



Doug Slater
Director, Regulatory Affairs

Gas Regulatory Affairs Correspondence
Email: gas.regulatory.affairs@fortisbc.com

Electric Regulatory Affairs Correspondence
Email: electricity.regulatory.affairs@fortisbc.com

FortisBC
16705 Fraser Highway
Surrey, B.C. V4N 0E8
Tel: (778) 578-3874
Cell: (778) 214-3842
Fax: (604) 576-7074
Email: doug.slater@fortisbc.com
www.fortisbc.com

March 6, 2019

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

Attention: Mr. Patrick Wruck, Commission Secretary and Manager, Regulatory Support

Dear Mr. Wruck:

Re: FortisBC Energy Inc. – Mainland and Vancouver Island Service Area
Commodity Cost Reconciliation Account (CCRA) and Midstream Cost
Reconciliation Account (MCRA) Quarterly Gas Costs
2019 First Quarter Gas Cost Report

The attached materials provide the FortisBC Energy Inc. (FEI or the Company) 2019 First Quarter Gas Cost Report (the First Quarter Report) for the CCRA and MCRA deferral accounts as required under the British Columbia Utilities Commission (BCUC) guidelines. The gas cost forecast used within the attached report is based on the five-day average of the February 20, 21, 22, 25 and 26, 2019 forward prices (five-day average forward prices ending February 26, 2019).

CCRA Deferral Account

Based on the five-day average forward prices ending February 26, 2019, the March 31, 2019 CCRA balance is projected to be approximately at zero balance. Further, based on the five-day average forward prices ending February 26, 2019, the gas purchase cost assumptions, and the forecast commodity cost recoveries at present rates for the 12-month period ending March 31, 2020, and accounting for the projected March 31, 2019 deferral balance, the CCRA trigger ratio is calculated to be 92.6 percent (Tab 1, Page 2, Column 4, Line 7), which falls outside the deadband range of 95 percent to 105 percent. The tested rate increase that would produce a 100 percent commodity recovery-to-cost ratio is calculated to be \$0.124/GJ (Tab 1, Page 2, Column 5, Line 26), which falls within the \$0.50/GJ minimum rate change threshold. The results of the two-criteria rate adjustment mechanism indicate that a rate change is not required at this time.

The schedules at Tab 2, Pages 1 and 2, provide details of the recorded and forecast, based on the five-day average forward prices ending February 26, 2019, CCRA gas supply costs.

The schedule at Tab 2, Page 3 provides the information related to the unitization of the forecast CCRA gas supply costs for the April 1, 2019 to March 31, 2020 prospective period.

MCRA Deferral Account

The monthly MCRA deferral account balances are shown on the schedule provided at Tab 1, Page 3, at the existing rates. The MCRA balance at March 31, 2019, based on the five-day average forward prices ending February 26, 2019, is projected to be approximately \$28 million deficit after tax. Further, the MCRA balance at December 31, 2019 and December 31, 2020, based on the five-day average forward prices ending February 26, 2019 and at existing recovery rates, are projected to be approximately \$21 million deficit and \$18 million surplus after tax, respectively.

The schedules at Tab 2, Pages 4 to 6, provide details of MCRA gas supply costs for calendar 2018, 2019 and 2020 based on the five-day average forward prices ending February 26, 2019.

FEI will continue to monitor and report the MCRA balances consistent with the Company's position that midstream costs and recoveries be reported on a quarterly basis and, under normal circumstances, the storage and transport rates be adjusted on an annual basis with a January 1 effective date.

Summary

The Company requests approval for the Commodity Cost Recovery Charge to remain unchanged at April 1, 2019 from the current rate of \$1.549/GJ.

FEI will continue to monitor the forward prices, and will report CCRA and MCRA balances in its 2019 Second Quarter Gas Cost Report.

We trust BCUC will find the attached to be in order. However, should any further information be required, please contact Doug Richardson at 604-592-7643.

Sincerely,

FORTISBC ENERGY INC.

Original signed:

Doug Slater

Attachments

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
CCRA MONTHLY BALANCES AT EXISTING RATES (AFTER ADJUSTMENTS FOR ENERGY DIFFERENCES)
FOR THE FORECAST PERIOD FROM APR 2019 TO MAR 2021
FIVE-DAY AVERAGE FORWARD PRICES - FEB 20, 21, 22, 25, AND 26, 2019
\$(Millions)

Tab 1

Page 1

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
		Recorded Jan-18	Recorded Feb-18	Recorded Mar-18	Recorded Apr-18	Recorded May-18	Recorded Jun-18	Recorded Jul-18	Recorded Aug-18	Recorded Sep-18	Recorded Oct-18	Recorded Nov-18	Recorded Dec-18	2018 Total
1														
2														
3	CCRA Balance - Beginning (Pre-tax) ^(a)	\$ (33)	\$ (31)	\$ (27)	\$ (26)	\$ (26)	\$ (30)	\$ (33)	\$ (33)	\$ (36)	\$ (37)	\$ (39)	\$ (29)	\$ (33)
4	Gas Costs Incurred	20	19	19	16	13	14	17	15	16	15	26	33	223
5	Revenue from APPROVED Recovery Rate	(17)	(16)	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(203)
6	CCRA Balance - Ending (Pre-tax)	\$ (31)	\$ (27)	\$ (26)	\$ (26)	\$ (30)	\$ (33)	\$ (33)	\$ (36)	\$ (37)	\$ (39)	\$ (29)	\$ (13)	\$ (13)
7														
8	Tax Rate	27.00%	27.00%	27.00%	27.00%	27.00%	27.00%	27.00%	27.00%	27.00%	27.00%	27.00%	27.00%	27.00%
9														
10	CCRA Balance - Ending (After-tax) ^(c)	\$ (22)	\$ (20)	\$ (19)	\$ (19)	\$ (22)	\$ (24)	\$ (24)	\$ (26)	\$ (27)	\$ (28)	\$ (21)	\$ (10)	\$ (10)
11														
12		Recorded Jan-19	Projected Feb-19	Projected Mar-19										Jan-19 to Mar-19
13														
14	CCRA Balance - Beginning (Pre-tax) ^(a)	\$ (13)	\$ (7)	\$ (5)										\$ (13)
15	Gas Costs Incurred	24	19	25										67
16	Revenue from APPROVED Recovery Rate	(17)	(16)	(18)										(51)
17	CCRA Balance - Ending (Pre-tax) ^(b)	\$ (7)	\$ (5)	\$ (0)										\$ (0)
18														
19	Tax Rate	27.0%	27.0%	27.0%										27.0%
20														
21	CCRA Balance - Ending (After-tax) ^(c)	\$ (5)	\$ (3)	\$ (0)										\$ (0)
22														
23														
24														
25		Forecast Apr-19	Forecast May-19	Forecast Jun-19	Forecast Jul-19	Forecast Aug-19	Forecast Sep-19	Forecast Oct-19	Forecast Nov-19	Forecast Dec-19	Forecast Jan-20	Forecast Feb-20	Forecast Mar-20	Apr-19 to Mar-20
26														
27	CCRA Balance - Beginning (Pre-tax) ^(a)	\$ (0)	\$ (3)	\$ (7)	\$ (13)	\$ (18)	\$ (23)	\$ (24)	\$ (24)	\$ (18)	\$ (9)	\$ 1	\$ 10	\$ (0)
28	Gas Costs Incurred	14	13	11	12	13	16	18	23	26	27	26	24	223
29	Revenue from EXISTING Recovery Rates	(17)	(18)	(17)	(18)	(18)	(17)	(18)	(17)	(18)	(18)	(16)	(18)	(207)
30	CCRA Balance - Ending (Pre-tax) ^(b)	\$ (3)	\$ (7)	\$ (13)	\$ (18)	\$ (23)	\$ (24)	\$ (24)	\$ (18)	\$ (9)	\$ 1	\$ 10	\$ 17	\$ 17
31														
32	Tax Rate	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%
33														
34	CCRA Balance - Ending (After-tax) ^(c)	\$ (2)	\$ (5)	\$ (9)	\$ (13)	\$ (17)	\$ (18)	\$ (18)	\$ (13)	\$ (7)	\$ 1	\$ 8	\$ 12	\$ 12
35														
36														
37														
38		Forecast Apr-20	Forecast May-20	Forecast Jun-20	Forecast Jul-20	Forecast Aug-20	Forecast Sep-20	Forecast Oct-20	Forecast Nov-20	Forecast Dec-20	Forecast Jan-21	Forecast Feb-21	Forecast Mar-21	Apr-20 to Mar-21
39														
40	CCRA Balance - Beginning (Pre-tax) ^(a)	\$ 17	\$ 15	\$ 12	\$ 10	\$ 9	\$ 8	\$ 8	\$ 8	\$ 11	\$ 17	\$ 25	\$ 31	\$ 17
41	Gas Costs Incurred	16	15	15	17	17	17	19	20	24	26	22	22	230
42	Revenue from EXISTING Recovery Rates	(17)	(18)	(17)	(18)	(18)	(17)	(18)	(17)	(18)	(18)	(16)	(18)	(212)
43	CCRA Balance - Ending (Pre-tax) ^(b)	\$ 15	\$ 12	\$ 10	\$ 9	\$ 8	\$ 8	\$ 8	\$ 11	\$ 17	\$ 25	\$ 31	\$ 35	\$ 35
44														
45	Tax Rate	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%
46														
47	CCRA Balance - Ending (After-tax) ^(c)	\$ 11	\$ 9	\$ 7	\$ 7	\$ 6	\$ 6	\$ 6	\$ 8	\$ 12	\$ 18	\$ 22	\$ 25	\$ 25

Notes:

(a) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts.

(b) For rate setting purposes CCRA pre-tax balances include grossed-up projected deferred interest of approximately \$2.5 million credit as at March 31, 2019.

(c) For rate setting purposes CCRA after-tax balances are independently grossed-up to reflect pre-tax amounts.

Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
CCRA RATE CHANGE TRIGGER MECHANISM
FOR THE FORECAST PERIOD APR 2019 TO MAR 2020
FIVE-DAY AVERAGE FORWARD PRICES - FEB 20, 21, 22, 25, AND 26, 2019

Tab 1
Page 2

Line No.	Particulars	Pre-Tax (\$Millions)	Forecast Energy (TJ)	Percentage	Unit Cost (\$/GJ)	Reference / Comment
	(1)	(2)	(3)	(4)	(5)	(6)
1	<u>CCRA RATE CHANGE TRIGGER RATIO</u>					
2	(a)					
3	Projected Deferral Balance at Mar 31, 2019	\$ (0.1)				(Tab 1, Page 1, Col.14, Line 27)
4	Forecast Incurred Gas Costs - Apr 2019 to Mar 2020	\$ 223.4				(Tab 1, Page 1, Col.14, Line 28)
5	Forecast Recovery Gas Costs at Existing Recovery Rate - Apr 2019 to Mar 2020	\$ 206.7				(Tab 1, Page 1, Col.14, Line 29)
6						
7	CCRA = Forecast Recovered Gas Costs (Line 5)	= \$ 206.7		= 92.6%		
8	Ratio Forecast Incurred Gas Costs (Line 4) + Projected CCRA Balance (Line 3)	\$ 223.3				Outside 95% to 105% deadband
9						
10						
11						
12						
13	<u>Existing Cost of Gas (Commodity Cost Recovery Rate), effective January 1, 2018</u>				\$ 1.549	
14						
15						
16						
17						
18	<u>CCRA RATE CHANGE THRESHOLD (+/- \$0.50/GJ)</u>					
19						
20	Forecast 12-month CCRA Baseload - Apr 2019 to Mar 2020		133,414			(Tab1, Page 7, Col.5, Line 11)
21	(a)					
22	Projected Deferral Balance at Mar 31, 2019	\$ (0.1)			\$ (0.0010) ^(b)	
23	Forecast 12-month CCRA Activities - Apr 2019 to Mar 2020	\$ 16.7			\$ 0.1254 ^(b)	
24	(Over) / Under Recovery at Existing Rate	\$ 16.6				(Line 3 + Line 4 - Line 5)
25						
26	Tested Rate (Decrease) / Increase				\$ 0.124 ^(b)	Within minimum +/- \$0.50/GJ threshold

Notes:

(a) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts.

(b) Commodity cost recovery rate in tariff is set at 3 decimal places. Individual rate components are shown to 4 decimals places.

Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
MCRA MONTHLY BALANCES AT EXISTING RATES (AFTER ADJUSTMENTS FOR ENERGY DIFFERENCES)
FOR THE FORECAST PERIOD FROM APR 2019 TO MAR 2021
FIVE-DAY AVERAGE FORWARD PRICES - FEB 20, 21, 22, 25, AND 26, 2019
\$(Millions)

Tab 1
Page 3

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
		Recorded Jan-18	Recorded Feb-18	Recorded Mar-18	Recorded Apr-18	Recorded May-18	Recorded Jun-18	Recorded Jul-18	Recorded Aug-18	Recorded Sep-18	Recorded Oct-18	Recorded Nov-18	Recorded Dec-18	Total 2018
1														
2														
3	MCRA Cumulative Balance - Beginning (Pre-tax) ^(a)	\$ (96)	\$ (99)	\$ (98)	\$ (100)	\$ (101)	\$ (96)	\$ (92)	\$ (91)	\$ (94)	\$ (94)	\$ (86)	\$ (47)	\$ (96)
4	2018 MCRA Activities													
5	Rate Rider 6 ^(d)													
6	Amount to be amortized in 2018	\$ (40)												
7	Rider 6 Amortization at APPROVED 2018 Rates	\$ 6	\$ 6	\$ 5	\$ 3	\$ 1	\$ 1	\$ 1	\$ 1	\$ 2	\$ 3	\$ 4	\$ 5	\$ 38
8	Midstream Base Rates													
9	Gas Costs Incurred	\$ 23	\$ 30	\$ 18	\$ 6	\$ (2)	\$ (3)	\$ (9)	\$ (13)	\$ (6)	\$ 14	\$ 53	\$ 66	\$ 178
12	Revenue from APPROVED 2018 Recovery Rates	(32)	(35)	(25)	(11)	6	6	8	9	5	(8)	(19)	(30)	(126)
16	Total Midstream Base Rates (Pre-tax)	\$ (9)	\$ (5)	\$ (7)	\$ (5)	\$ 4	\$ 3	\$ (1)	\$ (4)	\$ (2)	\$ 6	\$ 35	\$ 36	\$ 52
17														
18	MCRA Cumulative Balance - Ending (Pre-tax)	\$ (99)	\$ (98)	\$ (100)	\$ (101)	\$ (96)	\$ (92)	\$ (91)	\$ (94)	\$ (94)	\$ (86)	\$ (47)	\$ (6)	\$ (6)
19	Tax Rate	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%
20														
21	MCRA Cumulative Balance - Ending (After-tax) ^(c)	\$ (72)	\$ (72)	\$ (73)	\$ (74)	\$ (70)	\$ (67)	\$ (67)	\$ (69)	\$ (69)	\$ (63)	\$ (34)	\$ (4)	\$ (4)
22														
23														
24		Recorded Jan-19	Projected Feb-19	Projected Mar-19	Forecast Apr-19	Forecast May-19	Forecast Jun-19	Forecast Jul-19	Forecast Aug-19	Forecast Sep-19	Forecast Oct-19	Forecast Nov-19	Forecast Dec-19	Total 2019
25														
26	MCRA Balance - Beginning (Pre-tax) ^(a)	\$ (6)	\$ (13)	\$ 21	\$ 38	\$ 31	\$ 31	\$ 37	\$ 46	\$ 54	\$ 57	\$ 52	\$ 43	\$ (6)
27	2019 MCRA Activities													
28	Rate Rider 6 ^(d)													
29	Amount to be amortized in 2019	\$ (3)												
30	Rider 6 Amortization at APPROVED 2019 Rates	\$ 1	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3
31	Midstream Base Rates													
32	Gas Costs Incurred	\$ 34	\$ 69	\$ 53	\$ 8	\$ 3	\$ 3	\$ 1	\$ 1	\$ (1)	\$ 6	\$ 22	\$ 30	\$ 229
33	Revenue from APPROVED Recovery Rates	(42)	(36)	(30)	(15)	(2)	3	7	7	4	(11)	(31)	(45)	(192)
34	Total Midstream Base Rates (Pre-tax)	\$ (8)	\$ 34	\$ 23	\$ (8)	\$ 0	\$ 6	\$ 8	\$ 8	\$ 3	\$ (5)	\$ (10)	\$ (15)	\$ 37
35														
36	MCRA Cumulative Balance - Ending (Pre-tax) ^(b)	\$ (13)	\$ 21	\$ 38	\$ 31	\$ 31	\$ 37	\$ 46	\$ 54	\$ 57	\$ 52	\$ 43	\$ 28	\$ 28
37	Tax Rate	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%
38														
39	MCRA Cumulative Balance - Ending (After-tax) ^(c)	\$ (10)	\$ 15	\$ 28	\$ 23	\$ 23	\$ 27	\$ 33	\$ 40	\$ 42	\$ 38	\$ 31	\$ 21	\$ 21
40														
41														
42		Forecast Jan-20	Forecast Feb-20	Forecast Mar-20	Forecast Apr-20	Forecast May-20	Forecast Jun-20	Forecast Jul-20	Forecast Aug-20	Forecast Sep-20	Forecast Oct-20	Forecast Nov-20	Forecast Dec-20	Total 2020
43														
44	MCRA Balance - Beginning (Pre-tax) ^(a)	\$ 28	\$ 14	\$ 4	\$ (5)	\$ (13)	\$ (13)	\$ (9)	\$ (5)	\$ (0)	\$ 3	\$ (1)	\$ (10)	\$ 28
45	2020 MCRA Activities													
46	Rate Rider 6													
47														
48	Rider 6 Amortization at APPROVED 2019 Rates	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3
49	Midstream Base Rates													
50	Gas Costs Incurred	\$ 31	\$ 27	\$ 21	\$ 8	\$ 2	\$ 0	\$ (3)	\$ (3)	\$ (1)	\$ 7	\$ 23	\$ 31	\$ 143
51	Revenue from EXISTING Recovery Rates	(46)	(37)	(31)	(16)	(2)	3	7	7	4	(11)	(32)	(46)	(199)
52	Total Midstream Base Rates (Pre-tax)	\$ (15)	\$ (10)	\$ (9)	\$ (8)	\$ (0)	\$ 3	\$ 4	\$ 5	\$ 3	\$ (5)	\$ (9)	\$ (15)	\$ (56)
53														
54	MCRA Cumulative Balance - Ending (Pre-tax) ^(b)	\$ 14	\$ 4	\$ (5)	\$ (13)	\$ (13)	\$ (9)	\$ (5)	\$ (0)	\$ 3	\$ (1)	\$ (10)	\$ (25)	\$ (25)
55	Tax Rate	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%
56														
57	MCRA Cumulative Balance - Ending (After-tax) ^(c)	\$ 10	\$ 3	\$ (4)	\$ (9)	\$ (9)	\$ (7)	\$ (4)	\$ (0)	\$ 2	\$ (1)	\$ (7)	\$ (18)	\$ (18)

Notes:

- (a) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts.
(b) For rate setting purposes MCRA pre-tax balances include grossed-up projected deferred interest of approximately \$6.3 million credit as at March 31, 2019.
(c) For rate setting purposes MCRA after-tax balances are independently grossed-up to reflect pre-tax amounts.
(d) BCUC Order G-230-18 approved the 1/2 projected MCRA cumulative balance at December 31, 2018 to be amortized into 2019 midstream rates, via Rider 6, as filed in the FEI 2018 Fourth Quarter Gas Cost Report.

Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
SUMAS INDEX FORECAST FOR THE PERIOD ENDING MAR 2021
AND US DOLLAR EXCHANGE RATE FORECAST UPDATE

Tab 1
Page 4.1

Line No	Particulars	Five-day Average Forward Prices - Feb 20, 21, 22, 25, and 26, 2019 2019 Q1 Gas Cost Report	Five-day Average Forward Prices - Nov 6, 7, 8, 9, and 13, 2018 2018 Q4 Gas Cost Report	Change in Forward Price
	(1)	(2)	(3)	(4) = (2) - (3)
1	SUMAS Index Prices - presented in \$US/MMBtu			
2				
3	2018			
4	October	↑ \$ 2.25	Recorded \$ 2.25	\$ -
5	November	\$ 13.32	Forecast \$ 13.44	\$ (0.12)
6	December	\$ 17.68	\$ 9.29	\$ 8.39
7	2019	Recorded \$ 6.18	↓ \$ 6.73	\$ (0.55)
8	January	Forecast \$ 3.56	\$ 4.70	\$ (1.14)
9	February	\$ 7.36	\$ 3.33	\$ 4.03
10	March	↓ \$ 2.59	\$ 1.96	\$ 0.63
11	April	\$ 2.12	\$ 1.84	\$ 0.27
12	May	\$ 2.18	\$ 1.88	\$ 0.29
13	June	\$ 2.51	\$ 1.97	\$ 0.55
14	July	\$ 2.67	\$ 1.97	\$ 0.70
15	August	\$ 2.63	\$ 2.11	\$ 0.53
16	September	\$ 2.49	\$ 2.12	\$ 0.37
17	October	\$ 3.19	\$ 2.60	\$ 0.59
18	November	\$ 3.69	\$ 3.11	\$ 0.58
19	December	\$ 3.50	\$ 3.34	\$ 0.16
20	2020			
21	January	\$ 3.54	\$ 2.87	\$ 0.67
22	February	\$ 3.30	\$ 2.41	\$ 0.89
23	March	\$ 1.59	\$ 1.74	\$ (0.15)
24	April	\$ 1.55	\$ 1.64	\$ (0.09)
25	May	\$ 1.59	\$ 1.68	\$ (0.09)
26	June	\$ 1.86	\$ 1.77	\$ 0.10
27	July	\$ 1.92	\$ 1.77	\$ 0.15
28	August	\$ 1.89	\$ 1.92	\$ (0.03)
29	September	\$ 1.85	\$ 1.94	\$ (0.08)
30	October	\$ 2.46	\$ 2.36	\$ 0.09
31	November	\$ 2.95	\$ 2.88	\$ 0.07
32	December	\$ 2.80		
33	2021			
34	January	\$ 2.84		
35	February	\$ 2.58		
36	March			
37	Simple Average (Apr 2019 - Mar 2020)	\$ 2.87	\$ 2.35	22.1% \$ 0.52
38	Simple Average (Jul 2019 - Jun 2020)	\$ 2.69	\$ 2.30	17.1% \$ 0.39
39	Simple Average (Oct 2019 - Sep 2020)	\$ 2.51	\$ 2.25	11.7% \$ 0.26
40	Simple Average (Jan 2020 - Dec 2020)	\$ 2.33	\$ 2.19	6.4% \$ 0.14
41	Simple Average (Apr 2020 - Mar 2021)	\$ 2.16		

Conversation Factors

1 MMBtu = 1.055056 GJ

Marketview Average Exchange Rate (\$1US=\$x.xxxCDN)

<u>Forecast Apr 2019 - Mar 2020</u>	<u>Forecast Jan 2019 - Dec 2019</u>	
\$ 1.3123	\$ 1.3119	0.0% \$ 0.0004

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
SUMAS INDEX FORECAST FOR THE PERIOD ENDING MAR 2021

Tab 1
Page 4.2

Line No	Particulars	Five-day Average Forward Prices - Feb 20, 21, 22, 25, and 26, 2019 2019 Q1 Gas Cost Report	Five-day Average Forward Prices - Nov 6, 7, 8, 9, and 13, 2018 2018 Q4 Gas Cost Report	Change in Forward Price (4) = (2) - (3)
	(1)	(2)	(3)	
1	SUMAS Index Prices - presented in \$CDN/GJ			
2				
3	2018			
4	October	\$ 2.76	Recorded \$ 2.76	\$ -
5	November	\$ 16.59	Forecast \$ 16.70	\$ (0.11)
6	December	\$ 22.29	\$ 11.59	\$ 10.70
7	2019			
8	January	\$ 7.99	\$ 8.39	\$ (0.40)
9	February	\$ 4.43	\$ 5.85	\$ (1.42)
10	March	\$ 9.20	\$ 4.15	\$ 5.05
11	April	\$ 3.24	\$ 2.44	\$ 0.79
12	May	\$ 2.64	\$ 2.29	\$ 0.34
13	June	\$ 2.71	\$ 2.34	\$ 0.37
14	July	\$ 3.13	\$ 2.44	\$ 0.69
15	August	\$ 3.33	\$ 2.44	\$ 0.88
16	September	\$ 3.28	\$ 2.62	\$ 0.66
17	October	\$ 3.10	\$ 2.63	\$ 0.47
18	November	\$ 3.96	\$ 3.23	\$ 0.74
19	December	\$ 4.58	\$ 3.86	\$ 0.72
20	2020			
21	January	\$ 4.35	\$ 4.15	\$ 0.20
22	February	\$ 4.39	\$ 3.56	\$ 0.83
23	March	\$ 4.09	\$ 2.98	\$ 1.11
24	April	\$ 1.97	\$ 2.16	\$ (0.19)
25	May	\$ 1.92	\$ 2.03	\$ (0.11)
26	June	\$ 1.97	\$ 2.08	\$ (0.11)
27	July	\$ 2.31	\$ 2.19	\$ 0.11
28	August	\$ 2.38	\$ 2.20	\$ 0.18
29	September	\$ 2.34	\$ 2.38	\$ (0.04)
30	October	\$ 2.30	\$ 2.40	\$ (0.10)
31	November	\$ 3.04	\$ 2.93	\$ 0.11
32	December	\$ 3.66	\$ 3.56	\$ 0.10
33	2021			
34	January	\$ 3.47		
35	February	\$ 3.52		
36	March	\$ 3.18		
37	<i>Simple Average (Apr 2019 - Mar 2020)</i>	\$ 3.57	\$ 2.92	22.3% \$ 0.65
38	<i>Simple Average (Jul 2019 - Jun 2020)</i>	\$ 3.34	\$ 2.85	17.2% \$ 0.49
39	<i>Simple Average (Oct 2019 - Sep 2020)</i>	\$ 3.11	\$ 2.79	11.7% \$ 0.33
40	<i>Simple Average (Jan 2020 - Dec 2020)</i>	\$ 2.89	\$ 2.72	6.4% \$ 0.18
41	<i>Simple Average (Apr 2020 - Mar 2021)</i>	\$ 2.67		

Conversion Factors
1 MMBtu = 1.055056 GJ

Marketview Average Exchange Rate (\$1US=\$x.xxxCDN)

<u>Forecast Apr 2019 - Mar 2020</u>	<u>Forecast Jan 2019 - Dec 2019</u>		
\$ 1.3123	\$ 1.3119	0.0%	\$ 0.0004

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
AECO INDEX FORECAST FOR THE PERIOD ENDING MAR 2021

Tab 1
Page 5

Line No	Particulars	Five-day Average Forward Prices - Feb 20, 21, 22, 25, and 26, 2019 2019 Q1 Gas Cost Report	Five-day Average Forward Prices - Nov 6, 7, 8, 9, and 13, 2018 2018 Q4 Gas Cost Report	Change in Forward Price (4) = (2) - (3)
	(1)	(2)	(3)	
1	AECO Index Prices - \$CDN/GJ			
2				
3	2018			
4	October	↑ \$ 1.35	Recorded \$ 1.35	\$ -
5	November	\$ 1.90	Forecast \$ 1.89	\$ 0.01
6	December	\$ 2.15	\$ 2.54	\$ (0.39)
7	2019			
8	January	Recorded \$ 1.61	↓ \$ 2.70	\$ (1.09)
9	February	\$ 1.85	\$ 2.61	\$ (0.77)
10	March	\$ 1.91	\$ 1.81	\$ 0.10
11	April	↓ \$ 1.33	\$ 1.19	\$ 0.15
12	May	\$ 1.30	\$ 1.26	\$ 0.05
13	June	\$ 1.16	\$ 1.18	\$ (0.02)
14	July	\$ 1.19	\$ 1.15	\$ 0.03
15	August	\$ 1.22	\$ 1.21	\$ 0.01
16	September	\$ 1.27	\$ 1.23	\$ 0.03
17	October	\$ 1.39	\$ 1.44	\$ (0.05)
18	November	\$ 1.90	\$ 1.76	\$ 0.14
19	December	\$ 2.08	\$ 2.12	\$ (0.04)
20	2020			
21	January	\$ 2.18	\$ 2.38	\$ (0.21)
22	February	\$ 2.18	\$ 2.24	\$ (0.06)
23	March	\$ 1.88	\$ 1.80	\$ 0.08
24	April	\$ 1.30	\$ 1.23	\$ 0.08
25	May	\$ 1.22	\$ 1.20	\$ 0.03
26	June	\$ 1.28	\$ 1.25	\$ 0.02
27	July	\$ 1.36	\$ 1.32	\$ 0.04
28	August	\$ 1.36	\$ 1.33	\$ 0.03
29	September	\$ 1.36	\$ 1.33	\$ 0.03
30	October	\$ 1.48	\$ 1.35	\$ 0.12
31	November	\$ 1.64	\$ 1.80	\$ (0.15)
32	December	\$ 1.87	\$ 2.02	\$ (0.15)
33	2021			
34	January	\$ 2.04		
35	February	\$ 1.93		
36	March	\$ 1.74		
37	<i>Simple Average (Apr 2019 - Mar 2020)</i>	\$ 1.59	\$ 1.58	0.6% \$ 0.01
38	<i>Simple Average (Jul 2019 - Jun 2020)</i>	\$ 1.59	\$ 1.58	0.4% \$ 0.01
39	<i>Simple Average (Oct 2019 - Sep 2020)</i>	\$ 1.62	\$ 1.62	0.5% \$ 0.01
40	<i>Simple Average (Jan 2020 - Dec 2020)</i>	\$ 1.59	\$ 1.60	-0.8% \$ (0.01)
41	<i>Simple Average (Apr 2020 - Mar 2021)</i>	\$ 1.55		

