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January 14, 2021

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

Attention: Ms. Marija Tresoglavic, Acting Commission Secretary

Dear Ms. Tresoglavic:

**Re: FortisBC Energy Inc. (FEI) Fort Nelson Service Area (FEFN)**

**Application for Deferral Account Treatment for 2021 and Changes to the Revenue Stabilization Adjustment Mechanism (RSAM) Rider for the Fort Nelson Service Area (Application)**

**Evidentiary Update**

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On November 6, 2020, FEI filed the above noted Application. In accordance with the British Columbia Utilities Commission (BCUC) Order G-316-20, FEI filed supplementary information on December 9, 2020 and its responses to BCUC Information Request (IR) No. 1 on January 14, 2021. As discussed in FEI's responses to BCUC IR No. 1, FEI is filing this Evidentiary Update for two items that result in amendments to the approvals sought in the Application:

1. As this proceeding has extended into 2021, FEI has updated its revenue forecast using 2020 preliminary actual<sup>1</sup> customer count and use rate data, which is now available. FEI is seeking approval to record the resulting revised forecast 2021 revenue surplus of \$132 thousand in the FEI Fort Nelson Revenue Surplus deferral account
2. Using the 2020 preliminary actual data up to year-end, FEI has updated the Revenue Stabilization Adjustment Mechanism (RSAM) 2020 ending balance and rate rider amount for 2021 for FEFN. FEI is seeking approval of the updated RSAM rider, which is a refund of \$0.333/GJ.

An amended draft order reflecting the above items is provided in Appendix A. Revised 2020 and 2021 financial schedules are provided in Appendices B and C, respectively.

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<sup>1</sup> This data is preliminary in nature as it is subject to validation as FEI prepares its 2020 Annual Report for FEFN.

The updated forecast and RSAM rate rider are discussed in more detail below.

### **Forecast Update**

In the forecast provided in the Supplemental Information filed on December 9, 2020, FEI updated 2020 with actual data through October 2020. However, because FEI's demand forecast methods rely on complete years of actual data, the 2021 forecast continued to be based on actual data through the end of 2019. In addition, in the Supplemental Information, FEI updated the customer use rate and demand forecast for 2021 to account for the migration of the last RS 25 customer to RS 3.

As discussed in BCUC IR1 2.2, FEI now has 2020 preliminary actual customer count and use rate data and FEI has used this preliminary actual data to prepare a new customer, use rate and demand forecast for 2021<sup>2</sup>, following the methods outlined in Appendix A of the Supplemental Information.

FEI has included revised 2020 and 2021 financial schedules reflecting the updated forecast in Appendices B and C of this Evidentiary Update, respectively.

The following is a summary of the changes in the demand forecast in the Evidentiary Update compared to the forecast in the Supplemental Information filing:

- 2021 RS 1 UPC forecast is 3.3 GJs (2.6%) higher at 125.7 GJs per year;
- 2021 RS 1 demand forecast is 6.3 TJs (2.7%) higher at 235.3 TJs;
- 2021 RS 2 UPC forecast is 4.9 GJs (1.3%) lower at 370.3 GJs per year;
- 2021 RS 2 demand forecast is 8.2 TJs (4.9%) lower at 166.8 TJs;
- 2021 RS 3 UPC forecast is 1.15 TJs (22%) lower at 5.3 TJ per year; and
- 2021 RS 3 demand forecast is 6.7 TJs (7.4%) lower at 90.2 TJs.

Overall, the change in the 2021 demand forecast results in a decrease in the delivery revenue at existing rates when compared to the Supplemental Information filing. The revenue surplus decreased by \$33 thousand from the \$165 thousand shown on Schedule 1, Line 25 of Appendix D of the Supplemental Information to \$132 thousand as shown on Schedule 1 Line 25 of Appendix C of this Evidentiary Update.

FEI is seeking approval to record the revised forecast 2021 revenue surplus of \$132 thousand in the FEI Fort Nelson Revenue Surplus deferral account.

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<sup>2</sup> The demand forecast by rate schedule can be found in Appendix C, Schedule 13.

## RSAM Rate Rider

In Section 4 of the Application, FEI included a calculation for Fort Nelson's 2021 RSAM rate rider. The rider was calculated based on a projection of the 2020 ending RSAM balance, using 2020 projected use rates and a forecast of demand in 2021. The 2020 use rates were a mix of actual and projected. The 2021 demand for each rate schedule is used as the denominator when calculating the rate rider.

As discussed in response to BCUC IR1 4.1, FEI has updated the 2021 demand using 2020 preliminary actual data, which results in an amended 2020 ending RSAM balance and an updated 2021 demand.

FEI provides an updated Table 5, 2021 RSAM Rider, below. FEI is seeking approval of the updated RSAM rider, which is a refund of \$0.333/GJ.

**Table 5: Calculation of RSAM Rider 5 for 2021**

RSAM + RSAM Interest, Projected December 31, 2020 Balance <sup>(1*)</sup>	(239.1)
Amortization Period (years)	2
2021 Amortization post-tax (\$000)	(119.6)
Tax Rate	27%
2021 Amortization pre-tax (\$000)	(164.0)

RSAM (Rider 5) Calculation			
RSAM Amortization			
Rate Class	(\$000)	2021 Volume (TJ)	Rider (\$/GJ)
Rate 1		235.3	(0.333)
Rate 2		166.8	(0.333)
Rate 3		90.2	(0.333)
	(164)	492.4	(0.333)

Notes: (1\*) The projected December 31, 2020 balance is based on preliminary actuals.

If further information is required, please contact the undersigned.

Sincerely,

**FORTISBC ENERGY INC.**

***Original signed:***

Diane Roy

Attachments

cc (email only): CEC and BCOAPO

**Appendix A**

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**AMENDED DRAFT ORDER**

**ORDER NUMBER**

**G-xx-xx**

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

and

FortisBC Energy Inc. - Fort Nelson Service Area  
Application for Deferral Account Treatment for 2021 and Changes to the Revenue Stabilization Adjustment  
Mechanism Rider

**BEFORE:**

[Panel Chair]  
Commissioner  
Commissioner

on **Date**

**ORDER**

**WHEREAS:**

- A. On November 6, 2020, FortisBC Energy Inc. (FEI) filed with the British Columbia Utilities Commission (BCUC), pursuant to sections 59 to 61 of the *Utilities Commission Act*, an application for approval to maintain the existing rates for 2021 and of certain deferral account treatment and changes to the Revenue Stabilization Adjustment Mechanism (RSAM) rate rider for 2021 for the Fort Nelson service area (FEFN) (Application);
- B. In the Application, FEI requests the following approvals for FEFN:
- (i) To maintain delivery rates at existing 2020 rates as approved by Order G-48-19 on a permanent basis, effective January 1, 2021;
  - (ii) To change the RSAM rate rider from a recovery of \$0.177 per gigajoule (GJ) to a refund of \$0.054 per GJ, effective January 1, 2021; and
  - (iii) To establish a non-rate base deferral account to record the forecast 2021 revenue surplus of \$195 thousand and any BCUC direct costs or Participant Assistance/Cost Award costs related to the review of the Application, attracting a weighted average cost of capital return and with amortization to be determined in the next rate setting proceeding;
- C. By Order G-299-20 dated November 25, 2020, the BCUC established a regulatory timetable which included the filing of supplemental information, one round of BCUC information requests, the deadline for letters of comment and FEI's written final argument;

- D. By letter dated December 2, 2020, FEI requested interim approval of the Application and by Order G-316-20 dated December 4, 2020, the BCUC issued an amended timetable and approved FEI to maintain delivery rates at existing 2020 rates and to change the RSAM rate rider to a refund of \$0.054 per GJ, on an interim and refundable/recoverable basis, effective January 1, 2021 for FEFN;
- E. On January 14, 2021, FEI responded to BCUC information request No. 1 and filed an Evidentiary Update, resulting in approval of the following for FEFN:
- (i) To maintain delivery rates at existing 2020 rates as approved by Order G-48-19 on a permanent basis, effective January 1, 2021;
  - (ii) To change the RSAM rate rider from a recovery of \$0.177 per gigajoule (GJ) to a refund of \$0.333 per GJ, effective January 1, 2021; and
  - (iii) To establish a non-rate base deferral account to record the forecast 2021 revenue surplus of \$132 thousand and any BCUC direct costs or Participant Assistance/Cost Award costs related to the review of the Application, attracting a weighted average cost of capital return and with amortization to be determined in the next rate setting proceeding;
- F. The BCUC has reviewed the Application and considers that approval is warranted.

**NOW THEREFORE** pursuant to sections 59 to 61 of the UCA, the BCUC orders as follows:

1. FEI is approved to maintain the existing delivery rates for FEFN on a permanent basis, effective January 1, 2021.
2. The RSAM Rider 5 is approved to be set to a refund of \$0.333/GJ for RS 1, RS 2, and RS 3 on a permanent basis, effective January 1, 2021.
3. FEI is directed to refund/recover any differences between the interim and permanent rates, with interest calculated at the average prime rate of FEI's principal bank for its most recent year.
4. FEI is approved to establish a non-rate base deferral account to record the forecast 2021 revenue surplus of \$132 thousand and any BCUC direct costs or Participant Assistance/Cost Award costs related to the review of the Application, attracting a weighted average cost of capital return and with amortization to be determined in the next rate setting proceeding.

