



VIA EMAIL

gas.regulatory.affairs@fortisbc.com

March 9, 2017

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

Dear Ms. Roy:

Re: FortisBC Energy Inc. - Mainland, Vancouver Island, and Whistler Service Areas
2017 First Quarter Gas Cost Report

On March 1, 2017, FortisBC Energy Inc. (FEI) filed with the British Columbia Utilities Commission (Commission) its 2017 First Quarter Gas Cost Report for the Mainland, Vancouver Island, and Whistler service areas (Report), which includes details regarding the Commodity Cost Reconciliation Account and the related Commodity Cost Recovery Charge.

The Commission notes that the Commodity Cost Recovery Charge for the Mainland, Vancouver Island, and Whistler service areas was last changed effective October 1, 2016, when it was increased by \$0.909 per gigajoule from \$1.141 per gigajoule to \$2.050 per gigajoule via Order G-145-16. This rate was maintained effective January 1, 2017 via Order G-177-16.

The Commission reviewed the Report within the context of the quarterly gas costs review and rate setting mechanism guidelines pursuant to Letters L-5-01, L-40-11 and L-15-16. The Commission acknowledges receipt of the Report and accepts FEI's recommendation that the Commodity Cost Recovery Charge for the Mainland, Vancouver Island, and Whistler service areas remain unchanged at \$2.050 per gigajoule effective April 1, 2017.

Yours truly,

Erica Hamilton

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