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
STATION 2 INDEX FORECAST FOR THE PERIOD ENDING MAR 2021

Tab 1
Page 6

Line No	Particulars	Five-day Average Forward Prices - Feb 20, 21, 22, 25, and 26, 2019 2019 Q1 Gas Cost Report	Five-day Average Forward Prices - Nov 6, 7, 8, 9, and 13, 2018 2018 Q4 Gas Cost Report	Change in Forward Price (4) = (2) - (3)
	(1)	(2)	(3)	
1	Station 2 Index Prices - \$CDN/GJ			
2				
3	2018			
4	October	\$ 1.59	Recorded \$ 1.59	\$ -
5	November	\$ 0.55	Forecast \$ 0.59	\$ (0.04)
6	December	\$ 1.29	\$ 1.60	\$ (0.30)
7	2019	\$ 1.12	\$ 2.06	\$ (0.95)
8	January	\$ 0.86	\$ 2.08	\$ (1.22)
9	February	\$ 0.96	\$ 1.27	\$ (0.31)
10	March	\$ 0.73	\$ 0.83	\$ (0.10)
11	April	\$ 0.70	\$ 0.90	\$ (0.20)
12	May	\$ 0.56	\$ 0.82	\$ (0.26)
13	June	\$ 0.50	\$ 0.88	\$ (0.38)
14	July	\$ 0.60	\$ 0.94	\$ (0.34)
15	August	\$ 1.25	\$ 1.06	\$ 0.19
16	September	\$ 1.37	\$ 1.28	\$ 0.09
17	October	\$ 1.75	\$ 1.51	\$ 0.24
18	November	\$ 1.93	\$ 1.87	\$ 0.06
19	December	\$ 2.03	\$ 2.14	\$ (0.10)
20	2020	\$ 2.04	\$ 2.00	\$ 0.04
21	January	\$ 1.74	\$ 1.56	\$ 0.18
22	February	\$ 1.23	\$ 1.07	\$ 0.16
23	March	\$ 1.15	\$ 1.04	\$ 0.11
24	April	\$ 1.21	\$ 1.10	\$ 0.11
25	May	\$ 1.28	\$ 1.16	\$ 0.12
26	June	\$ 1.29	\$ 1.17	\$ 0.11
27	July	\$ 1.29	\$ 1.18	\$ 0.11
28	August	\$ 1.40	\$ 1.20	\$ 0.20
29	September	\$ 1.48	\$ 1.56	\$ (0.08)
30	October	\$ 1.71	\$ 1.78	\$ (0.08)
31	November	\$ 1.88		
32	December	\$ 1.76		
33	January	\$ 1.58		
34	Simple Average (Apr 2019 - Mar 2020)	\$ 1.27	\$ 1.32	-3.7% \$ (0.05)
35	Simple Average (Jul 2019 - Jun 2020)	\$ 1.40	\$ 1.37	2.1% \$ 0.03
36	Simple Average (Oct 2019 - Sep 2020)	\$ 1.53	\$ 1.42	7.2% \$ 0.10
37	Simple Average (Jan 2020 - Dec 2020)	\$ 1.49	\$ 1.41	5.2% \$ 0.07
38	Simple Average (Apr 2020 - Mar 2021)	\$ 1.44		

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
GAS BUDGET COST SUMMARY FOR THE FORECAST PERIOD APR 2019 TO MAR 2020
FIVE-DAY AVERAGE FORWARD PRICES - FEB 20, 21, 22, 25, AND 26, 2019

Tab 1
Page 7

No.	Particulars	Costs (\$000)		Quantities (TJ)		Unit Cost (\$/GJ)	Reference / Comments
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	CCRA						
2	<u>Commodity</u>						
3	STN 2	\$	168,191		105,364	\$ 1.596	
4	AECO		53,675		33,787	\$ 1.589	
5	Huntingdon		-		-		
6	Commodity Costs before Hedging	\$	221,866		139,151	\$ 1.594	incl. Receipt Point Fuel 2018/19 Percentages.
7	Mark to Market Hedges Cost / (Gain)		-		-		
8	Subtotal Commodity Purchased	\$	221,866		139,151	\$ 1.594	
9	Core Market Administration Costs		1,524		-		
10	Fuel Gas Provided to Midstream				(5,737)		
11	Total CCRA Baseload				133,414		
12	Total CCRA Costs	\$	223,390			\$ 1.674	Commodity available for sale average unit cost
13							
14							
15	MCRA						
16	<u>Midstream Commodity Related Costs</u>						
17	Midstream Commodity before Hedging	\$	38,886		20,103	\$ 1.934	
18	Mark to Market Hedges Cost / (Gain)		-		-		
19	Imbalance		(609)		(400)		
20	Company Use Gas Recovered from O&M		(4,892)		(701)		
21	Injections into Storage	\$	(31,921)		(24,138)	\$ 1.322	
22	Withdrawals from Storage		39,936		29,620	\$ 1.348	
23	Storage Withdrawal / (Injection) Activity		8,015		5,482		
24	Total Midstream Commodity Related Costs	\$	41,400		24,484	\$ 1.691	
25							
26	<u>Storage Related Costs</u>						
27	Storage Demand - Third Party Storage	\$	37,888				
28	On-System Storage - Mt. Hayes (LNG)		18,909				
29	Total Storage Related Costs		56,797				
30							
31	<u>Transport Related Costs</u>		159,347				
32							
33	<u>Mitigation</u>						
34	Commodity Mitigation	\$	(35,713)		(22,856)		
35	Storage Mitigation		-				
36	Transportation Mitigation		(74,987)				
37	Total Mitigation		(110,700)				
38							
39	<u>GSMIP Incentive Sharing</u>		1,000				
40							
41	<u>Core Market Administration Costs</u>		3,556				
42							
43	Net Transportation Fuels ^(a)			97			
44	UAF (Sales and T-Service) ^(b)			(1,725)			
45	<u>UAF & Net Transportation Fuels</u>				(1,628)		
46							
47	Net MCRA Commodity (Lines 24, 34 & 45)				-		
48	Total MCRA Costs (Lines 24, 29, 31, 37, 39, & 41)	\$	151,401			\$ 1.105	Midstream average unit cost
49	Total Core Sales Quantities				136,992		
50	Total Forecast Gas Costs (Lines 12 & 48)	\$	374,791				reference to Tab 1, Page 8, Line 11, Col. 3

Notes: (a) Net Transportation Fuel is the difference between fuel gas collected from Commodity Providers and the fuel gas consumed.

(b) The total cost of UAF (Sales Rate Classes and T-Service) is included as a component of gas purchased. Sales UAF costs are recovered via gas cost recovery rates.

As the T-Service UAF costs are recovered via delivery revenues, they are excluded from the storage and transport rate flow-through calculation.

Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
RECONCILIATION OF GAS COST INCURRED
FOR THE FORECAST PERIOD APR 2019 TO MAR 2020
FIVE-DAY AVERAGE FORWARD PRICES - FEB 20, 21, 22, 25, AND 26, 2019
\$(Millions)

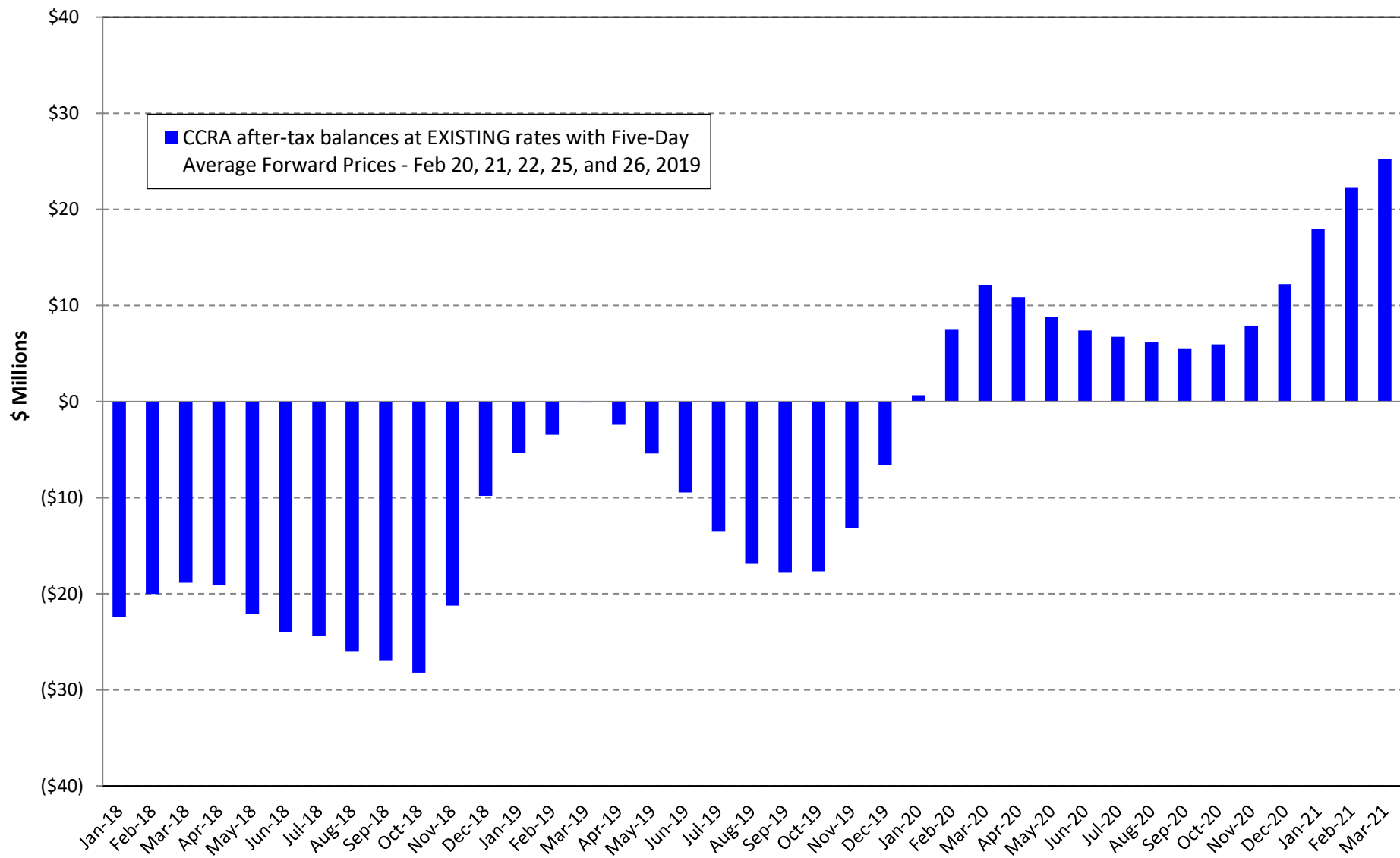
Tab 1
Page 8

No.	Particulars	CCRA / MCRA Deferral Account Forecast	Gas Budget Cost Summary	References
	(1)	(2)	(3)	(4)
1	Gas Cost Incurred			
2	CCRA	\$ 223		(Tab 1, Page 1, Col.14, Line 28)
3	MCRA	151		(Tab 2, Page 7.1, Col.15, Line 34)
4				
5				
6	Gas Budget Cost Summary			
7	CCRA		\$ 223	(Tab 1, Page 7, Col.3, Line 12)
8	MCRA		151	(Tab 1, Page 7, Col.3, Line 48)
9				
10				
11	Totals Reconciled	\$ 375	\$ 375	