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

BY ORDER

(X. X. last name)  
Commissioner

**Appendix B**

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**REVISED 2020 FINANCIAL SCHEDULES**

**FORTISBC ENERGY INC. - Fort Nelson**

FEFN 2020 RRA Application - Evidentiary Update January 14, 2021

Schedule 1

**UTILITY RATE BASE  
FOR THE YEAR ENDING DECEMBER 31, 2020  
(\$000s)**

Line No.	Particulars (1)	2020 Approved (2)	2020 at Revised Rates (3)	Difference (4)	Cross Reference (5)
1	Plant in Service, Beginning	\$ 17,380	\$ 17,235	\$ (145)	Schedule 3, Line 38, Column 3
2	Net Additions	422	602	180	Schedule 3, Line 38, Column 5+6+7
3	Plant in Service, Ending	17,802	17,837	35	
4					
5	Accumulated Depreciation Beginning	\$ (4,858)	\$ (4,861)	\$ (3)	Schedule 4, Line 38, Column 5
6	Net Additions	(200)	(323)	(123)	Schedule 4, Line 38, Column 7+8
7	Accumulated Depreciation Ending	(5,058)	(5,184)	(126)	
8					
9	CIAC, Beginning	\$ (1,331)	\$ (1,337)	\$ (6)	Schedule 5, Line 4, Column 2
10	Net Additions	-	-	-	Schedule 5, Line 4, Column 5+6
11	CIAC, Ending	(1,331)	(1,337)	(6)	
12					
13	Accumulated Amortization Beginning - CIAC	\$ 789	\$ 790	\$ 1	Schedule 5, Line 9, Column 2
14	Net Additions	28	29	1	Schedule 5, Line 9, Column 5+6
15	Accumulated Amortization Ending - CIAC	817	819	2	
16					
17	Net Plant in Service, Mid-Year	\$ 12,105	\$ 11,981	\$ (124)	
18					
19	Capital Work in Progress, No AFUDC	\$ 121	\$ 77	\$ (44)	
20	Unamortized Deferred Charges	66	(51)	(117)	Schedule 7, Line 19, Column 10
21	Working Capital	72	90	18	Schedule 9, Line 12, Column 3
22					
23	Mid-Year Utility Rate Base	\$ 12,364	\$ 12,097	\$ (267)	



**CAPITAL EXPENDITURES TO PLANT RECONCILIATION  
FOR THE YEAR ENDING DECEMBER 31, 2020  
(\$000s)**

Line No.	Particulars (1)	2020 Projection (2)	Cross Reference (3)
1	<b>CAPEX</b>		
2			
3	Total Regular Capital Expenditures	\$ 635	
4			
5	Total Special Projects and CPCNs	\$ -	
6			
7	<b>Total Capital Expenditures</b>	<b>\$ 635</b>	
8			
9			
10	<b>RECONCILIATION OF CAPITAL EXPENDITURES TO PLANT</b>		
11			
12	Regular Capital Expenditures	\$ 635	
13	Add - Capitalized Overheads	122	
14	Add - AFUDC	-	Schedule 15, Line 18, Column 4 & 5
15	Gross Capital Expenditures	757	
16	Change in Work in Progress	-	
17	<b>Total Additions to Plant - Regular Capital</b>	<b>\$ 757</b>	
18			
19	Special Projects and CPCNs	\$ -	
20	<b>Total Additions to Plant - CPCNs</b>	<b>\$ -</b>	
21			
22	<b>Grand Total Additions to Plant</b>	<b>\$ 757</b>	

**PLANT IN SERVICE CONTINUITY SCHEDULE  
FOR THE YEAR ENDING DECEMBER 31, 2020  
(\$000s)**

Line No.	Account	Particulars	12/31/2019	Opening Bal Adjustment	CPCN's	Additions	Retirements	12/31/2020	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1		<b>INTANGIBLE PLANT</b>							
2	461-01	Transmission Land Rights	\$ 78	\$ -	\$ -	\$ -	\$ -	\$ 78	
3	471-01	Distribution Land Rights	20	-	-	-	-	20	
4	402-01	Application Software - 12.5%	398	-	-	23	(115)	306	
5	402-02	Application Software - 20%	47	-	-	22	-	69	
6			<u>\$ 543</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45</u>	<u>\$ (115)</u>	<u>\$ 473</u>	
7									
8		<b>TRANSMISSION PLANT</b>							
9	463-00	Measuring Structures	\$ 10	\$ -	\$ -	\$ -	\$ -	\$ 10	
10	465-00	Mains	5,996	-	-	-	-	5,996	
11	467-10	Measuring & Regulating Equipment	670	-	-	-	-	670	
12	467-20	Telemetry	6	-	-	43	-	49	
13			<u>\$ 6,682</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43</u>	<u>\$ -</u>	<u>\$ 6,725</u>	
14									
15		<b>DISTRIBUTION PLANT</b>							
16	472-00	Structures & Improvements	\$ 333	\$ -	\$ -	\$ -	\$ -	\$ 333	
17	473-00	Services	2,556	-	-	117	(20)	2,653	
18	474-00	House Regulators & Meter Installations	467	-	-	-	-	467	
19	474-02	Meters/Regulators Installations	215	-	-	-	-	215	
20	475-00	Mains	3,236	-	-	402	(18)	3,620	
21	477-10	Measuring & Regulating Equipment	1,886	-	-	121	-	2,007	
22	477-20	Telemetry	357	-	-	-	-	357	
23	478-10	Meters	19	-	-	-	-	19	
24			<u>\$ 9,069</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 640</u>	<u>\$ (38)</u>	<u>\$ 9,671</u>	
25									
26		<b>GENERAL PLANT &amp; EQUIPMENT</b>							
27	480-00	Land in Fee Simple	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ 1	
28	482-10	Frame Buildings	672	-	-	-	-	672	
29	483-30	GP Office Equipment	-	-	-	-	-	-	
30	483-40	GP Furniture	1	-	-	-	-	1	
31	483-10	GP Computer Hardware	199	-	-	19	-	218	
32	483-20	GP Computer Software	22	-	-	-	(2)	20	
33	484-00	Vehicles	19	-	-	-	-	19	
34	486-00	Small Tools & Equipment	27	-	-	10	-	37	
35	488-10	Telephone	-	-	-	-	-	-	
36			<u>\$ 941</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29</u>	<u>\$ (2)</u>	<u>\$ 968</u>	
37									
38		<b>Total Plant in Service</b>	<u>\$ 17,235</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 757</u>	<u>\$ (155)</u>	<u>\$ 17,837</u>	
39									
40		Cross Reference							

Schedule 2, Line  
20, Column 2      Schedule 2, Line  
17, Column 2

#### Schedule 4

[illegible]

**CONTRIBUTIONS IN AID OF CONSTRUCTION CONTINUITY SCHEDULE  
FOR THE YEAR ENDING DECEMBER 31, 2020  
(\$000s)**

Line No.	Particulars	12/31/2019	CPCN / Open Bal Adj	Adjustment	Additions	Retirements	12/31/2020	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	<b>CIAC</b>							
2	Distribution Contributions	\$ 1,172	\$ -	\$ -	\$ -	\$ -	\$ 1,172	
3	Transmission Contributions	165	-	-	-	-	165	
4	<b>Total</b>	<b>\$ 1,337</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,337</b>	
5								
6	<b>Amortization</b>							
7	Distribution Contributions	\$ (762)	\$ -	\$ -	\$ (27)	\$ -	\$ (789)	
8	Transmission Contributions	(28)	-	-	(2)	-	(30)	
9	<b>Total</b>	<b>\$ (790)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (29)</b>	<b>\$ -</b>	<b>\$ (819)</b>	
10								
11	<b>Net CIAC</b>	<b>\$ 547</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (29)</b>	<b>\$ -</b>	<b>\$ 518</b>	
12								

**NET SALVAGE CONTINUITY SCHEDULE  
FOR THE YEAR ENDING DECEMBER 31, 2020  
(\$000s)**

## Schedule 6

Line No.	Account	Particulars	Gross Plant for Depreciation	Salvage Rate	12/31/2019	Opening Bal Adjustment	Net Salvage Provision	Retirement Costs / Proceeds on Disp.	12/31/2020	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1		<b>TRANSMISSION PLANT</b>								
2	463-00	Measuring Structures	\$ 10	0.57%	\$ -	\$ -	\$ -	\$ -	\$ -	
3	465-00	Mains	5,996	0.37%	77	-	19	-	96	
4	467-10	Measuring & Regulating Equipment	670	0.22%	8	-	3	-	11	
5			<u>\$ 6,676</u>	\$ -	<u>\$ 85</u>	<u>\$ -</u>	<u>\$ 22</u>	<u>\$ -</u>	<u>\$ 107</u>	
6										
7		<b>DISTRIBUTION PLANT</b>								
8	472-00	Structures & Improvements	\$ 333	0.32%	\$ 3	\$ -	\$ -	\$ -	\$ 3	
9	473-00	Services	2,556	1.61%	60	-	30	(9)	81	
10	474-00	House Regulators & Meter Installations	467	1.77%	33	-	-	(2)	31	
11	474-02	Meters/Regulators Installations	215	0.00%	1	-	-	-	1	
12	475-00	Mains	3,236	0.43%	(57)	-	12	-	(45)	
13	477-10	Measuring & Regulating Equipment	1,886	0.46%	42	-	9	-	51	
14	477-20	Telemetry	357	0.42%	4	-	1	-	5	
15	478-10	Meters	19	-0.26%	-	-	-	-	-	
16			<u>\$ 9,069</u>	\$ -	<u>\$ 86</u>	<u>\$ -</u>	<u>\$ 52</u>	<u>\$ (11)</u>	<u>\$ 127</u>	
17										
18		<b>GENERAL PLANT &amp; EQUIPMENT</b>								
19	482-10	Frame Buildings	\$ 672	0.00%	\$ (3)	\$ -	\$ (2)	\$ -	\$ (5)	
20	484-00	Vehicles	19	-1.00%	(1)	-	1	-	-	
21										
22										
23		<b>Total</b>	<u>\$ 16,436</u>	-	<u>\$ 167</u>	<u>\$ -</u>	<u>\$ 73</u>	<u>\$ (11)</u>	<u>\$ 229</u>	
24										
25		Cross Reference	Schedule 3,							
			Columns 3+4+5							

**UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION - RATE BASE**  
**FOR THE YEAR ENDING DECEMBER 31, 2020**  
**(\$000s)**

Schedule 7

Line No.	Particulars	12/31/2019	Opening Bal./ Transfer/Adj.	Gross Additions	Less Taxes	Amortization Expense	Rider	Tax on Rider	12/31/2020	Mid-Year Average	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	<u>Forecasting Variance Accounts</u>										
2	Revenue Stabilization Adjustment Mechanism (RSAM)	\$ 107	\$ -	\$ (379)	\$ 102	\$ -	\$ (94)	\$ 25	\$ (239)	\$ (66)	
3	Interest on RSAM	3	-	(3)	1	-	(2)	1	-	2	
4	Gas Cost Reconciliation Account	(146)	-	343	(93)	-	-	-	104	(21)	
5	Property Tax Variance	(13)	-	25	(7)	16	-	-	21	4	
6	Interest Variance Deferral	(7)	-	-	-	-	-	-	(7)	(7)	
7		<u>\$ (56)</u>	<u>\$ -</u>	<u>\$ (14)</u>	<u>\$ 3</u>	<u>\$ 16</u>	<u>\$ (96)</u>	<u>\$ 26</u>	<u>\$ (121)</u>	<u>\$ (88)</u>	
8											
9	<u>Benefits Matching Accounts</u>										
10	Demand-Side Management (DSM)	\$ 98	\$ 35	\$ 71	\$ (19)	\$ (24)	\$ -	\$ -	\$ 161	\$ 147	
11	2019-2020 Revenue Requirement Application	14	-	-	-	(29)	-	-	(15)	(1)	
12	2017 Rate Design Application	30	-	-	-	(4)	-	-	26	28	
13	Gains and Losses on Asset Disposition	57	-	-	-	(11)	-	-	46	52	
14	Net Salvage Provision/Cost	(167)	-	11	-	(73)	-	-	(229)	(198)	
15	Billing system costs for FEFN Rate changes	14	-	-	-	(10)	-	-	4	9	
16		<u>\$ 46</u>	<u>\$ 35</u>	<u>\$ 82</u>	<u>\$ (19)</u>	<u>\$ (151)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7)</u>	<u>\$ 37</u>	
17											
18											
19	<b>Total Deferred Charges for Rate Base</b>	<u>\$ (10)</u>	<u>\$ 35</u>	<u>\$ 68</u>	<u>\$ (16)</u>	<u>\$ (135)</u>	<u>\$ (96)</u>	<u>\$ 26</u>	<u>\$ (128)</u>	<u>\$ (51)</u>	

**UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION - NON-RATE BASE  
FOR THE YEAR ENDING DECEMBER 31, 2020  
(\$000s)**

Line No.	Particulars (1)	12/31/2019 (2)	Opening Bal./ Transfer/Adj. (3)	Gross Additions (4)	Less Taxes (5)	Amortization Expense (6)	Rider (7)	Tax on Rider (8)	12/31/2020 (9)	Mid-Year Average (10)	Cross Reference (11)
1	<u>Rate Smoothing Accounts</u>										
2	FEFN Revenue Surplus	\$ -	\$ -	\$ 5	\$ (1)	\$ -	\$ -	\$ -	\$ 4	\$ 2	
3											
4	<u>Benefits Matching Accounts</u>										
5	Demand-Side Management (DSM)	\$ 35	\$ (35)	\$ 98	\$ (26)	\$ -	\$ -	\$ -	\$ 72	\$ 36	
6											
7	<u>Other Accounts</u>										
8	FN Right-of-Way Agreement	\$ 139	\$ -	\$ 8	\$ -	\$ -	\$ -	\$ -	\$ 147	\$ 143	
9											
10											
11	<b>Total Deferred Charges for Non Rate Base</b>	<b>\$ 174</b>	<b>\$ (35)</b>	<b>\$ 111</b>	<b>\$ (27)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 223</b>	<b>\$ 181</b>	

**FORTISBC ENERGY INC. - Fort Nelson**

FEFN 2020 RRA Application - Evidentiary Update January 14, 2021

**WORKING CAPITAL ALLOWANCE  
FOR THE YEAR ENDING DECEMBER 31, 2020  
(\$000s)**

Schedule 9

Line No.	Particulars	2020 Approved	2020 Forecast	Difference	Cross Reference
	(1)	(2)	(3)	(4)	(5)
1	<b>Cash Working Capital</b>				
2	Cash Working Capital	\$ 74	\$ 79	\$ 5	Schedule 10, Line 27, Column 5
3					
4	Add/Less: Funds Unavailable/(Funds Available)				
5	Employee Loans	-	-	-	
6	Reserve for bad debts	(16)	-	16	Note 1
7	Employee Withholdings	(13)	(15)	(2)	
8					
9	<b>Other Working Capital Items</b>				
10	Inventory - Materials and Supplied	27	26	(1)	
11					
12	Total	<u>\$ 72</u>	<u>\$ 90</u>	<u>\$ 18</u>	
13					
14	Note 1: Reserve for bad debts included in Cash Working Capital calculation (Schedule 11) beginning in 2021.				



**FORTISBC ENERGY INC. - Fort Nelson**

FEFN 2020 RRA Application - Evidentiary Update January 14, 2021

Schedule 10

**CASH WORKING CAPITAL  
FOR THE YEAR ENDING DECEMBER 31, 2020  
(\$000s)**

Line No.	Particulars	2020 at Revised Rates	Lag (Lead) Days	Extended	Weighted Average Lag (Lead) Days	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)
1	<b>REVENUE</b>					
2	<b>Sales Revenue</b>					
3	Residential Tariff Revenue	\$ 1,596	38.5	\$ 61,446		
4	Commercial Tariff Revenue	1,582	38.5	60,907		
5	Industrial Tariff Revenue	143	45.2	6,464		
6						
7	<b>Other Revenue</b>					
8	Late Payment Charges	9	38.3	345		
9	Application Charge	-	38.3	-		
10						
11	Total	<u>\$ 3,330</u>		<u>\$ 129,162</u>	38.8	
12						
13	<b>EXPENSES</b>					
14	Energy Purchases	\$ 665	(40.2)	\$ (26,733)		
15	Operating and Maintenance	803	(25.5)	(20,477)		
16	Property Taxes	153	(2.0)	(306)		
17	Carbon Tax	962	(29.1)	(27,994)		
18	GST	28	(38.8)	(1,086)		
19	PST	19	(37.1)	(705)		
20	Income Tax	182	(15.2)	(2,766)		
21						
22	Total	<u>\$ 2,812</u>		<u>\$ (80,067)</u>	(28.5)	
23						
24	Net Lag (Lead) Days				10.3	
25	Total Expenses				\$ 2,812	
26						
27	Cash Working Capital				<u>\$ 79</u>	

**FORTISBC ENERGY INC. - Fort Nelson**

FEFN 2020 RRA Application - Evidentiary Update January 14, 2021

**UTILITY INCOME AND EARNED RETURN  
FOR THE YEAR ENDING DECEMBER 31, 2020  
(\$000s)**

Schedule 11

Line No.	Particulars (1)	2020 Approved	2020 PROJECTION		Difference	Cross Reference
		(2)	at Existing Rates *	Revised Revenue		
		(2)	(3)	(4)	(5)	(6)
1	<b>ENERGY VOLUMES</b>					
2	Sales Volume (TJ)	440	485		485	44
3	Transportation Volume (TJ)	41	29		29	(13)
4		482	513	-	513	32
5						Schedule 12, Line 9, Column 3
6	<b>REVENUE AT EXISTING RATES</b>					
7	Sales	\$ 2,764	\$ 3,178	\$ -	\$ 3,178	\$ 414
8	Deficiency (Surplus)	272		-	-	(272)
9	Transportation	156	143	-	143	(13)
10	Deficiency (Surplus)	21		-	-	(21)
11	Total	3,213	3,321	-	3,321	108
12				-		Schedule 14, Line 15, Column 8
13	<b>COST OF ENERGY</b>	692	665	-	665	(27)
14						Schedule 13, Line 9, Column 3
15	<b>MARGIN</b>	2,521	2,656	-	2,656	135
16						
17	<b>EXPENSES</b>					
18	O&M Expense (net)	893	803	-	803	(90)
19	Depreciation & Amortization	596	584	-	584	(12)
20	Property Taxes	128	153	-	153	25
21	Deferred 2020 Revenue Surplus		(5)	-	(5)	(5)
22	Other Revenue	(17)	(9)	-	(9)	8
23	Utility Income Before Income Taxes	921	1,130	-	1,130	209
24						
25	Income Taxes	121	182	-	182	61
26						Schedule 19, Line 13, Column 3
27	<b>EARNED RETURN</b>	\$ 800	\$ 948	\$ -	\$ 948	\$ 148
28						Schedule 21, Line 5, Column 7
29	<b>UTILITY RATE BASE</b>	\$ 12,364	\$ 12,097		\$ 12,097	\$ (267)
30	<b>RATE OF RETURN ON UTILITY RATE BASE</b>	6.47%	7.84%		7.84%	1.37%
						Schedule 1, Line 23, Column 3
						Schedule 21, Line 5, Column 6

**FORTISBC ENERGY INC. - Fort Nelson**

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**VOLUME AND REVENUE  
FOR THE YEAR ENDING DECEMBER 31, 2020  
(\$000s)**

Schedule 12

Line No.	Particulars	2020 Approved (2)	2020 Projection (3)	Difference (4)	Cross Reference (5)
	(1)				
1	<b>ENERGY VOLUME SOLD (TJ)</b>				
2	Residential				
3	Rate Schedule 1	236.9	244.1	7.2	
4	Commercial				
5	Rate Schedule 2	150.4	173.9	23.5	
6	Rate Schedule 3	53.1	66.5	13.4	
7	Industrial				
8	Rate Schedule 25	41.3	28.8	(12.5)	
9	Total	481.7	513.3	31.6	
10					
11	<b>REVENUE AT EXISTING RATES</b>				
12	Residential				
13	Rate Schedule 1	\$ 1,608	\$ 1,596	\$ (12)	
14	Commercial				
15	Rate Schedule 2	1,114	1,214	100	
16	Rate Schedule 3	314	368	54	
17	Industrial				
18	Rate Schedule 25	177	143	(34)	
19	Total	\$ 3,213	\$ 3,321	\$ 108	

**FORTISBC ENERGY INC. - Fort Nelson**

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**COST OF ENERGY  
FOR THE YEAR ENDING DECEMBER 31, 2020  
(\$000s)**

Schedule 13

Line No.	Particulars (1)	2020 Approved (2)	2020 Projection (3)	Difference (4)	Cross Reference (5)
1	<b>COST OF GAS</b>				
2	Residential				
3	Rate Schedule 1	\$ 372	\$ 336	\$ (36)	
4	Commercial				
5	Rate Schedule 2	236	237	1	
6	Rate Schedule 3	84	92	8	
7	Industrial				
8	Rate Schedule 25	-	-	-	
9	Total	<u>\$ 692</u>	<u>\$ 665</u>	<u>\$ (27)</u>	

[illegible]

**FORTISBC ENERGY INC. - Fort Nelson**

FEFN 2020 RRA Application - Evidentiary Update January 14, 2021

Schedule 15

**OPERATING AND MAINTENANCE EXPENSE - RESOURCE VIEW  
FOR THE YEAR ENDING DECEMBER 31, 2020  
(\$000s)**

Line No.	Particulars (1)	2018 Actual (2)	2020 Approved (3)	2020 Projection (4)	Cross Reference (5)
1	M&E Costs	\$ 17	\$ 19	\$ 17	
2	IBEW Costs	228	331	255	
3					
4	<b>Labour Costs</b>	<b>245</b>	<b>350</b>	<b>272</b>	
5					
6	Vehicle Costs	20	45	27	
7	Employee Expenses	8	20	9	
8	Materials and Supplies	7	8	2	
9	Fees and Administration Costs	515	535	567	
10	Contractor Costs	5	22	16	
11	Facilities	29	37	33	
12	Recoveries & Revenue	(8)	(2)	(1)	
13					
14	<b>Non-Labour Costs</b>	<b>576</b>	<b>665</b>	<b>653</b>	
15					
16	<b>Total Gross O&amp;M Expenses</b>	<b>821</b>	<b>1,015</b>	<b>925</b>	
17					
18	Less: Capitalized Overhead	(121)	(122)	(122)	
19					
20					
21	<b>Total O&amp;M Expenses</b>	<b>\$ 700</b>	<b>\$ 893</b>	<b>\$ 803</b>	Schedule 11, Line 18, Column 5

