SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, BC CANADA V6Z 2N3
TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

Log No. 41905

VIA EMAIL
gas.regulatory.affairs@fortisbc.com   November 29, 2012

Ms. Diane Roy
Director, Regulatory Affairs
FortisBC Energy Inc.
16705 Fraser Highway
Surrey, BC   V4N 0E8

Dear Ms. Roy:

Re: An Application by FortisBC Energy Inc.
Regarding 2012 Fourth Quarter Gas Cost Report and
Rate Changes effective January 1, 2013 for the Fort Nelson Service Area

Further to your November 22, 2012 filing of the above noted Report, enclosed please find British Columbia Utilities Commission Order G-180-12.

FortisBC Energy Inc. noted in a footnote on confidential Tab2 Page 1 that an adjustment was applied to the Gas Cost Reconciliation Account (GCRA) in 2012 to account for an over-allocation of gas costs to Fort Nelson. The Commission wishes to note that it has concerns regarding the nature of this error and will explore the matter in the review of the 2012 status report for the Fort Nelson GCRA.

Yours truly,

Erica Hamilton

cms
Enclosure

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, BC V6Z 2N3 CANADA
web site: http://www.bcuc.com

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

An Application by FortisBC Energy Inc.
Regarding 2012 Fourth Quarter Gas Cost Report and
Rate Changes effective January 1, 2013 for the Fort Nelson Service Area

BEFORE:	L.F. Kelsey, Commissioner	
	C.A. Brown Commissioner	November29, 2012
	B.A. Magnan, Commissioner	
	D.M. Morton, Commissioner	

ORDER

WHEREAS:

A. By Order G-27-12 dated March 9, 2012, the British Columbia Utilities Commission (Commission) approved the Gas Cost Recovery Charge for the FortisBC Energy Inc. (FEI) Fort Nelson Service Area, effective April 1, 2012;

B. On November 22, 2012, FEI filed its 2012 Fourth Quarter Report on the Gas Cost Reconciliation Account (GCRA) balance and gas cost recovery charges for the Fort Nelson Service Area effective January 1, 2013, that were based on the five-day average of the November 1, 2, 5, 6, and 7, 2012 forward prices (2012 Fourth Quarter Report);

C. The 2012 Fourth Quarter Report requested approval for the gas cost recovery charges for natural gas customers in Fort Nelson Service Area to remain unchanged, effective January 1, 2013;

D. The 2012 Fourth Quarter Report requested approval for an increase of $0.156/GJ to the delivery related Revenue Stabilization Adjustment Mechanism (RSAM) Rate Rider 5, from the current $0.011/GJ refund amount to a charge of $0.145/GJ, effective January 1, 2013;

E. FEI requests that the forecast gas cost information for Fort Nelson in Tab 2 of the 2012 Fourth Quarter Report be held confidential on the basis that it contains market sensitive information;

F. The Commission has determined that the requested changes, as outlined in the 2012 Fourth Quarter Report, should be approved.

.../2

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

1. The Commission approves the Gas Cost Recovery Charge to remain unchanged at January 1, 2013.

2. The Commission approves resetting the RSAM rates applicable to the affected rate classes within the Fort Nelson Service Area, effective January 1, 2013, as set out in the 2012 Fourth Quarter Report.

3. FEI is to provide a descriptive explanation of the final rates, by way of a bill insert or bill message to all affected customers, to be submitted to the Commission prior to its release, with the next monthly gas billing.

4. The Commission will hold the information in Tab 2 of the 2012 Fourth Quarter Report confidential.

DATED at the City of Vancouver, In the Province of British Columbia, this 29TH day of November 2012.

BY ORDER

D.M. Morton
Commissioner