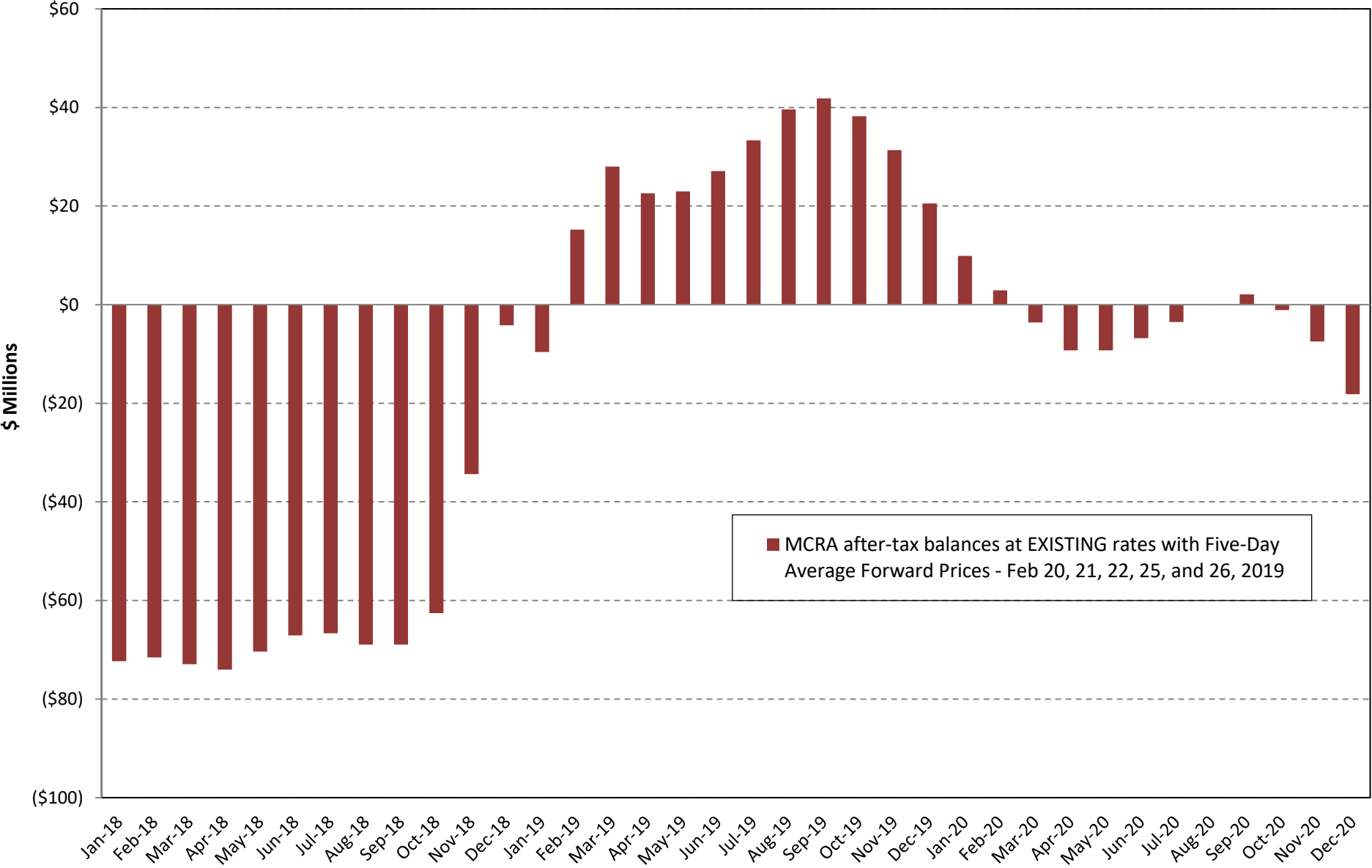
Slight differences in totals due to rounding.

FortisBC Energy Inc. - Mainland and Vancouver Island Service Area
 CCRA After-Tax Monthly Balances
 Recorded to January 2019 and Forecast to March 2021

Tab 1
 Page 9



FortisBC Energy Inc. - Mainland and Vancouver Island Service Area
MCRA After-Tax Monthly Balances
Recorded to January 2019 and Forecast to December 2020



FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
CCRA INCURRED MONTHLY ACTIVITIES
RECORDED PERIOD TO JAN 2019 AND FORECAST TO MAR 2019
FIVE-DAY AVERAGE FORWARD PRICES - FEB 20, 21, 22, 25, AND 26, 2019

Tab 2
Page 1

Line No.		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
			Recorded Jan-18	Recorded Feb-18	Recorded Mar-18	Recorded Apr-18	Recorded May-18	Recorded Jun-18	Recorded Jul-18	Recorded Aug-18	Recorded Sep-18	Recorded Oct-18	Recorded Nov-18	Recorded Dec-18	2018 Total
1															
2															
3	CCRA QUANTITIES														
4	Commodity Purchase	(TJ)													
5	STN 2		8,812	7,962	8,801	8,584	8,871	8,584	8,904	8,903	8,617	8,363	8,565	8,854	103,822
6	AECO		2,780	2,512	2,776	2,708	2,798	2,708	2,809	2,809	2,718	2,794	2,700	2,791	32,904
7	Total Commodity Purchased		11,592	10,474	11,578	11,292	11,669	11,292	11,713	11,712	11,335	11,158	11,265	11,645	136,725
8	Fuel Gas Provided to Midstream		(473)	(427)	(472)	(460)	(476)	(460)	(478)	(478)	(462)	(313)	(464)	(480)	(5,443)
9	Commodity Available for Sale		11,119	10,047	11,106	10,832	11,194	10,832	11,235	11,234	10,873	10,845	10,801	11,165	131,282
10															
11	CCRA COSTS														
12	Commodity Costs	(\$000)													
13	STN 2		\$ 13,615	\$ 13,459	\$ 12,851	\$ 10,524	\$ 4,704	\$ 5,952	\$ 10,928	\$ 8,986	\$ 8,390	\$ 8,687	\$ 20,840	\$ 28,023	\$ 146,960
14	AECO		5,319	4,873	4,731	3,831	2,363	2,221	3,900	3,258	3,110	3,706	4,860	5,332	47,504
15	Commodity Costs before Hedging		\$ 18,934	\$ 18,331	\$ 17,581	\$ 14,355	\$ 7,067	\$ 8,173	\$ 14,828	\$ 12,245	\$ 11,501	\$ 12,393	\$ 25,700	\$ 33,355	\$ 194,464
16	Mark to Market Hedges Cost / (Gain)		615	422	1,125	1,980	6,058	5,841	1,976	2,746	4,053	2,535	485	(926)	26,909
17	Core Market Administration Costs		142	104	107	90	118	127	117	101	94	114	97	518	1,730
18	Total CCRA Costs		\$ 19,692	\$ 18,857	\$ 18,814	\$ 16,426	\$ 13,244	\$ 14,142	\$ 16,920	\$ 15,091	\$ 15,647	\$ 15,041	\$ 26,282	\$ 32,947	\$ 223,104
19															
20															
21	CCRA Unit Cost	(\$/GJ)	\$ 1.771	\$ 1.877	\$ 1.694	\$ 1.516	\$ 1.183	\$ 1.306	\$ 1.506	\$ 1.343	\$ 1.439	\$ 1.387	\$ 2.433	\$ 2.951	\$ 1.699
22															
23															
24															
25															
26															
27			Recorded Jan-19	Projected Feb-19	Projected Mar-19										Jan-19 to Mar-19 Total
28															
29	CCRA QUANTITIES														
30	Commodity Purchase	(TJ)													
31	STN 2		8,890	8,348	8,924										26,163
32	AECO		2,803	2,677	2,862										8,342
33	Total Commodity Purchased		11,693	11,026	11,786										34,504
34	Fuel Gas Provided to Midstream		(482)	(455)	(486)										(1,423)
35	Commodity Available for Sale		11,211	10,571	11,300										33,082
36															
37	CCRA COSTS														
38	Commodity Costs	(\$000)													
39	STN 2		\$ 16,516	\$ 13,138	\$ 18,561										\$ 48,215
40	AECO		4,731	4,948	5,476										15,155
41	Commodity Costs before Hedging		\$ 21,247	\$ 18,086	\$ 24,037										\$ 63,370
42	Mark to Market Hedges Cost / (Gain)		2,136	719	424										3,278
43	Core Market Administration Costs		136	127	127										390
44	Total CCRA Costs		\$ 23,518	\$ 18,931	\$ 24,588										\$ 67,038
45															
46															
47	CCRA Unit Cost	(\$/GJ)	\$ 2.098	\$ 1.791	\$ 2.176										\$ 2.026

Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
CCRA INCURRED MONTHLY ACTIVITIES
FORECAST PERIOD FROM APR 2019 TO MAR 2021
FIVE-DAY AVERAGE FORWARD PRICES - FEB 20, 21, 22, 25, AND 26, 2019