**FORTISBC ENERGY INC. - Fort Nelson**

FEFN 2020 RRA Application - Evidentiary Update January 14, 2021

Schedule 15.1

**OPERATING AND MAINTENANCE EXPENSE - ACTIVITY VIEW  
FOR THE YEAR ENDING DECEMBER 31, 2020 and 2021  
(\$000s)**

Line No.	Particulars (1)	Account (2)	2018 Actual (3)	2020 Approved (4)	2020 Projection (5)	Cross Reference (6)
1	Distribution Supervision	110-11	\$ 80	\$ 110	\$ 89	
2	Distribution Supervision Total	110-10	80	110	89	
3						
4	Operation Centre - Distribution	110-21	46	98	52	
5	Preventative Maintenance - Distribution	110-22	14	24	16	
6	Operations - Distribution	110-23	44	63	49	
7	Emergency Management - Distribution	110-24	34	54	38	
8	Field Training - Distribution	110-25	15	32	17	
9	Meter Exchange - Distribution	110-26	16	24	19	
10	Distribution Operations Total	110-20	169	295	191	
11						
12	Corrective - Distribution	110-31	44	61	50	
13	Distribution Maintenance Total	110-30	44	61	50	
14						
15	Account Services - Distribution	110-41	8	11	9	
16	Bad Debt Management - Distribution	110-42	5	7	6	
17	Distribution Meter to Cash Total	110-40	13	18	15	
18						
19	<b>Distribution Total</b>	<b>110</b>	<b>306</b>	<b>484</b>	<b>345</b>	
20						
21	<b>Operations Total</b>	<b>100</b>	<b>306</b>	<b>484</b>	<b>345</b>	
22						
23	Administration & General	540-11	-	-	-	
24	Shared Services Agreement	540-12	515	531	580	
25	Retiree Benefits	540-16	-	-	-	
26	Corporate Total	540-10	515	531	580	
27						
28	<b>Corporate Total</b>	<b>540</b>	<b>515</b>	<b>531</b>	<b>580</b>	
29						
30	<b>Corporate Services Total</b>	<b>500</b>	<b>515</b>	<b>531</b>	<b>580</b>	
31						
32	<b>Total Gross O&amp;M Expenses</b>		<b>821</b>	<b>1,015</b>	<b>925</b>	
33						
34	Less: Capitalized Overhead		(121)	(122)	(122)	
35						
36	<b>Total O&amp;M Expenses</b>		<b>\$ 700</b>	<b>\$ 893</b>	<b>\$ 803</b>	Schedule 11, Line 18, Column 5

**FORTISBC ENERGY INC. - Fort Nelson**

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**DEPRECIATION AND AMORTIZATION EXPENSE  
FOR THE YEAR ENDING DECEMBER 31, 2020  
(\$000s)**

Schedule 16

Line No.	Particulars	2020 Approved	2020 Projection	Difference	Cross Reference
	(1)	(2)	(3)	(4)	(5)
1	<b>Depreciation</b>				
2	Depreciation Expense	\$ 463	\$ 478	\$ 15	Schedule 4, Line 38, Column 7
3					
4	<b>Amortization</b>				
5	Rate Base deferrals	\$ 161	\$ 135	\$ (26)	Schedule 7, Line 19, Column 6
6	CIAC	(28)	(29)	(1)	Schedule 5, Line 9, Column 5
7		133	106	(27)	
8					
9	Total	\$ 596	\$ 584	\$ (12)	



**FORTISBC ENERGY INC. - Fort Nelson**

FEFN 2020 RRA Application - Evidentiary Update January 14, 2021

**PROPERTY AND SUNDRY TAXES  
FOR THE YEAR ENDING DECEMBER 31, 2020  
(\$000s)**

Schedule 17

Line No.	Particulars (1)	2020 Approved (2)	2020 Projection (3)	Difference (4)	Cross Reference (5)
1	General School and Other	\$ 92	\$ 120	\$ 28	
2	1% In-Lieu of Municipal Taxes	36	33	(3)	
3					
4	Total	<u>\$ 128</u>	<u>\$ 153</u>	<u>\$ 25</u>	

**FORTISBC ENERGY INC. - Fort Nelson**

FEFN 2020 RRA Application - Evidentiary Update January 14, 2021

Schedule 18

**OTHER REVENUE  
FOR THE YEAR ENDING DECEMBER 31, 2020  
(\$000s)**

Line No.	Particulars (1)	2020 Approved (2)	2020 Projection (3)	Difference (4)	Cross Reference (5)
1	Late Payment Charge	\$ 12	\$ 9	\$ (3)	
2	Application Charge	5	-	(5)	
3		-			
4	Total	\$ 17	\$ 9	\$ (8)	

**INCOME TAXES**  
**FOR THE YEAR ENDING DECEMBER 31, 2020**  
**(\$000s)**

Line No.	Particulars	2020 Approved (2)	2020 Projection (3)	Difference (4)	Cross Reference (5)
	(1)				
1	<b>EARNED RETURN</b>	\$ 800	\$ 948	\$ 148	Schedule 11, Line 27, Column 5
2	Deduct: Interest on Debt	(383)	(373)	10	Schedule 21, Line 1+2, Column 7
3	Adjustments to Taxable Income	(90)	(81)	9	Schedule 19, Line 31
4	Accounting Income After Tax	\$ 327	\$ 494	\$ 167	
5					
6	1 - Current Income Tax Rate	73.00%	73.00%	0.00%	
7	Taxable Income	\$ 448	\$ 677	\$ 229	
8					
9	Current Income Tax Rate	27.00%	27.00%	0.00%	
10	Income Tax - Current	\$ 121	\$ 182	\$ 61	
11					
12	Previous Year Adjustment	-	-	-	
13	Total Income Tax	\$ 121	\$ 182	\$ 61	
14					
15					
16	<b>ADJUSTMENTS TO TAXABLE INCOME</b>				
17	Addbacks:				
18	Depreciation	\$ 463	\$ 478	\$ 15	Schedule 16, Line 2, Column 3
19	Amortization of Deferred Charges	161	135	(26)	Schedule 16, Line 5, Column 3
20	Amortization of Debt Issue Expenses	2	3	1	
21	Pension Expense	37	52	15	
22	OPEB Expense	23	20	(3)	
23					
24	Deductions:				
25	Capital Cost Allowance	(657)	(653)	4	Schedule 20, Line 13, Column 6
26	CIAC Amortization	(28)	(29)	(1)	Schedule 16, Line 6, Column 3
27	Pension Contributions	(35)	(29)	6	
28	OPEB Contributions	(4)	(6)	(2)	
29	Overheads Capitalized Expensed for Tax Purposes	(41)	(41)	-	
30	Removal Costs	(11)	(11)	-	Schedule 7, Line 14, Column 4
31	Total	\$ (90)	\$ (81)	\$ 9	

**CAPITAL COST ALLOWANCE  
FOR THE YEAR ENDING DECEMBER 31, 2020  
(\$000s)**

Schedule 20

Line No.	Class	CCA Rate	12/31/2019 UCC Balance	Post Nov 21, 2018 Premium Adjustments	2020 Additions	2020 CCA	12/31/2020 UCC Balance
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	1	4%	\$ 1,849	\$ -	\$ -	\$ (74)	\$ 1,775
2	1(b)	6%	465	-	-	(28)	437
3	2	6%	176	-	-	(10)	166
4	3	5%	9	-	-	-	9
5	8	20%	14	5	10	(6)	18
6	10	30%	-	-	-	-	-
7	12	100%	-	-	45	(45)	-
8	14.1 (pre 2017)	7%	23	-	-	(2)	21
9	49	8%	3,482	20	39	(283)	3,238
10	50	55%	17	10	19	(25)	11
11	51	6%	2,128	291	583	(180)	2,531
12							
13	Total		\$ 8,163	\$ 326	\$ 696	\$ (653)	\$ 8,206

**RETURN ON CAPITAL  
FOR THE YEAR ENDING DECEMBER 31, 2020  
(\$000s)**

Line No.	Particulars	2020 Approved Earned Return	Amount	Ratio	2020 Average Embedded Cost	Cost Component	Earned Return	Earned Return Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Long Term Debt	\$ 368	\$ 7,123	58.88%	5.17%	3.04%	\$ 368	\$ -	Schedule 22, Line 28&30, Column 5&6&7
2	Short Term Debt	15	317	2.62%	1.65%	0.04%	5	(10)	
3	Common Equity	417	4,657	38.50%	12.35%	4.75%	575	158	
4									
5	Total	<u>\$ 800</u>	<u>\$ 12,097</u>	<u>100.00%</u>		<u>7.84%</u>	<u>\$ 948</u>	<u>\$ 148</u>	
6									
7	Cross Reference		Schedule 1, Line 23, Column 3						

Line No.	Particulars	Issue Date	Maturity Date	Net Proceeds of Issue	Average Principal Outstanding	Interest * Rate	Interest Expense	Cross Reference
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1	Medium Term Note - Series 11	September 21, 1999	September 21, 2029	147,710	150,000	7.073%	10,610	
2	2004 Long Term Debt Issue - Series 18	April 29, 2004	May 1, 2034	148,085	150,000	6.598%	9,897	
3	2005 Long Term Debt Issue - Series 19	February 25, 2005	February 25, 2035	148,337	150,000	5.980%	8,970	
4	2006 Long Term Debt Issue - Series 21	September 25, 2006	September 25, 2036	119,216	120,000	5.595%	6,714	
5	2007 Medium Term Debt Issue - Series 22	October 2, 2007	October 2, 2037	247,697	250,000	6.067%	15,168	
6	2008 Medium Term Debt Issue - Series 23	May 13, 2008	May 13, 2038	247,588	250,000	5.869%	14,673	
7	2009 Med.Term Debt Issue- Series 24	February 24, 2009	February 24, 2039	98,766	100,000	6.645%	6,645	
8	2011 Medium Term Debt Issue - Series 25	December 9, 2011	December 9, 2041	98,590	100,000	4.334%	4,334	
9	2015 Medium Term Debt Issue - Series 26 (Series A Renewal)	April 13, 2015	April 13, 2045	148,938	150,000	3.413%	5,120	
10	2016 Medium Term Debt Issue - Series 27 (Series B Renewal)	April 8, 2016	April 8, 2026	123,730	124,571	2.644%	3,294	
11	2016 Medium Term Debt Issue - Series 28	April 8, 2016	April 9, 2046	148,746	150,000	3.716%	5,574	
12	2016 Medium Term Debt Issue - Series 29	December 13, 2016	March 6, 2047	148,865	150,000	3.822%	5,733	
13	2017 Medium Term Debt Issue - Series 30	October 30, 2017	October 30, 2047	173,584	175,000	3.735%	6,536	
14	2018 Medium Term Debt Issue - Series 31	December 7, 2018	December 7, 2048	198,351	200,000	3.897%	7,794	
15	2019 Medium Term Debt Issue - Series 32	August 9, 2019	August 9, 2049	198,500	200,000	2.857%	5,714	
16	2020 Medium Term Debt Issue - Series 33	July 13, 2020	July 13, 2050	198,000	93,989	2.588%	2,432	
17								
18	FEVI L/T Debt Issue - 2008	February 16, 2008	February 15, 2038	247,999	250,000	6.109%	15,273	
19	FEVI L/T Debt Issue - 2010	December 6, 2010	December 6, 2040	98,836	100,000	5.278%	5,278	
20								
21	LILLO Obligations - Nelson	-			2,559	8.910%	228	
22	LILLO Obligations - Prince George	-			19,885	9.122%	1,814	
23	LILLO Obligations - Creston	-			1,917	8.138%	156	
24								
25	Vehicle Lease Obligation				780	3.205%	25	
26								
27	Sub-Total				\$ 2,888,701		\$ 141,982	
28	Fort Nelson Division Portion of Long Term				\$ 7,123		\$ 368	
29								
30	Average Embedded Cost					5.17%		
31								
32	* Interest Rate is Effective interest rate as it includes amortization of debt issue costs							

