

March 14, 2019

Patrick Wruck
Commission Secretary

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Sent via email Letter L-4-19

Mr. Doug Slater
Director, 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 – 2019 First Quarter Gas Cost Report

Dear Mr. Slater:

On March 6, 2019, FortisBC Energy Inc. (FEI) filed with the British Columbia Utilities Commission (BCUC) its 2019 First Quarter Gas Cost Report for the Fort Nelson service area (Report), which includes details regarding the Gas Cost Reconciliation Account and the Commodity Cost Recovery Charge.

The BCUC notes that the Commodity Cost Recovery Charge for the Fort Nelson service area will remain unchanged from the previously approved January 1, 2019 unbundled commodity cost recovery rate at \$1.552 per gigajoule, via Order G-224-18.

The BCUC 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 BCUC acknowledges receipt of the Report and accepts FEI's recommendation that the Commodity Cost Recovery Charge for the Fort Nelson service area remain unchanged at \$1.552 per gigajoule effective April 1, 2019.

The BCUC will hold the information in Tab 2 of the Report confidential, as requested, since it contains market sensitive information.

Sincerely,

Original signed by:

Patrick Wruck Commission Secretary

LK/jo