Tab 2
Page 2

No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	
1		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	1-12 months	
2		Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total	
3	CCRA QUANTITIES														
4	Commodity Purchase	(TJ)													
5	STN 2	8,636	8,924	8,636	8,924	8,924	8,636	8,924	8,636	8,924	8,924	8,348	8,924	105,364	
6	AECO	2,769	2,862	2,769	2,862	2,862	2,769	2,862	2,769	2,862	2,862	2,677	2,862	33,787	
7	Total Commodity Purchased	11,406	11,786	11,406	11,786	11,786	11,406	11,786	11,406	11,786	11,786	11,026	11,786	139,151	
8	Fuel Gas Provided to Midstream	(470)	(486)	(470)	(486)	(486)	(470)	(486)	(470)	(486)	(486)	(455)	(486)	(5,737)	
9	Commodity Available for Sale	10,936	11,300	10,936	11,300	11,300	10,936	11,300	10,936	11,300	11,300	10,571	11,300	133,414	
10															
11	CCRA COSTS	(\$000)													
12	Commodity Costs														
13	STN 2	\$ 9,939	\$ 9,553	\$ 8,058	\$ 8,474	\$ 9,206	\$ 12,146	\$ 13,494	\$ 17,743	\$ 20,396	\$ 21,101	\$ 19,806	\$ 18,275	\$ 168,191	
14	AECO	3,695	3,729	3,212	3,397	3,493	3,510	3,982	5,259	5,951	6,229	5,837	5,382	53,675	
15	Commodity Costs before Hedging	\$ 13,633	\$ 13,282	\$ 11,270	\$ 11,871	\$ 12,699	\$ 15,656	\$ 17,476	\$ 23,002	\$ 26,346	\$ 27,330	\$ 25,643	\$ 23,657	\$ 221,866	
16	Mark to Market Hedges Cost / (Gain)	-	-	-	-	-	-	-	-	-	-	-	-	-	
17	Core Market Administration Costs	127	127	127	127	127	127	127	127	127	127	127	127	1,524	
18	Total CCRA Costs	\$ 13,760	\$ 13,409	\$ 11,397	\$ 11,998	\$ 12,826	\$ 15,783	\$ 17,603	\$ 23,129	\$ 26,473	\$ 27,457	\$ 25,770	\$ 23,784	\$ 223,390	
19															
20															
21	CCRA Unit Cost	(\$/GJ)	\$ 1.258	\$ 1.187	\$ 1.042	\$ 1.062	\$ 1.135	\$ 1.443	\$ 1.558	\$ 2.115	\$ 2.343	\$ 2.430	\$ 2.438	\$ 2.105	\$ 1.674
22															
23															
24															
25															
26		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	13-24 months	
27		Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Total	
28	CCRA QUANTITIES														
29	Commodity Purchase	(TJ)													
30	STN 2	8,880	9,176	8,880	9,176	9,176	8,880	9,176	8,880	9,176	9,176	8,288	9,176	108,040	
31	AECO	2,848	2,942	2,848	2,942	2,942	2,848	2,942	2,848	2,942	2,942	2,658	2,942	34,645	
32	Total Commodity Purchased	11,728	12,118	11,728	12,118	12,118	11,728	12,118	11,728	12,118	12,118	10,946	12,118	142,686	
33	Fuel Gas Provided to Midstream	(483)	(500)	(483)	(500)	(500)	(483)	(500)	(483)	(500)	(500)	(451)	(500)	(5,883)	
34	Commodity Available for Sale	11,244	11,619	11,244	11,619	11,619	11,244	11,619	11,244	11,619	11,619	10,494	11,619	136,803	
35															
36															
37	CCRA COSTS	(\$000)													
38	Commodity Costs														
39	STN 2	\$ 11,865	\$ 11,496	\$ 11,649	\$ 12,980	\$ 13,065	\$ 12,606	\$ 14,077	\$ 15,285	\$ 18,289	\$ 19,759	\$ 16,923	\$ 16,768	\$ 174,762	
40	AECO	3,715	3,603	3,643	3,989	4,004	3,867	4,341	4,682	5,495	6,012	5,121	5,120	53,591	
41	Commodity Costs before Hedging	\$ 15,580	\$ 15,098	\$ 15,293	\$ 16,969	\$ 17,068	\$ 16,473	\$ 18,417	\$ 19,967	\$ 23,784	\$ 25,772	\$ 22,044	\$ 21,888	\$ 228,353	
42	Mark to Market Hedges Cost / (Gain)	-	-	-	-	-	-	-	-	-	-	-	-	-	
43	Core Market Administration Costs	127	127	127	127	127	127	127	127	127	127	127	127	1,524	
44	Total CCRA Costs	\$ 15,707	\$ 15,225	\$ 15,420	\$ 17,096	\$ 17,195	\$ 16,600	\$ 18,544	\$ 20,094	\$ 23,911	\$ 25,899	\$ 22,171	\$ 22,015	\$ 229,877	
45															
46															
47	CCRA Unit Cost	(\$/GJ)	\$ 1.397	\$ 1.310	\$ 1.371	\$ 1.471	\$ 1.480	\$ 1.476	\$ 1.596	\$ 1.787	\$ 2.058	\$ 2.229	\$ 2.113	\$ 1.895	\$ 1.680

Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
COMMODITY COST RECONCILIATION ACCOUNT (CCRA)
COST OF GAS (COMMODITY COST RECOVERY CHARGE) FLOW-THROUGH
FOR THE FORECAST PERIOD APR 1, 2019 TO MAR 31, 2020
FIVE-DAY AVERAGE FORWARD PRICES - FEB 20, 21, 22, 25, AND 26, 2019

Tab 2
Page 3

Line No.	Particulars	Unit	RS-1 to RS-7
	(1)		(2)
1	<u>CCRA Baseload</u>	TJ	133,414
2			
3			
4	<u>CCRA Incurred Costs</u>	\$000	
5	STN 2		\$ 168,191.1
6	AECO		53,675.1
7	CCRA Commodity Costs before Hedging		\$ 221,866.2
8	Mark to Market Hedges Cost / (Gain)		-
9	Core Market Administration Costs		1,524.0
10	Total Incurred Costs before CCRA deferral amortization		\$ 223,390.2
11			
12	Pre-tax CCRA Deficit / (Surplus) as of Mar 31, 2019		(134.0)
13	Total CCRA Incurred Costs		\$ 223,256.2
14			
15			
16	<u>CCRA Incurred Unit Costs</u>	\$/GJ	
17	CCRA Commodity Costs before Hedging		\$ 1.6630
18	Mark to Market Hedges Cost / (Gain)		-
19	Core Market Administration Costs		0.0114
20	Total Incurred Costs before CCRA deferral amortization		\$ 1.6744
21	Pre-tax CCRA Deficit / (Surplus) as of Mar 31, 2019		(0.0010)
22	CCRA Gas Costs Incurred -- Flow-Through		\$ 1.6734
23			
24			
25			
26			
27			
28			
29	<u>Cost of Gas (Commodity Cost Recovery Charge)</u>		<u>RS-1 to RS-7</u>
30			
31	TESTED Flow-Through Cost of Gas effective Apr 1, 2019		\$ 1.673
32			
33	Existing Cost of Gas (effective since Jan 1, 2018)		\$ 1.549
34			
35	Cost of Gas Increase / (Decrease)	\$/GJ	\$ 0.124
36			
37	Cost of Gas Percentage Increase / (Decrease)		8.01%

FORTISBC ENERGY INC. - MAINLAND, VANCOUVER ISLAND AND WHISTLER SERVICE AREAS
MCRA INCURRED MONTHLY ACTIVITIES FOR THE YEAR 2018

Tab 2
Page 4

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
			Recorded Jan-18	Recorded Feb-18	Recorded Mar-18	Recorded Apr-18	Recorded May-18	Recorded Jun-18	Recorded Jul-18	Recorded Aug-18	Recorded Sep-18	Recorded Oct-18	Recorded Nov-18	Recorded Dec-18	2018 Total
1	MCRA COSTS	(\$000)													
2	<u>Midstream Commodity Related Costs</u>														
3	Midstream Commodity Costs before Hedging ^(a)		7,499.4	11,589.7	4,674.1	386.7	795.2	(255.6)	39.4	16.7	32.1	8,813.2	58,053.0	77,774.4	169,418.3
4	Mark to Market Hedges Cost / (Gain)		-	-	-	-	-	-	-	-	-	-	-	-	-
5	Imbalance ^(b)	\$ 900.3	218.7	(459.3)	94.8	164.3	(474.0)	46.0	186.0	(331.7)	277.5	345.5	(397.3)	252.8	(76.8)
6	Company Use Gas Recovered from O&M		(571.4)	(425.1)	(291.1)	(188.6)	(232.6)	112.3	(51.1)	18.3	(21.5)	(103.0)	(286.3)	(546.3)	(2,586.4)
7	Storage Withdrawal / (Injection) Activity ^(c)		11,558.0	9,332.6	8,072.8	708.2	(4,316.5)	(4,019.5)	(7,150.6)	(5,446.5)	(4,371.1)	(1,680.3)	(1,788.1)	(399.9)	499.1
8	Total Midstream Commodity Related Costs		18,704.6	20,037.9	12,550.7	1,070.6	(4,227.9)	(4,116.7)	(6,976.3)	(5,743.2)	(4,083.1)	7,375.4	55,581.2	77,081.0	167,254.2
9															
10	<u>Storage Related Costs</u>														
11	Storage Demand - Third Party Storage		2,522.1	2,580.4	2,620.1	2,535.3	3,680.9	3,676.2	3,775.6	3,698.4	3,656.4	3,582.9	2,685.9	2,715.5	37,729.6
12	On-System Storage - Mt. Hayes (LNG)		1,514.2	1,520.6	1,518.7	1,563.8	1,677.2	1,519.1	1,594.9	1,503.8	1,528.1	1,527.6	1,805.2	1,526.1	18,799.4
13	Total Storage Related Costs		4,036.2	4,101.0	4,138.8	4,099.1	5,358.2	5,195.3	5,370.5	5,202.2	5,184.4	5,110.5	4,491.1	4,241.6	56,529.0
14															
15	<u>Transportation Related Costs</u>														
16	Enbridge (BC Pipeline) - Westcoast Energy		9,084.9	9,482.8	8,878.9	8,855.8	8,640.2	8,346.2	8,626.9	8,774.6	9,437.7	8,177.7	8,524.1	7,896.1	104,725.9
17	TransCanada (Foothills BC)		406.2	406.2	406.2	304.1	308.7	304.1	316.5	299.4	291.9	304.1	406.2	406.2	4,159.6
18	TransCanada (NOVA Alta)		833.3	833.3	833.3	814.7	828.9	398.4	1,264.2	830.9	830.9	830.9	849.4	849.4	9,997.6
19	Northwest Pipeline		675.3	687.7	735.8	347.0	366.8	372.2	376.5	368.0	362.5	366.3	743.7	792.6	6,194.4
20	FortisBC Huntingdon Inc.		12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	10.3	10.3	140.2
21	Southern Crossing Pipeline		300.0	300.0	300.0	300.0	300.0	300.0	300.0	300.0	-	600.0	300.0	300.0	3,600.0
22	CNG Truck Bridge		-	-	-	-	-	-	-	-	-	-	-	511.5	511.5
23	Total Transportation Related Costs		11,311.7	11,722.0	11,166.1	10,633.7	10,456.5	9,732.8	10,896.1	10,584.8	10,934.9	10,290.9	10,833.7	10,766.1	129,329.1
24															
25	<u>Mitigation</u>														
26	Commodity Related Mitigation		(7,497.1)	(4,174.5)	(6,004.6)	(2,963.5)	(3,287.3)	(4,235.8)	(6,608.0)	(8,840.2)	(5,291.0)	(2,632.9)	(10,624.4)	(21,946.5)	(84,105.8)
27	Storage Related Mitigation		(3.0)	-	(1,267.1)	975.9	6.8	(28.4)	(35.6)	(49.4)	2.9	0.0	41.7	(41.8)	(398.1)
28	Transportation Related Mitigation		(3,797.7)	(2,121.2)	(2,785.4)	(8,131.3)	(10,794.5)	(9,601.0)	(12,035.3)	(14,989.1)	(13,268.0)	(6,460.1)	(7,348.4)	(5,906.3)	(97,238.3)
29	Total Mitigation		(11,297.8)	(6,295.7)	(10,057.2)	(10,118.9)	(14,075.0)	(13,865.1)	(18,678.9)	(23,878.7)	(18,556.1)	(9,093.1)	(17,931.1)	(27,894.6)	(181,742.1)
30															
31	<u>GSMIP Incentive Sharing</u>		380.0	353.4	178.6	147.2	177.4	159.1	174.9	338.1	243.7	65.6	155.9	215.6	2,589.5
32															
33	<u>Core Market Administration Costs</u>		331.7	243.3	250.5	211.1	276.1	297.3	272.2	236.3	231.9	251.7	226.0	1,209.4	4,037.6
34	TOTAL MCRA COSTS	(\$000)	23,466.5	30,161.7	18,227.5	6,042.7	(2,034.7)	(2,597.2)	(8,941.6)	(13,260.5)	(6,044.2)	14,001.0	53,356.8	65,619.1	177,997.3