**Appendix C**

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**REVISED 2021 FINANCIAL SCHEDULES**

**SUMMARY OF RATE CHANGE  
FOR THE YEAR ENDING DECEMBER 31, 2021  
(\$millions)**

Line No.	Particulars	2021 Forecast		Cross Reference
	(1)	(2)	(3)	(4)
1	<b>VOLUME/REVENUE RELATED</b>			
2	Customer Growth and Volume	\$ (0.012)		
3	Change in Other Revenue	0.003	(0.009)	
4				
5	<b>O&amp;M CHANGES</b>			
6	Gross O&M Change	(0.080)		
7	Capitalized Overhead Change	0.010	(0.070)	
8				
9	<b>DEPRECIATION EXPENSE</b>			
10	Plant Depreciation		0.023	
11				
12	<b>AMORTIZATION EXPENSE</b>			
13	CIAC	(0.001)		
14	Deferrals	(0.031)	(0.032)	
15				
16	<b>FINANCING AND RETURN ON EQUITY</b>			
17	Financing Rate Changes	(0.031)		
18	Financing Ratio Changes	0.006		
19	Rate Base Growth	0.009	(0.016)	
20				
21	<b>TAX EXPENSE</b>			
22	Property and Other Taxes	0.023		
23	Other Income Taxes Changes	(0.051)	(0.028)	
24				
25	<b>Deferred 2021 Revenue Surplus</b>		0.132	
26				
27	<b>Revenue Deficiency (Surplus)</b>	\$ -		Schedule 12, Line 11, Column 4
28				
29	Non-Bypass Margin @ Existing Rates		2.533	Schedule 12, Line 15, Column 3
30	Rate Change		0.00%	



**FORTISBC ENERGY INC. - Fort Nelson**

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Schedule 2

**UTILITY RATE BASE  
FOR THE YEAR ENDING DECEMBER 31, 2021  
(\$000s)**

Line No.	Particulars	2020 Approved	2021 at Revised Rates	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)
1	Plant in Service, Beginning	\$ 17,380	\$ 17,837	\$ 457	Schedule 4, Line 38, Column 3
2	Net Additions	422	837	415	Schedule 4, Line 38, Column 5+6+7
3	Plant in Service, Ending	17,802	18,674	872	
4					
5	Accumulated Depreciation Beginning	\$ (4,858)	\$ (5,184)	\$ (326)	Schedule 5, Line 38, Column 5
6	Net Additions	(200)	(406)	(206)	Schedule 5, Line 38, Column 7+8
7	Accumulated Depreciation Ending	(5,058)	(5,590)	(532)	
8					
9	CIAC, Beginning	\$ (1,331)	\$ (1,337)	\$ (6)	Schedule 6, Line 4, Column 2
10	Net Additions	-	-	-	Schedule 6, Line 4, Column 5+6
11	CIAC, Ending	(1,331)	(1,337)	(6)	
12					
13	Accumulated Amortization Beginning - CIAC	\$ 789	\$ 819	\$ 30	Schedule 6, Line 9, Column 2
14	Net Additions	28	29	1	Schedule 6, Line 9, Column 5+6
15	Accumulated Amortization Ending - CIAC	817	848	31	
16					
17	Net Plant in Service, Mid-Year	\$ 12,105	\$ 12,365	\$ 260	
18					
19	Capital Work in Progress, No AFUDC	\$ 121	\$ 77	\$ (44)	
20	Unamortized Deferred Charges	66	(20)	(86)	Schedule 8, Line 19, Column 10
21	Working Capital	72	81	9	Schedule 10, Line 12, Column 3
22					
23	Mid-Year Utility Rate Base	\$ 12,364	\$ 12,503	\$ 139	

**CAPITAL EXPENDITURES TO PLANT RECONCILIATION  
FOR THE YEAR ENDING DECEMBER 31, 2021  
(\$000s)**

Line No.	Particulars (1)	2021 Forecast (2)	Cross Reference (3)
1	<b>CAPEX</b>		
2			
3	Total Regular Capital Expenditures	\$ 805	
4			
5	Total Special Projects and CPCNs	\$ -	
6			
7	<b>Total Capital Expenditures</b>	<b>\$ 805</b>	
8			
9			
10	<b>RECONCILIATION OF CAPITAL EXPENDITURES TO PLANT</b>		
11			
12	Regular Capital Expenditures	\$ 805	
13	Add - Capitalized Overheads	112	
14	Add - AFUDC	-	Schedule 16, Line 18, Column 5 & 6
15	Gross Capital Expenditures	917	
16	Change in Work in Progress	-	
17	<b>Total Additions to Plant - Regular Capital</b>	<b>\$ 917</b>	
18			
19	Special Projects and CPCNs	\$ -	
20	<b>Total Additions to Plant - CPCNs</b>	<b>\$ -</b>	
21			
22	<b>Grand Total Additions to Plant</b>	<b>\$ 917</b>	

**PLANT IN SERVICE CONTINUITY SCHEDULE  
FOR THE YEAR ENDING DECEMBER 31, 2021  
(\$000s)**

Line No.	Account	Particulars	12/31/2020	Opening Bal Adjustment	CPCN's	Additions	Retirements	12/31/2021	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1		<b>INTANGIBLE PLANT</b>							
2	461-01	Transmission Land Rights	\$ 78	\$ -	\$ -	\$ -	\$ -	\$ 78	
3	471-01	Distribution Land Rights	20	-	-	-	-	20	
4	402-01	Application Software - 12.5%	306	-	-	22	(21)	307	
5	402-02	Application Software - 20%	69	-	-	22	-	91	
6			<u>\$ 473</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44</u>	<u>\$ (21)</u>	<u>\$ 496</u>	
7									
8		<b>TRANSMISSION PLANT</b>							
9	463-00	Measuring Structures	\$ 10	\$ -	\$ -	\$ -	\$ -	\$ 10	
10	465-00	Mains	5,996	-	-	51	(2)	6,045	
11	467-10	Measuring & Regulating Equipment	670	-	-	-	-	670	
12	467-20	Telemetry	49	-	-	216	-	265	
13			<u>\$ 6,725</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 267</u>	<u>\$ (2)</u>	<u>\$ 6,990</u>	
14									
15		<b>DISTRIBUTION PLANT</b>							
16	472-00	Structures & Improvements	\$ 333	\$ -	\$ -	\$ -	\$ -	\$ 333	
17	473-00	Services	2,653	-	-	87	(22)	2,718	
18	474-00	House Regulators & Meter Installations	467	-	-	-	-	467	
19	474-02	Meters/Regulators Installations	215	-	-	-	-	215	
20	475-00	Mains	3,620	-	-	341	(32)	3,929	
21	477-10	Measuring & Regulating Equipment	2,007	-	-	119	-	2,126	
22	477-20	Telemetry	357	-	-	-	-	357	
23	478-10	Meters	19	-	-	-	-	19	
24			<u>\$ 9,671</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 547</u>	<u>\$ (54)</u>	<u>\$ 10,164</u>	
25									
26		<b>GENERAL PLANT &amp; EQUIPMENT</b>							
27	480-00	Land in Fee Simple	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ 1	
28	482-10	Frame Buildings	672	-	-	30	-	702	
29	483-30	GP Office Equipment	-	-	-	-	-	-	
30	483-40	GP Furniture	1	-	-	-	-	1	
31	483-10	GP Computer Hardware	218	-	-	19	-	237	
32	483-20	GP Computer Software	20	-	-	-	(3)	17	
33	484-00	Vehicles	19	-	-	-	-	19	
34	486-00	Small Tools & Equipment	37	-	-	10	-	47	
35	488-10	Telephone	-	-	-	-	-	-	
36			<u>\$ 968</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 59</u>	<u>\$ (3)</u>	<u>\$ 1,024</u>	
37									
38		<b>Total Plant in Service</b>	<u>\$ 17,837</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 917</u>	<u>\$ (80)</u>	<u>\$ 18,674</u>	
39									
40		Cross Reference							

