

June 16, 2017

Patrick Wruck
Commission Secretary

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Sent via email Letter L-11-17

Ms. Diane Roy Vice President, Regulatory Affairs FortisBC Energy Inc. 16705 Fraser Highway Surrey, BC V4N 0E8 gas.regulatory.affairs@fortisbc.com

Re: FortisBC Energy Inc. – Fort Nelson Service Area – 2017 Second Quarter Gas Cost Report

Dear Ms. Roy:

On June 7, 2017, FortisBC Energy Inc. (FEI) filed with the British Columbia Utilities Commission (Commission) its 2017 Second Quarter Gas Cost Report for the Fort Nelson service area (Report), which includes details regarding the Gas Cost Reconciliation Account and the related Gas Cost Recovery Charge.

The Commission notes that the Gas Cost Recovery Charge for the Fort Nelson service area was last changed effective January 1, 2017, when it was increased by \$0.792 per gigajoule from \$1.294 per gigajoule to \$2.086 per gigajoule via Order G-178-16.

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 and L-40-11. The Commission acknowledges receipt of the Report and accepts FEI's recommendation that the Gas Cost Recovery Charge for the Fort Nelson service area remain unchanged at \$2.086 per gigajoule effective July 1, 2017.

The Commission will hold the information in Tab 2 of the Report confidential, as requested by FEI, as it contains market sensitive information.

Original signed by Katie Berezan on behalf of:

Patrick Wruck Commission Secretary

LC/kn