(Line 8, 13, 23, 29, 31 & 33)

Notes:

(a) The total cost of UAF is included as a component of gas purchased. Sales UAF costs are recovered via gas cost recovery rates, while T-Service UAF costs are recovered via delivery revenues.

(b) Imbalance is composed of two components, Enbridge imbalance (difference between Enbridge metered and authorized deliveries) and Transportation imbalance (difference between the authorized receipts and customers' consumption or "burn").

(c) The net impact to the MCRA related to the movement of commodity costs into or out of the Gas in Storage inventory account. Gas injections to storage result in credits to the MCRA, while withdrawals result in costs being debited to the MCRA.

Slight difference in totals due to rounding.

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
MCRA INCURRED MONTHLY ACTIVITIES FOR THE YEAR 2019
FORECAST PERIODS WITH FIVE-DAY AVERAGE FORWARD PRICES - FEB 20, 21, 22, 25, AND 26, 2019

Tab 2
Page 5

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
		Opening balance	Recorded Jan-19	Projected Feb-19	Projected Mar-19	Forecast Apr-19	Forecast May-19	Forecast Jun-19	Forecast Jul-19	Forecast Aug-19	Forecast Sep-19	Forecast Oct-19	Forecast Nov-19	Forecast Dec-19	2019 Total
1	MCRA COSTS	(\$000)													
2	<u>Midstream Commodity Related Costs</u>														
3	Midstream Commodity Costs before Hedging ^(a)		\$ 32,854.1	\$ 20,945.4	\$ 39,609.6	\$ (2.0)	\$ (2.1)	\$ (2.3)	\$ (2.9)	\$ (2.4)	\$ 1.8	\$ 2.0	\$ 5,468.9	\$ 9,159.3	\$ 108,029.4
4	Mark to Market Hedges Cost / (Gain)		-	-	-	-	-	-	-	-	-	-	-	-	-
5	Imbalance ^(b)	\$ 823.5	(214.9)	-	-	-	-	-	-	-	-	-	-	(608.6)	(823.5)
6	Company Use Gas Recovered from O&M		(584.3)	(698.2)	(595.4)	(416.9)	(233.8)	(206.8)	(156.8)	(104.4)	(145.8)	(219.2)	(468.3)	(760.9)	(4,590.7)
7	Storage Withdrawal / (Injection) Activity ^(c)		5,813.0	9,674.7	7,996.6	819.4	(5,080.0)	(4,913.5)	(4,969.1)	(4,609.2)	(5,627.0)	(2,431.6)	5,612.3	8,266.9	10,552.5
8	Total Midstream Commodity Related Costs		\$ 37,867.9	\$ 29,922.0	\$ 47,010.8	\$ 400.5	\$ (5,315.9)	\$ (5,122.6)	\$ (5,128.7)	\$ (4,716.0)	\$ (5,771.0)	\$ (2,648.8)	\$ 10,612.9	\$ 16,056.7	\$ 113,167.6
9															
10	<u>Storage Related Costs</u>														
11	Storage Demand - Third Party Storage		\$ 2,662.7	\$ 2,554.8	\$ 2,573.8	\$ 2,617.2	\$ 3,727.8	\$ 3,720.1	\$ 3,721.3	\$ 3,719.0	\$ 3,711.4	\$ 3,646.0	\$ 2,599.8	\$ 2,611.8	\$ 37,865.8
12	On-System Storage - Mt. Hayes (LNG)		1,792.2	1,523.5	1,523.0	1,518.8	1,705.1	1,711.1	1,518.9	1,518.8	1,518.8	1,716.0	1,608.1	1,523.3	19,177.7
13	Total Storage Related Costs		\$ 4,454.9	\$ 4,078.3	\$ 4,096.9	\$ 4,136.0	\$ 5,433.0	\$ 5,431.2	\$ 5,240.2	\$ 5,237.8	\$ 5,230.2	\$ 5,362.0	\$ 4,207.9	\$ 4,135.1	\$ 57,043.5
14															
15	<u>Transportation Related Costs</u>														
16	Enbridge (BC Pipeline) - Westcoast Energy		\$ 11,658.5	\$ 36,423.9	\$ 11,103.6	\$ 10,873.2	\$ 10,798.4	\$ 10,816.6	\$ 10,882.4	\$ 11,107.5	\$ 10,883.9	\$ 10,833.8	\$ 10,969.6	\$ 11,238.6	\$ 157,590.0
17	TransCanada (Foothills BC)		505.1	505.1	505.1	380.6	380.6	380.6	380.6	380.6	380.6	380.6	475.2	475.2	5,130.2
18	TransCanada (NOVA Alta)		956.2	956.2	956.2	956.2	956.2	956.2	956.2	956.2	956.2	956.2	956.2	956.2	11,474.5
19	Northwest Pipeline		765.2	736.2	767.8	380.5	386.8	393.7	405.9	386.1	380.3	375.8	739.7	772.0	6,490.1
20	FortisBC Huntingdon Inc.		10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	124.1
21	Southern Crossing Pipeline		300.0	300.0	300.0	300.0	300.0	300.0	300.0	300.0	300.0	300.0	300.0	300.0	3,600.0
22	CNG Truck Bridge		2,678.0	3,866.8	-	-	-	-	-	-	-	-	-	-	6,544.9
23	Total Transportation Related Costs		\$ 16,873.3	\$ 42,798.5	\$ 13,643.0	\$ 12,900.9	\$ 12,832.4	\$ 12,857.5	\$ 12,935.5	\$ 13,140.8	\$ 12,911.4	\$ 12,856.9	\$ 13,451.1	\$ 13,752.4	\$ 190,953.8
24															
25	<u>Mitigation</u>														
26	Commodity Related Mitigation		\$ (20,638.1)	\$ (6,638.5)	\$ (10,123.6)	\$ (997.9)	\$ (787.8)	\$ (1,440.8)	\$ (2,282.1)	\$ (3,032.1)	\$ (3,842.0)	\$ (939.8)	\$ (4,963.7)	\$ (2,625.8)	\$ (58,312.1)
27	Storage Related Mitigation		(1,066.4)	-	-	-	-	-	-	-	-	-	-	-	(1,066.4)
28	Transportation Related Mitigation		(4,306.0)	(1,123.7)	(1,685.1)	(9,022.1)	(9,851.9)	(9,590.7)	(9,651.7)	(9,817.5)	(9,742.6)	(9,131.0)	(2,064.0)	(1,727.3)	(77,713.6)
29	Total Mitigation		\$ (26,010.6)	\$ (7,762.2)	\$ (11,808.7)	\$ (10,020.1)	\$ (10,639.7)	\$ (11,031.5)	\$ (11,933.8)	\$ (12,849.6)	\$ (13,584.6)	\$ (10,070.7)	\$ (7,027.7)	\$ (4,353.0)	\$ (137,092.1)
30															
31	<u>GSMIP Incentive Sharing</u>		\$ 252.2	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 1,168.9
32															
33	<u>Core Market Administration Costs</u>		\$ 316.4	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 3,576.0
34	TOTAL MCRA COSTS	(\$000)	\$ 33,754.1	\$ 69,416.2	\$ 53,321.7	\$ 7,797.0	\$ 2,689.5	\$ 2,514.3	\$ 1,492.8	\$ 1,192.7	\$ (834.3)	\$ 5,879.0	\$ 21,623.8	\$ 29,970.9	\$ 228,817.7
	(Line 8, 13, 23, 29, 31 & 33)														

Notes:

(a) The total cost of UAF is included as a component of gas purchased. Sales UAF costs are recovered via gas cost recovery rates, while T-Service UAF costs are recovered via delivery revenues.

(b) Imbalance is composed of two components, Enbridge imbalance (difference between Enbridge metered and authorized deliveries) and Transportation imbalance (difference between the authorized receipts and customers' consumption or "burn").

The Jan 1, 2019 opening balance reflects FEI owed Spectra / Transportation Marketers 639 TJ of gas valued at \$823.5K. As imbalance amounts can be either a debit or credit value, and typically remain within a narrow range, FEI does not forecast future imbalance amounts.

(c) The net impact to the MCRA related to the movement of commodity costs into or out of the Gas in Storage inventory account. Gas injections to storage result in credits to the MCRA, while withdrawals result in costs being debited to the MCRA.

Slight difference in totals due to rounding.