Schedule 3, Line  
20, Column 2      Schedule 3, Line  
17, Column 2

**ACCUMULATED DEPRECIATION CONTINUITY SCHEDULE  
FOR THE YEAR ENDING DECEMBER 31, 2021  
(\$000s)**

## Schedule 5

Line No.	Account	Particulars	Gross Plant for Depreciation	Depreciation Rate	12/31/2020	Opening Bal Adjustment	Depreciation Expense	Retirements	Cost of Removal	Adjustments	12/31/2021	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1	INTANGIBLE PLANT											
2	461-01	Transmission Land Rights	\$ 78	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
3	471-01	Distribution Land Rights	20	0.00%	-	-	-	-	-	-	-	
4	402-01	Application Software - 12.5%	306	12.50%	240	-	38	(21)	-	-	257	
5	402-02	Application Software - 20%	69	20.00%	26	-	12	-	-	-	38	
6			<u>\$ 473</u>		<u>\$ 266</u>	<u>\$ -</u>	<u>\$ 50</u>	<u>\$ (21)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 295</u>	
7												
8	TRANSMISSION PLANT											
9	463-00	Measuring Structures	\$ 10	2.29%	\$ 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2	
10	465-00	Mains	5,996	1.47%	767	-	88	(2)	-	-	853	
11	467-10	Measuring & Regulating Equipment	670	2.41%	328	-	16	-	-	-	344	
12	467-20	Telemetering	49	9.75%	9	-	5	-	-	-	14	
13			<u>\$ 6,725</u>		<u>\$ 1,106</u>	<u>\$ -</u>	<u>\$ 109</u>	<u>\$ (2)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,213</u>	
14												
15	DISTRIBUTION PLANT											
16	472-00	Structures & Improvements	\$ 333	2.41%	\$ 141	\$ -	\$ 8	\$ -	\$ -	\$ -	\$ 149	
17	473-00	Services	2,653	2.45%	1,064	-	65	(22)	-	-	1,107	
18	474-00	House Regulators & Meter Installations	467	5.99%	439	-	28	-	-	-	467	
19	474-02	Meters/Regulators Installations	215	4.55%	42	-	10	-	-	-	52	
20	475-00	Mains	3,620	1.54%	759	-	56	(32)	-	-	783	
21	477-10	Measuring & Regulating Equipment	2,007	3.05%	809	-	61	-	-	-	870	
22	477-20	Telemetering	357	2.82%	38	-	10	-	-	-	48	
23	478-10	Meters	19	7.09%	17	-	1	-	-	-	18	
24			<u>\$ 9,671</u>		<u>\$ 3,309</u>	<u>\$ -</u>	<u>\$ 239</u>	<u>\$ (54)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,494</u>	
25												
26	GENERAL PLANT & EQUIPMENT											
27	480-00	Land in Fee Simple	\$ 1	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
28	482-10	Frame Buildings	672	6.04%	296	-	40	-	-	-	336	
29	483-30	GP Office Equipment	-	6.67%	-	-	-	-	-	-	-	
30	483-40	GP Furniture	1	5.00%	1	-	-	-	-	-	1	
31	483-10	GP Computer Hardware	218	20.00%	163	-	44	-	-	-	207	
32	483-20	GP Computer Software	20	12.50%	21	-	-	(3)	-	-	18	
33	484-00	Vehicles	19	10.55%	17	-	2	-	-	-	19	
34	486-00	Small Tools & Equipment	37	5.00%	5	-	2	-	-	-	7	
35	488-10	Telephone	-	6.67%	-	-	-	-	-	-	-	
36			<u>\$ 968</u>		<u>\$ 503</u>	<u>\$ -</u>	<u>\$ 88</u>	<u>\$ (3)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 588</u>	
37												
38	Total		<u>\$ 17,837</u>		<u>\$ 5,184</u>	<u>\$ -</u>	<u>\$ 486</u>	<u>\$ (80)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,590</u>	
39												
40	Cross Reference	Schedule 4, Line 38, Columns 3+4+5										

**CONTRIBUTIONS IN AID OF CONSTRUCTION CONTINUITY SCHEDULE  
FOR THE YEAR ENDING DECEMBER 31, 2021  
(\$000s)**

Line No.	Particulars	12/31/2020	CPCN / Open Bal Adj	Adjustment	Additions	Retirements	12/31/2021	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	<b>CIAC</b>							
2	Distribution Contributions	\$ 1,172	\$ -	\$ -	\$ -	\$ -	\$ 1,172	
3	Transmission Contributions	165	-	-	-	-	165	
4	<b>Total</b>	<b>\$ 1,337</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,337</b>	
5								
6	<b>Amortization</b>							
7	Distribution Contributions	\$ (789)	\$ -	\$ -	\$ (27)	\$ -	\$ (816)	
8	Transmission Contributions	(30)	-	-	(2)	-	(32)	
9	<b>Total</b>	<b>\$ (819)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (29)</b>	<b>\$ -</b>	<b>\$ (848)</b>	
10								
11	<b>Net CIAC</b>	<b>\$ 518</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (29)</b>	<b>\$ -</b>	<b>\$ 489</b>	
12								

**NET SALVAGE CONTINUITY SCHEDULE  
FOR THE YEAR ENDING DECEMBER 31, 2021  
(\$000s)**

## Schedule 7

Line No.	Account	Particulars	Gross Plant for Depreciation	Salvage Rate	12/31/2020	Opening Bal Adjustment	Net Salvage Provision	Retirement Costs / Proceeds on Disp.	12/31/2021	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1		TRANSMISSION PLANT								
2	463-00	Measuring Structures	\$ 10	0.57%	\$ -	\$ -	\$ -	\$ -	\$ -	
3	465-00	Mains	5,996	0.37%	96	-	22	(120)	(2)	
4	467-10	Measuring & Regulating Equipment	670	0.22%	11	-	1	-	12	
5			<u>\$ 6,676</u>		<u>\$ 107</u>	<u>\$ -</u>	<u>\$ 23</u>	<u>\$ (120)</u>	<u>\$ 10</u>	
6										
7		DISTRIBUTION PLANT								
8	472-00	Structures & Improvements	\$ 333	0.32%	\$ 3	\$ -	\$ 1	\$ -	\$ 4	
9	473-00	Services	2,653	1.61%	81	-	43	-	124	
10	474-00	House Regulators & Meter Installations	467	1.77%	31	-	8	(11)	28	
11	474-02	Meters/Regulators Installations	215	0.00%	1	-	-	-	1	
12	475-00	Mains	3,620	0.43%	(45)	-	16	-	(29)	
13	477-10	Measuring & Regulating Equipment	2,007	0.46%	51	-	9	-	60	
14	477-20	Telemetrying	357	0.42%	5	-	2	-	7	
15	478-10	Meters	19	-0.26%	-	-	-	-	-	
16			<u>\$ 9,671</u>		<u>\$ 127</u>	<u>\$ -</u>	<u>\$ 79</u>	<u>\$ (11)</u>	<u>\$ 195</u>	
17										
18		GENERAL PLANT & EQUIPMENT								
19	482-10	Frame Buildings	\$ 672	0.00%	\$ (5)	\$ -	\$ -	\$ -	\$ (5)	
20	484-00	Vehicles	19	-1.00%	-	-	-	-	-	
21										
22										
23		Total	<u>\$ 17,038</u>		<u>\$ 229</u>	<u>\$ -</u>	<u>\$ 102</u>	<u>\$ (131)</u>	<u>\$ 200</u>	
24										
25		Cross Reference	Schedule 4, Columns 3+4+5							

**UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION - RATE BASE**  
**FOR THE YEAR ENDING DECEMBER 31, 2021**  
**(\$000s)**

Schedule 8

Line No.	Particulars	12/31/2020	Opening Bal./ Transfer/Adj.	Gross Additions	Less Taxes	Amortization Expense	Rider	Tax on Rider	12/31/2021	Mid-Year Average	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	<u>Forecasting Variance Accounts</u>										
2	Revenue Stabilization Adjustment Mechanism (RSAM)	\$ (239)	\$ -	\$ -	\$ -	\$ -	\$ 164	\$ (44)	\$ (119)	\$ (179)	
3	Interest on RSAM	-	-	-	-	-	-	-	-	-	
4	Gas Cost Reconciliation Account	104	-	(143)	39	-	-	-	-	52	
5	Property Tax Variance	21	-	-	-	5	-	-	26	24	
6	Interest Variance Deferral	(7)	-	-	-	2	-	-	(5)	(6)	
7		<u>\$ (121)</u>	<u>\$ -</u>	<u>\$ (143)</u>	<u>\$ 39</u>	<u>\$ 7</u>	<u>\$ 164</u>	<u>\$ (44)</u>	<u>\$ (98)</u>	<u>\$ (109)</u>	
8											
9	<u>Benefits Matching Accounts</u>										
10	Demand-Side Management (DSM)	\$ 161	\$ 72	\$ 72	\$ (19)	\$ (28)	\$ -	\$ -	\$ 258	\$ 246	
11	2019-2020 Revenue Requirement Application	(15)	-	-	-	15	-	-	-	(8)	
12	2017 Rate Design Application	26	-	-	-	(9)	-	-	17	22	
13	Gains and Losses on Asset Disposition	46	-	-	-	(12)	-	-	34	40	
14	Net Salvage Provision/Cost	(229)	-	131	-	(102)	-	-	(200)	(215)	
15	Billing system costs for FEFN Rate changes	4	-	-	-	(1)	-	-	3	4	
16		<u>\$ (7)</u>	<u>\$ 72</u>	<u>\$ 203</u>	<u>\$ (19)</u>	<u>\$ (137)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 112</u>	<u>\$ 89</u>	
17											
18											
19	<b>Total Deferred Charges for Rate Base</b>	<u>\$ (128)</u>	<u>\$ 72</u>	<u>\$ 60</u>	<u>\$ 20</u>	<u>\$ (130)</u>	<u>\$ 164</u>	<u>\$ (44)</u>	<u>\$ 14</u>	<u>\$ (20)</u>	

**UNAMORTIZED DEFERRED CHARGES AND AMORTIZATION - NON-RATE BASE  
FOR THE YEAR ENDING DECEMBER 31, 2021  
(\$000s)**

Line No.	Particulars (1)	12/31/2020 (2)	Opening Bal./ Transfer/Adj. (3)	Gross Additions (4)	Less Taxes (5)	Amortization Expense (6)	Rider (7)	Tax on Rider (8)	12/31/2021 (9)	Mid-Year Average (10)	Cross Reference (11)
1	<u>Rate Smoothing Accounts</u>										
2	FEFN Revenue Surplus	\$ 4	\$ -	\$ (123)	\$ 33	\$ -	\$ -	\$ -	\$ (86)	\$ (41)	
3											
4	<u>Benefits Matching Accounts</u>										
5	Demand-Side Management (DSM)	\$ 72	\$ (72)	\$ 144	\$ (38)	\$ -	\$ -	\$ -	\$ 106	\$ 53	
6											
7	<u>Other Accounts</u>										
8	FN Right-of-Way Agreement	\$ 147	\$ -	\$ 8	\$ -	\$ -	\$ -	\$ -	\$ 155	\$ 151	
9											
10											
11	<b>Total Deferred Charges for Non Rate Base</b>	<b>\$ 223</b>	<b>\$ (72)</b>	<b>\$ 29</b>	<b>\$ (5)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 175</b>	<b>\$ 163</b>	



**FORTISBC ENERGY INC. - Fort Nelson**

FEFN 2021 RRA Application - Evidentiary Update January 14, 2021

**WORKING CAPITAL ALLOWANCE  
FOR THE YEAR ENDING DECEMBER 31, 2021  
(\$000s)**

Schedule 10

Line No.	Particulars	2020 Approved (2)	2021 Forecast (3)	Change (4)	Cross Reference (5)
	(1)				
1	<b>Cash Working Capital</b>				
2	Cash Working Capital	\$ 74	\$ 70	\$ (4)	Schedule 11, Line 27, Column 5
3					
4	Add/Less: Funds Unavailable/(Funds Available)				
5	Employee Loans	-	-	-	
6	Reserve for bad debts	(16)	-	16	Note 1
7	Employee Withholdings	(13)	(15)	(2)	
8					
9	<b>Other Working Capital Items</b>				
10	Inventory - Materials and Supplied	27	26	(1)	
11					
12	Total	<u>\$ 72</u>	<u>\$ 81</u>	<u>\$ 9</u>	
13					
14	Note 1: Reserve for bad debts included in Cash Working Capital calculation (Schedule 11) beginning in 2021.				

