



## **NEWS RELEASE – BCUC Approves Changes in Fort Nelson Natural Gas Rates**

December 5, 2016

The BC Utilities Commission has approved changes in FortisBC's rates for the Fort Nelson service area for implementation January 1, 2017. Gas costs will change from approximately \$1.29/GJ to \$2.09/GJ and residential delivery rates will change from approximately \$3.22/GJ to \$3.62/GJ for gas consumed up to 28 GJ of gas per month and from approximately \$3.13/GJ to \$3.52/GJ for gas consumed above 30 GJ/month. The cost of gas and delivery rates are shown together as the "charge for gas used" on customers' bills.

The Commission reviews FortisBC's gas costs every quarter. Gas costs are a flow-through cost of the market rates that FortisBC pays for natural gas. The Commission does not approve FortisBC to earn a return or profit off the cost of gas charges.

As a market commodity, the price of natural gas is variable and can be volatile. For example, the cost of gas in the Fort Nelson service area in 2015 ranged from approximately \$4.26/GJ to \$2.58/GJ. The cost of gas was reduced to approximately \$1.29/GJ at the beginning of 2016. The market price of natural gas has risen in recent months which results in a change to the cost of gas that FortisBC flows through to customers.

FortisBC's delivery rates were reviewed by the Commission through an open public process which was publicized in July 2016 and completed in November 2016. The BC Old Age Pensioners' Organization, Northern Rockies Regional Municipality and Fort Nelson & District Chamber of Commerce participated in the review that was open to all members of the public. The BC Utilities Commission welcomes public input into our processes.

The increase in delivery rates is required because customer demand has declined, particularly in the commercial customer rate class. With declining customer demand, the costs for FortisBC to operate and maintain its system must be charged to fewer customers which results in a higher rate per customer.

Fort Nelson's delivery rate remains lower than other areas of the province. FortisBC's delivery rate in the Lower Mainland, Vancouver Island and Whistler is approximately \$4.37/GJ.

**To read the orders approving these rate changes, please visit the following links:** [Click here](#)  
[Click here](#)  
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### **CONTACT INFORMATION**

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