          |                                 |
| 26       | <b>Subtotal of Commodity Charges</b>                     |                                |        |          | <b>\$4,972.20</b>                             |          |         |                          |                                 |
| 27       |  |                                |        |          |   |          |         |                          |                                 |
| 28       |  |                                |        |          |   |          |         |                          |                                 |
| 29       | <b>RATE SCHEDULE 3 - LARGE COMMERCIAL SERVICE</b>        |                                |        |          |   |          |         |                          |                                 |
| 30       | <u>Delivery Margin Related Charges</u>                   |                                |        |          |   |          |         |                          |                                 |
| 31       | Basic Charge per Day                                     |                                |        |          |   | 365.25   | days x  | \$3.6845 = \$1,345.76    |                                 |
| 32       |  |                                |        |          |   |          |         |                          |                                 |
| 33       | Delivery Charge per GJ                                   |                                |        |          |   | 3,165.0  | GJ x    | \$3.492 = 11,052.1800    |                                 |
| 34       | Rider 5 RSAM per GJ                                      |                                |        |          |   | 3,165.0  | GJ x    | \$0.199 = 629.8350       |                                 |
| 35       | Subtotal Delivery Margin Related Charges                 |                                |        |          |   |          |         | <b>\$13,027.78</b>       | <b>(\$1,271.06 ) -6.60%</b>     |
| 36       |  |                                |        |          |   |          |         |                          |                                 |
| 37       | <u>Commodity Related Charges</u>                         |                                |        |          |   |          |         |                          |                                 |
| 38       | Storage and Transport Charge per GJ                      |                                |        |          |   | 3,165.0  | GJ x    | \$0.037 = \$117.11       |                                 |
| 39       |  |                                |        |          |   |          |         |                          |                                 |
| 40       | Cost of Gas (Commodity Cost Recovery Charge) per GJ      |                                |        |          |   | 3,165.0  | GJ x    | \$1.552 = \$4,912.08     |                                 |
| 41       | Subtotal Commodity Related Charges                       |                                |        |          |   |          |         | <b>\$5,029.19</b>        | <b>\$56.99 0.30%</b>            |
| 42       |  |                                |        |          |   |          |         |                          |                                 |
| 43       | <b>Total (with effective \$/GJ rate)</b>                 |                                |        |          |   | 3,165.0  | \$5.705 | <b>\$18,056.97</b>       | <b>(\$1,214.08 ) -6.30%</b>     |

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

<sup>1</sup> Pursuant to BCUC endorsed tariff pages effective January 1, 2019 in accordance with BCUC Order and Decision G-135-18 of the 2016 FEI Rate Design Application (RDA) for Fort Nelson.

<sup>2</sup> Delivery rates and delivery rate rider 5 are approved interim pursuant to BCUC Order G-171-18 of the FEI 2019-2020 RRA for Fort Nelson.



**ORDER NUMBER**

**G-xx-xx**

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

and

FortisBC Energy Inc.  
Application regarding its 2018 Fourth Quarter Gas Cost Report  
And Rate Changes effective January 1, 2019  
For the Fort Nelson Service Area

**BEFORE:**

[Panel Chair]  
Commissioner  
Commissioner

on Date

**ORDER**

**WHEREAS:**

- A. On November 26, 2018, FortisBC Energy Inc. (FEI) filed its 2018 Fourth Quarter Report on the Gas Cost Reconciliation Account (GCRA), Commodity Cost Recovery Charge and Storage and Transport Charges for the Fort Nelson Service Area (Fort Nelson) based on a five-day average November 6, 7, 8, 9, and 13, 2018 forward gas prices (the 2018 Fourth Quarter Report);
- B. By Letter L-40-11 dated May 19, 2011, the British Columbia Utilities Commission (BCUC) revised the guidelines (Guidelines) for the review of quarterly gas costs and rate setting mechanisms that were originally established by Letter L-5-01;
- C. By Order G-175-17, the BCUC established the current Gas Cost Recovery Charge for the Fort Nelson Service Area at \$1.571/GJ effective January 1, 2018;
- D. By Order G-135-18, the BCUC approved FEI's 2016 Rate Design Application to unbundle the existing Fort Nelson Gas Cost Recovery Rate at \$1.571/GJ into two components: Commodity Cost Recovery Charge at \$1.552/GJ and Storage and Transport Charge at \$0.019/GJ, and to move to a rate structure the same as FEI Mainland and Vancouver Island Service Area;
- E. By Order G-171-18, the BCUC approved the interim 2019 Fort Nelson delivery rates and RSAM Rider 5 for the Fort Nelson effective January 1, 2019;
- F. In the 2018 Fourth Quarter Report, using the five-day average forward prices ending November 13, 2018, the GCRA balance is projected to be \$134,500 surplus after tax at December 31, 2018. FEI calculates the GCRA recovery-to-cost ratio based on the previously approved January 1, 2019 unbundled commodity cost

recovery rate, pursuant to Order G-135-18, would be 134.0 percent for the following 12 months. The tested rate decrease related to the forecast over recovery of costs would be \$0.394/GJ which falls within the minimum rate change threshold set out in the Guidelines indicating that a rate change for the Commodity Cost Recovery Charge is not required effective January 1, 2019;

- G. In the 2018 Fourth Quarter Report, FEI requests approval to reset the previously approved Storage and Transport Charges to all sales rate classes, effective January 1, 2019, as set out in the schedule Tab 1, Page 8;
- H. The combined effects of the unbundled Commodity Cost Recovery Charge established per G-135-18, the interim delivery rates and rider per G-171-18, and the proposed Storage and Transport Charges as requested in the 2018 Fourth Quarter Report would increase the total annual bill for a typical Fort Nelson residential customer with an average annual consumption of 125 gigajoules by approximately \$51 or 6.7 percent; and
- I. The BCUC reviewed the 2018 Fourth Quarter Report and considers that the requested rate changes are warranted, and that Tab 3 of the 2018 Fourth Quarter Report should be held confidential as requested by FEI, as it contains market sensitive information.

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

- 1. The Commodity Cost Recovery Charge applicable to the Sales Rate Classes in Fort Nelson Service Area remains unchanged from the previously approved January 1, 2019 unbundled commodity cost recovery rate set at \$1.552/GJ effective January 1, 2019.
- 2. The Storage and Transport Charges applicable to the Sales Rate Classes in Fort Nelson Service Area are approved, as set out in Tab 1, Page 8 effective January 1, 2019.
- 3. FEI will notify all customers that are affected by the rate changes with a bill insert or bill message to be included with the next monthly gas billing.
- 4. The information in Tab 3 of the 2018 Fourth Quarter Report will be held confidential as requested by FEI as it contains market sensitive information.

**DATED** at the City of Vancouver, in the Province of British Columbia, this (XX) day of (Month 2019).

BY ORDER

(X. X. last name)  
Commissioner