**FORTISBC ENERGY INC. - Fort Nelson**

FEFN 2021 RRA Application - Evidentiary Update January 14, 2021

**CASH WORKING CAPITAL  
FOR THE YEAR ENDING DECEMBER 31, 2021  
(\$000s)**

Schedule 11

Line No.	Particulars	2021 at Revised Rates	Lag (Lead) Days	Extended	Weighted Average Lag (Lead) Days	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)
1	<b>REVENUE</b>					
2	<b>Sales Revenue</b>					
3	Residential Tariff Revenue	\$ 1,631	38.5	\$ 62,794		
4	Commercial Tariff Revenue	1,761	38.5	67,799		
5	Industrial Tariff Revenue	-	-	-		
6						
7	<b>Other Revenue</b>					
8	Late Payment Charges	14	38.3	536		
9	Application Charge	-	38.3	-		
10						
11	Total	<u>\$ 3,406</u>		<u>\$ 131,129</u>	38.5	
12						
13	<b>EXPENSES</b>					
14	Energy Purchases	\$ 859	(40.2)	\$ (34,532)		
15	Operating and Maintenance	823	(25.5)	(20,987)		
16	Property Taxes	151	(2.0)	(302)		
17	Carbon Tax	978	(29.1)	(28,460)		
18	GST	29	(38.8)	(1,125)		
19	PST	21	(37.1)	(779)		
20	Income Tax	70	(15.2)	(1,064)		
21						
22	Total	<u>\$ 2,931</u>		<u>\$ (87,249)</u>	(29.8)	
23						
24	Net Lag (Lead) Days				8.7	
25	Total Expenses				\$ 2,931	
26						
27	Cash Working Capital				<u>\$ 70</u>	

**FORTISBC ENERGY INC. - Fort Nelson**

FEFN 2021 RRA Application - Evidentiary Update January 14, 2021

**UTILITY INCOME AND EARNED RETURN  
FOR THE YEAR ENDING DECEMBER 31, 2021  
(\$000s)**

Schedule 12

Line No.	Particulars	2020 Approved	2021 FORECAST at Existing Rates *	Revised Revenue	at Revised Rates	Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	<b>ENERGY VOLUMES</b>						
2	Sales Volume (TJ)	440	492		492	52	
3	Transportation Volume (TJ)	41	-		-	(41)	
4		482	492	-	492	11	Schedule 13, Line 9, Column 3
5							
6	<b>REVENUE AT EXISTING RATES</b>						
7	Sales	\$ 2,764	\$ 3,392	\$ -	\$ 3,392	\$ 628	
8	Deficiency (Surplus)	272	-	-	-	(272)	
9	Transportation	156	-	-	-	(156)	
10	Deficiency (Surplus)	21	-	-	-	(21)	
11	Total	3,213	3,392	-	3,392	179	Schedule 15, Line 15, Column 8
12							
13	<b>COST OF ENERGY</b>	692	859	-	859	167	Schedule 14, Line 9, Column 3
14							
15	<b>MARGIN</b>	2,521	2,533	-	2,533	12	
16							
17	<b>EXPENSES</b>						
18	O&M Expense (net)	893	823	-	823	(70)	Schedule 16, Line 21, Column 5
19	Depreciation & Amortization	596	587	-	587	(9)	Schedule 17, Line 9, Column 3
20	Property Taxes	128	151	-	151	23	Schedule 18, Line 4, Column 3
21	Deferred 2021 Revenue Surplus		132	-	132	132	Schedule 1, Line 25, Column 3
22	Other Revenue	(17)	(14)	-	(14)	3	Schedule 19, Line 4, Column 3
23	Utility Income Before Income Taxes	921	854	-	854	(67)	
24							
25	Income Taxes	121	70	-	70	(51)	Schedule 20, Line 13, Column 3
26							
27	<b>EARNED RETURN</b>	\$ 800	\$ 784	\$ -	\$ 784	\$ (16)	Schedule 22, Line 5, Column 7
28							
29	<b>UTILITY RATE BASE</b>	\$ 12,364	\$ 12,503		\$ 12,503	\$ 139	Schedule 2, Line 23, Column 3
30	<b>RATE OF RETURN ON UTILITY RATE BASE</b>	6.47%	6.27%		6.27%	-0.20%	Schedule 22, Line 5, Column 6

**FORTISBC ENERGY INC. - Fort Nelson**

FEFN 2021 RRA Application - Evidentiary Update January 14, 2021

Schedule 13

**VOLUME AND REVENUE  
FOR THE YEAR ENDING DECEMBER 31, 2021  
(\$000s)**

Line No.	Particulars (1)	2020 Approved (2)	2021 Forecast (3)	Change (4)	Cross Reference (5)
1	<b>ENERGY VOLUME SOLD (TJ)</b>				
2	Residential				
3	Rate Schedule 1	236.9	235.2	(1.7)	
4	Commercial				
5	Rate Schedule 2	150.4	166.9	16.5	
6	Rate Schedule 3	53.1	90.2	37.1	
7	Industrial				
8	Rate Schedule 25	41.3	-	(41.3)	
9	Total	481.7	492.3	10.6	
10					
11	<b>REVENUE AT EXISTING RATES</b>				
12	Residential				
13	Rate Schedule 1	\$ 1,608	\$ 1,631	\$ 23	
14	Commercial				
15	Rate Schedule 2	1,114	1,235	121	
16	Rate Schedule 3	314	526	212	
17	Industrial				
18	Rate Schedule 25	177	-	(177)	
19	Total	\$ 3,213	\$ 3,392	\$ 179	

**FORTISBC ENERGY INC. - Fort Nelson**

FEFN 2021 RRA Application - Evidentiary Update January 14, 2021

**COST OF ENERGY  
FOR THE YEAR ENDING DECEMBER 31, 2021  
(\$000s)**

Schedule 14

Line No.	Particulars (1)	2020 Approved (2)	2021 Forecast (3)	Change (4)	Cross Reference (5)
1	<b>COST OF GAS</b>				
2	Residential				
3	Rate Schedule 1	\$ 372	\$ 411	\$ 39	
4	Commercial				
5	Rate Schedule 2	236	291	55	
6	Rate Schedule 3	84	157	73	
7	Industrial				
8	Rate Schedule 25	-		-	
9	Total	\$ 692	\$ 859	\$ 167	

Line No.	Particulars	2020 Approved Margin (2)	2021 FORECAST			2021 FORECAST			Average Number of Customers (9)	Terajoules (10)	Cross Reference (11)
			Margin at Existing Rates *	Effective Increase (4)	Margin at Revised Rates (5)	Revenue at Existing Rates *	Effective Increase (7)	Revenue at Revised Rates (8)			
1	<b>NON - BYPASS</b>										
2	Residential										
3	Rate Schedule 1	\$ 1,236	\$ 1,220	\$ -	\$ 1,220	\$ 1,631	\$ -	\$ 1,631	1,863	235.2	
4	Commercial										
5	Rate Schedule 2	878	944	-	944	1,235	-	1,235	451	166.9	
6	Rate Schedule 3	230	369	-	369	526	-	526	17	90.2	
7	Industrial										
8	Rate Schedule 25	177	-	-	-	-	-	-	-	-	
9	Total Non-Bypass	<u>\$ 2,521</u>	<u>\$ 2,533</u>	<u>\$ -</u>	<u>\$ 2,533</u>	<u>\$ 3,392</u>	<u>\$ -</u>	<u>\$ 3,392</u>	<u>2,331</u>	<u>492.3</u>	
10											
11											
12	Total Bypass & Special	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	
13											
14											
15	Total	<u>\$ 2,521</u>	<u>\$ 2,533</u>	<u>\$ -</u>	<u>\$ 2,533</u>	<u>\$ 3,392</u>	<u>\$ -</u>	<u>\$ 3,392</u>	<u>2,331</u>	<u>492.3</u>	
16											
17	<b>Effective Increase</b>		<u>0.00%</u>			<u>0.00%</u>					
18											
19	* Existing rates are based on Fort Nelson rate design approved in Commission Order G-135-18 FEI 2016 Rate Design Application (RDA) on July 20, 2018.										

**OPERATING AND MAINTENANCE EXPENSE - RESOURCE VIEW  
FOR THE YEAR ENDING DECEMBER 31, 2021  
(\$000s)**

Schedule 16

Line No.	Particulars (1)	2019 Actual (2)	2020 Approved (3)	2020 Projection (4)	2021 Forecast (5)	Cross Reference (6)
1	M&E Costs	\$ 17	\$ 19	\$ 17	\$ 18	
2	IBEW Costs	228	331	255	242	
3						
4	<b>Labour Costs</b>	<b>245</b>	<b>350</b>	<b>272</b>	<b>260</b>	
5						
6	Vehicle Costs	20	45	27	26	
7	Employee Expenses	8	20	9	12	
8	Materials and Supplies	7	8	2	2	
9	Fees and Administration Costs	515	535	567	587	
10	Contractor Costs	5	22	16	15	
11	Facilities	29	37	33	34	
12	Recoveries & Revenue	(8)	(2)	(1)	(1)	
13						
14	<b>Non-Labour Costs</b>	<b>576</b>	<b>665</b>	<b>653</b>	<b>675</b>	
15						
16	<b>Total Gross O&amp;M Expenses</b>	<b>821</b>	<b>1,015</b>	<b>925</b>	<b>935</b>	
17						
18	Less: Capitalized Overhead	(121)	(122)	(122)	(112)	
19						
20						
21	<b>Total O&amp;M Expenses</b>	<b>\$ 700</b>	<b>\$ 893</b>	<b>\$ 803</b>	<b>\$ 823</b>	Schedule 12, Line 18, Column 5

**OPERATING AND MAINTENANCE EXPENSE - ACTIVITY VIEW  
FOR THE YEAR ENDING DECEMBER 31, 2021 and 2022  
(\$000s)**

Line No.	Particulars	Account	2019 Actual	2020 Approved	2020 Projection	2021 Forecast	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Distribution Supervision	110-11	\$ 80	\$ 110	\$ 89	\$ 91	
2	Distribution Supervision Total	110-10	80	110	89	91	
3							
4	Operation Centre - Distribution	110-21	46	98	52	52	
5	Preventative Maintenance - Distribution	110-22	14	24	16	16	
6	Operations - Distribution	110-23	44	63	49	50	
7	Emergency Management - Distribution	110-24	34	54	38	38	
8	Field Training - Distribution	110-25	15	32	17	17	
9	Meter Exchange - Distribution	110-26	16	24	19	19	
10	Distribution Operations Total	110-20	169	295	191	192	
11							
12	Corrective - Distribution	110-31	44	61	50	50	
13	Distribution Maintenance Total	110-30	44	61	50	50	
14							
15	Account Services - Distribution	110-41	8	11	9	9	
16	Bad Debt Management - Distribution	110-42	5	7	6	6	
17	Distribution Meter to Cash Total	110-40	13	18	15	15	
18							
19	<b>Distribution Total</b>	<b>110</b>	<b>306</b>	<b>484</b>	<b>345</b>	<b>348</b>	
20							
21	<b>Operations Total</b>	<b>100</b>	<b>306</b>	<b>484</b>	<b>345</b>	<b>348</b>	
22							
23	Administration & General	540-11		-	-	-	
24	Shared Services Agreement	540-12	515	531	580	587	
25	Retiree Benefits	540-16		-	-	-	
26	Corporate Total	540-10	515	531	580	587	
27							
28	<b>Corporate Total</b>	<b>540</b>	<b>515</b>	<b>531</b>	<b>580</b>	<b>587</b>	
29							
30	<b>Corporate Services Total</b>	<b>500</b>	<b>515</b>	<b>531</b>	<b>580</b>	<b>587</b>	
31							
32	<b>Total Gross O&amp;M Expenses</b>		<b>821</b>	<b>1,015</b>	<b>925</b>	<b>935</b>	
33							
34	Less: Capitalized Overhead		(121)	(122)	(122)	(112)	
35							
36	<b>Total O&amp;M Expenses</b>		<b>\$ 700</b>	<b>\$ 893</b>	<b>\$ 803</b>	<b>\$ 823</b>	

