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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-135-14**

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

and

**FortisBC Energy Inc.
Application regarding 2014 Third Quarter Gas Cost Report and
Rate Changes effective October 1, 2014 for the Fort Nelson Service Area**

BEFORE: L.F. Kelsey, Commissioner
C.A. Brown, Commissioner
H.G. Harowitz, Commissioner
K.A. Keilty, Commissioner
N.E. MacMurchy, Commissioner
I.F. MacPhail, Commissioner
B.A. Magnan, Commissioner
D.M. Morton, Commissioner
R.D. Revel, Commissioner
C. van Wermeskerken, Commissioner

September 11, 2014

O R D E R

WHEREAS:

- A. By Order G-39-14 dated March 13, 2014, the British Columbia Utilities Commission (Commission) approved the Gas Cost Recovery Charge for the Fort Nelson Service Area, effective April 1, 2014;
- B. On September 3, 2014, FortisBC Energy Inc. (FEI) filed its 2014 Third Quarter Report on the Gas Cost Reconciliation Account (GCRA) balance and Gas Cost Recovery Charges for the Fort Nelson Service Area effective October 1, 2014, that were based on the five-day average of the August 13, 14, 15, 18, and 19, 2014 forward gas prices (2014 Third Quarter Report);
- C. In the 2014 Third Quarter Report, FEI forecasts that gas cost recoveries at current rates will be 112.1 percent of costs for the following 12 months;
- D. In the 2014 Third Quarter Report, FEI requests approval for a decrease of \$0.516/GJ in the Gas Cost Recovery Charges for natural gas customers in Fort Nelson Service Area, effective October 1, 2014;

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- E. The proposed Gas Cost Recovery Charge requested within the 2014 Third Quarter Report is equivalent to a decrease of approximately \$72 or 6.7 percent per year for a typical Fort Nelson residential customer's annual bill based on an average annual consumption of 140 GJ;
- F. FEI requests that the forecast gas cost information in Tab 5 of the 2014 Third Quarter Report be held confidential, on the basis that it contains market sensitive information; and
- G. The Commission determines that the requested rate decrease is warranted and that the forecast gas cost information in Tab 5 should be kept confidential as it contains commercially sensitive information.

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

- 1. The Commission approves a \$0.516/GJ decrease in the Gas Cost Recovery Charge for the Fort Nelson Service Area to \$4.259/GJ effective October 1, 2014, as set out in the FortisBC Energy Inc. 2014 Third Quarter Report for the Fort Nelson Service Area.
- 2. FortisBC Energy Inc. must 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, to be submitted to the Commission prior to its release.
- 3. The Commission will hold the information in Tab 5 of the 2014 Third Quarter Report confidential as it contains commercially sensitive information.

DATED at the City of Vancouver, in the Province of British Columbia, this 12th day of September, 2014.

BY ORDER

Original signed by:

D.M. Morton
Commissioner