Schedule 12, Line 18, Column 5



**FORTISBC ENERGY INC. - Fort Nelson**

FEFN 2021 RRA Application - Evidentiary Update January 14, 2021

**DEPRECIATION AND AMORTIZATION EXPENSE  
FOR THE YEAR ENDING DECEMBER 31, 2021  
(\$000s)**

Schedule 17

Line No.	Particulars (1)	2020 Approved (2)	2021 Forecast (3)	Change (4)	Cross Reference (5)
1	<b>Depreciation</b>				
2	Depreciation Expense	\$ 463	\$ 486	\$ 23	Schedule 5, Line 38, Column 7
3					
4	<b>Amortization</b>				
5	Rate Base deferrals	\$ 161	\$ 130	\$ (31)	Schedule 8, Line 19, Column 6
6	CIAC	(28)	(29)	(1)	Schedule 6, Line 9, Column 5
7		133	101	(32)	
8					
9	Total	\$ 596	\$ 587	\$ (9)	

**FORTISBC ENERGY INC. - Fort Nelson**

FEFN 2021 RRA Application - Evidentiary Update January 14, 2021

**PROPERTY AND SUNDRY TAXES  
FOR THE YEAR ENDING DECEMBER 31, 2021  
(\$000s)**

Schedule 18

Line No.	Particulars (1)	2020 APPROVED (2)	2021 FORECAST (3)	Change (4)	Cross Reference (5)
1	General School and Other	\$ 92	\$ 121	\$ 29	
2	1% In-Lieu of Municipal Taxes	36	30	(6)	
3					
4	Total	<u>\$ 128</u>	<u>\$ 151</u>	<u>\$ 23</u>	

**FORTISBC ENERGY INC. - Fort Nelson**

FEFN 2021 RRA Application - Evidentiary Update January 14, 2021

**OTHER REVENUE  
FOR THE YEAR ENDING DECEMBER 31, 2021  
(\$000s)**

Schedule 19

Line No.	Particulars (1)	2020 Approved (2)	2021 Forecast (3)	Change (4)	Cross Reference (5)
1	Late Payment Charge	\$ 12	\$ 14	\$ 2	
2	Application Charge	5	-	(5)	
3		-			
4	Total	\$ 17	\$ 14	\$ (3)	

**INCOME TAXES**  
**FOR THE YEAR ENDING DECEMBER 31, 2021**  
**(\$000s)**

Line No.	Particulars	2020 Approved (2)	2021 Forecast (3)	Change (4)	Cross Reference (5)
1	<b>EARNED RETURN</b>	\$ 800	\$ 784	\$ (16)	Schedule 12, Line 27, Column 5
2	Deduct: Interest on Debt	(383)	(363)	20	Schedule 22, Line 1+2, Column 7
3	Adjustments to Taxable Income	(90)	(232)	(142)	Schedule 20, Line 31
4	Accounting Income After Tax	\$ 327	\$ 189	\$ (138)	
5					
6	1 - Current Income Tax Rate	73.00%	73.00%	0.00%	
7	Taxable Income	\$ 448	\$ 259	\$ (189)	
8					
9	Current Income Tax Rate	27.00%	27.00%	0.00%	
10	Income Tax - Current	\$ 121	\$ 70	\$ (51)	
11					
12	Previous Year Adjustment	-	-	-	
13	Total Income Tax	\$ 121	\$ 70	\$ (51)	
14					
15					
16	<b>ADJUSTMENTS TO TAXABLE INCOME</b>				
17	Addbacks:				
18	Depreciation	\$ 463	\$ 486	\$ 23	Schedule 17, Line 2, Column 3
19	Amortization of Deferred Charges	161	130	(31)	Schedule 17, Line 5, Column 3
20	Amortization of Debt Issue Expenses	2	3	1	
21	Pension Expense	37	52	15	
22	OPEB Expense	23	20	(3)	
23					
24	Deductions:				
25	Capital Cost Allowance	(657)	(671)	(14)	Schedule 21, Line 13, Column 6
26	CIAC Amortization	(28)	(29)	(1)	Schedule 17, Line 6, Column 3
27	Pension Contributions	(35)	(29)	6	
28	OPEB Contributions	(4)	(7)	(3)	
29	Overheads Capitalized Expensed for Tax Purposes	(41)	(56)	(15)	
30	Removal Costs	(11)	(131)	(120)	Schedule 8, Line 14, Column 4
31	Total	\$ (90)	\$ (232)	\$ (142)	

**FORTISBC ENERGY INC. - Fort Nelson**

FEFN 2021 RRA Application - Evidentiary Update January 14, 2021

**CAPITAL COST ALLOWANCE  
FOR THE YEAR ENDING DECEMBER 31, 2021  
(\$000s)**

Schedule 21

Line No.	Class	CCA Rate	12/31/2020 UCC Balance	Post Nov 21, 2018 Premium Adjustments	2021 Additions	2021 CCA	12/31/2021 UCC Balance
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	1	4%	\$ 1,775	\$ -	\$ -	\$ (71)	\$ 1,704
2	1(b)	6%	437	16	32	(29)	440
3	2	6%	166	-	-	(10)	156
4	3	5%	9	-	-	-	9
5	8	20%	18	5	11	(7)	22
6	10	30%	-	-	-	-	-
7	12	100%	-	-	44	(44)	-
8	14.1 (pre 2017)	7%	21	-	-	(1)	20
9	49	8%	3,238	124	248	(289)	3,197
10	50	55%	11	10	19	(22)	8
11	51	6%	2,531	254	507	(198)	2,840
12							
13	Total		\$ 8,206	\$ 409	\$ 861	\$ (671)	\$ 8,396

**RETURN ON CAPITAL  
FOR THE YEAR ENDING DECEMBER 31, 2021  
(\$000s)**

Schedule 22

Line No.	Particulars	2020 Approved Earned Return	Amount	Ratio	2021 Average Embedded Cost	Cost Component	Earned Return	Earned Return Change	Cross Reference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Long Term Debt	\$ 368	\$ 7,544	60.34%	4.78%	2.88%	\$ 360	\$ (8)	Schedule 23, Line 29&31, Column 5&6&7
2	Short Term Debt	15	145	1.16%	2.19%	0.02%	3	(12)	
3	Common Equity	417	4,814	38.50%	8.75%	3.37%	421	4	
4									
5	Total	<u>\$ 800</u>	<u>\$ 12,503</u>	<u>100.00%</u>		<u>6.27%</u>	<u>\$ 784</u>	<u>\$ (16)</u>	
6									
7	Cross Reference		Schedule 2, Line 23, Column 3						

Line No.	Particulars	Issue Date	Maturity Date	Net Proceeds of Issue	Average Principal Outstanding	Interest * Rate	Interest Expense	Cross Reference
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1	Medium Term Note - Series 11	September 21, 1999	September 21, 2029	147,710	150,000	7.073%	10,610	
2	2004 Long Term Debt Issue - Series 18	April 29, 2004	May 1, 2034	148,085	150,000	6.598%	9,897	
3	2005 Long Term Debt Issue - Series 19	February 25, 2005	February 25, 2035	148,337	150,000	5.980%	8,970	
4	2006 Long Term Debt Issue - Series 21	September 25, 2006	September 25, 2036	119,216	120,000	5.595%	6,714	
5	2007 Medium Term Debt Issue - Series 22	October 2, 2007	October 2, 2037	247,697	250,000	6.067%	15,168	
6	2008 Medium Term Debt Issue - Series 23	May 13, 2008	May 13, 2038	247,588	250,000	5.869%	14,673	
7	2009 Med.Term Debt Issue- Series 24	February 24, 2009	February 24, 2039	98,766	100,000	6.645%	6,645	
8	2011 Medium Term Debt Issue - Series 25	December 9, 2011	December 9, 2041	98,590	100,000	4.334%	4,334	
9	2015 Medium Term Debt Issue - Series 26 (Series A Renewal)	April 13, 2015	April 13, 2045	148,938	150,000	3.413%	5,120	
10	2016 Medium Term Debt Issue - Series 27 (Series B Renewal)	April 8, 2016	April 8, 2026	125,326	126,167	2.644%	3,336	
11	2016 Medium Term Debt Issue - Series 28	April 8, 2016	April 9, 2046	148,746	150,000	3.716%	5,574	
12	2016 Medium Term Debt Issue - Series 29	December 13, 2016	March 6, 2047	148,865	150,000	3.822%	5,733	
13	2017 Medium Term Debt Issue - Series 30	October 30, 2017	October 30, 2047	173,584	175,000	3.735%	6,536	
14	2018 Medium Term Debt Issue - Series 31	December 7, 2018	December 7, 2048	198,351	200,000	3.897%	7,794	
15	2019 Medium Term Debt Issue - Series 32	August 9, 2019	August 9, 2049	198,500	200,000	2.857%	5,714	
16	2020 Medium Term Debt Issue - Series 33	July 13, 2020	July 13, 2050	198,000	200,000	2.588%	5,176	
17	2021 Medium Term Debt Issue	July 1, 2021	July 1, 2051	198,000	100,822	3.353%	3,381	
18								
19	FEVI L/T Debt Issue - 2008	February 16, 2008	February 15, 2038	247,999	250,000	6.109%	15,273	
20	FEVI L/T Debt Issue - 2010	December 6, 2010	December 6, 2040	98,836	100,000	5.278%	5,278	
21								
22	LILLO Obligations - Nelson	-			392	9.439%	37	
23	LILLO Obligations - Prince George	-			15,705	9.615%	1,510	
24	LILLO Obligations - Creston	-			1,823	8.338%	152	
25								
26	Vehicle Lease Obligation				427	2.576%	11	
27								
28	Sub-Total				\$ 3,090,336		\$ 147,636	
29	Fort Nelson Division Portion of Long Term				\$ 7,544		\$ 360	
30								
31	Average Embedded Cost					4.78%		
32								
33	* Interest Rate is Effective interest rate as it includes amortization of debt issue costs							