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
MCRA INCURRED MONTHLY ACTIVITIES FOR THE YEAR 2020
FORECAST PERIODS WITH FIVE-DAY AVERAGE FORWARD PRICES - FEB 20, 21, 22, 25, AND 26, 2019

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
		Opening balance	Forecast Jan-20	Forecast Feb-20	Forecast Mar-20	Forecast Apr-20	Forecast May-20	Forecast Jun-20	Forecast Jul-20	Forecast Aug-20	Forecast Sep-20	Forecast Oct-20	Forecast Nov-20	Forecast Dec-20	2020 Total
1	MCRA COSTS	(\$000)													
2	<u>Midstream Commodity Related Costs</u>														
3	Midstream Commodity Costs before Hedging ^(a)		\$ 9,631.6	\$ 9,026.7	\$ 5,607.4	\$ 256.2	\$ 192.2	\$ 5.8	\$ 5.3	\$ 5.3	\$ 6.2	\$ 5.7	\$ 4,136.4	\$ 7,525.8	\$ 36,404.6
4	Mark to Market Hedges Cost / (Gain)		-	-	-	-	-	-	-	-	-	-	-	-	-
5	Imbalance ^(b)	\$ -	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Company Use Gas Recovered from O&M		(886.0)	(698.2)	(595.4)	(416.9)	(233.8)	(206.8)	(156.8)	(104.4)	(145.8)	(219.2)	(468.3)	(760.9)	(4,892.4)
7	Storage Withdrawal / (Injection) Activity ^(c)		8,320.6	7,346.8	5,279.7	461.4	(5,666.1)	(6,552.6)	(8,672.4)	(8,134.7)	(6,635.4)	(3,894.0)	6,533.1	9,362.0	(2,251.6)
8	Total Midstream Commodity Related Costs		\$ 17,066.2	\$ 15,675.4	\$ 10,291.7	\$ 300.7	\$ (5,707.6)	\$ (6,753.6)	\$ (8,823.9)	\$ (8,233.9)	\$ (6,775.1)	\$ (4,107.4)	\$ 10,201.2	\$ 16,126.9	\$ 29,260.5
9															
10	<u>Storage Related Costs</u>														
11	Storage Demand - Third Party Storage		\$ 2,614.2	\$ 2,595.8	\$ 2,603.7	\$ 2,601.7	\$ 3,675.3	\$ 3,687.5	\$ 3,727.7	\$ 3,733.6	\$ 3,707.0	\$ 3,641.2	\$ 2,540.1	\$ 2,552.5	\$ 37,680.3
12	On-System Storage - Mt. Hayes (LNG)		1,523.5	1,523.5	1,523.0	1,518.8	1,705.1	1,711.1	1,518.9	1,518.8	1,518.8	1,716.0	1,608.1	1,523.3	18,909.0
13	Total Storage Related Costs		\$ 4,137.7	\$ 4,119.3	\$ 4,126.7	\$ 4,120.5	\$ 5,380.4	\$ 5,398.7	\$ 5,246.6	\$ 5,252.4	\$ 5,225.8	\$ 5,357.2	\$ 4,148.1	\$ 4,075.8	\$ 56,589.4
14															
15	<u>Transportation Related Costs</u>														
16	Enbridge (BC Pipeline) - Westcoast Energy		\$ 11,495.7	\$ 11,306.5	\$ 11,319.3	\$ 11,106.5	\$ 11,027.3	\$ 11,041.1	\$ 11,108.4	\$ 11,338.7	\$ 11,110.0	\$ 11,058.8	\$ 11,183.6	\$ 11,452.0	\$ 134,548.0
17	TransCanada (Foothills BC)		484.7	484.7	484.7	357.8	357.8	357.8	357.8	357.8	357.8	357.8	484.7	484.7	4,928.5
18	TransCanada (NOVA Alta)		975.3	975.3	975.3	975.3	975.3	975.3	975.3	975.3	975.3	975.3	975.3	975.3	11,704.0
19	Northwest Pipeline		778.0	725.9	771.8	378.9	383.7	380.5	400.8	387.8	360.4	365.0	738.0	770.6	6,441.2
20	FortisBC Huntingdon Inc.		10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	124.1
21	Southern Crossing Pipeline		300.0	300.0	300.0	300.0	300.0	300.0	300.0	300.0	300.0	300.0	300.0	300.0	3,600.0
22	CNG Truck Bridge		-	-	-	-	-	-	-	-	-	-	-	-	-
23	Total Transportation Related Costs		\$ 14,044.1	\$ 13,802.8	\$ 13,861.5	\$ 13,128.9	\$ 13,054.5	\$ 13,065.1	\$ 13,152.7	\$ 13,370.0	\$ 13,114.0	\$ 13,067.3	\$ 13,692.0	\$ 13,993.0	\$ 161,345.8
24															
25	<u>Mitigation</u>														
26	Commodity Related Mitigation		\$ (3,013.4)	\$ (6,121.4)	\$ (5,666.4)	\$ (1,139.0)	\$ (1,007.1)	\$ (2,221.6)	\$ (2,890.2)	\$ (3,590.9)	\$ (3,118.7)	\$ 393.2	\$ (3,615.1)	\$ (2,136.9)	\$ (34,127.6)
27	Storage Related Mitigation		-	-	-	-	-	-	-	-	-	-	-	-	-
28	Transportation Related Mitigation		(1,579.5)	(1,123.7)	(1,685.1)	(9,022.1)	(9,851.9)	(9,590.7)	(9,651.7)	(9,817.5)	(9,742.6)	(8,462.7)	(2,064.0)	(1,727.3)	(74,318.8)
29	Total Mitigation		\$ (4,593.0)	\$ (7,245.1)	\$ (7,351.5)	\$ (10,161.1)	\$ (10,859.0)	\$ (11,812.3)	\$ (12,541.9)	\$ (13,408.4)	\$ (12,861.3)	\$ (8,069.5)	\$ (5,679.1)	\$ (3,864.1)	\$ (108,446.4)
30															
31	<u>GSMIP Incentive Sharing</u>		\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 1,000.0
32															
33	<u>Core Market Administration Costs</u>		\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 3,556.0
34	TOTAL MCRA COSTS	(\$000)	\$ 31,034.7	\$ 26,732.0	\$ 21,308.1	\$ 7,768.6	\$ 2,247.9	\$ 277.5	\$ (2,586.9)	\$ (2,640.2)	\$ (916.9)	\$ 6,627.3	\$ 22,741.9	\$ 30,711.2	\$ 143,305.3
	(Line 8, 13, 23, 29, 31 & 33)														

- Notes:
- (a) The total cost of UAF is included as a component of gas purchased. Sales UAF costs are recovered via gas cost recovery rates, while T-Service UAF costs are recovered via delivery revenues.
- (b) Imbalance is composed of two components, Enbridge imbalance (difference between Enbridge metered and authorized deliveries) and Transportation imbalance (difference between the authorized receipts and customers' consumption or "burn"). For developing the forecast midstream costs opening imbalance amounts are forecast to be settled at the beginning of the prospective period. As imbalance amounts can be either a debit or credit value, and typically remain within a narrow range, FEI does not forecast future imbalance amounts.
- (c) The net impact to the MCRA related to the movement of commodity costs into or out of the Gas in Storage inventory account. Gas injections to storage result in credits to the MCRA, while withdrawals result in costs being debited to the MCRA.

Slight difference in totals due to rounding.

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
STORAGE AND TRANSPORT RELATED CHARGES FLOW-THROUGH BY RATE SCHEDULE
FOR THE FORECAST PERIOD APR 2019 TO MAR 2020
FIVE-DAY AVERAGE FORWARD PRICES - FEB 20, 21, 22, 25, AND 26, 2019

Tab 2
Page 7

Line No.	Particulars	Unit	Residential RS-1	Commercial RS-2	Commercial RS-3	General Firm Service RS-5	NGV RS-6	Subtotal	Seasonal RS-4	General Interruptible RS-7	RS-1 to RS-7 Summary	Total MCRA Gas Budget Costs	LNG RS-46	Term & Spot Gas Sales RS-14A	Off-System Interruptible Sales RS-30
	(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	MCRA Sales Quantity	TJ	81,276.4	30,357.0	21,741.3	3,112.8	40.3	136,527.8	141.2	323.3	136,992.4		1,709.0	1,300.0	19,847.0
2															
3	Load Factor Adjusted Quantity														
4	Load Factor ^(a)	%	31.6%	31.5%	37.7%	45.6%	100.0%								
5	Load Factor Adjusted Quantity	TJ	257,318.3	96,436.1	57,679.2	6,828.7	40.3	418,302.6							
6	Load Factor Adjusted Volumetric Allocation	%	61.5%	23.1%	13.8%	1.6%	0.0%	100.0%							
7															
8															
9	MCRA Cost of Gas - Load Factor Adjusted Allocation														
10	Midstream Commodity Related Costs (Net of Mitigation)	\$000	\$ 3,267.6	\$ 1,224.6	\$ 732.4	\$ 86.7	\$ 0.5	\$ 5,311.8			\$ 5,311.8		\$ (3,935.7)	\$ (3,018.9)	\$ -
11	Midstream Commodity Related Costs		25,236.5	9,458.0	5,656.9	669.7	4.0	41,025.0					2,167.0	1,900.0	23,864.8
12	Midstream Commodity Related Mitigation		(21,968.9)	(8,233.4)	(4,924.4)	(583.0)	(3.4)	(35,713.2)					(6,102.7)	(4,919.0)	(23,864.8)
13	Storage Related Costs (Net of Mitigation)	\$000	34,938.7	13,094.1	7,831.7	927.2	5.5	56,797.1			56,797.1		-	-	-
14	Storage Related Costs		34,938.7	13,094.1	7,831.7	927.2	5.5	56,797.1					-	-	-
15	Storage Related Mitigation		-	-	-	-	-	-					-	-	-
16	Transportation Related Costs (Net of Mitigation)	\$000	51,894.1	19,448.5	11,632.3	1,377.2	8.1	84,360.3			84,360.3		898.5	685.6	-
17	Transportation Related Costs		98,022.3	36,736.2	21,972.2	2,601.3	15.4	159,347.4					898.5	685.6	-
18	Transportation Related Mitigation		(46,128.2)	(17,287.6)	(10,339.9)	(1,224.1)	(7.2)	(74,987.0)					-	-	-
19	GSMIP Incentive Sharing	\$000	615.1	230.5	137.9	16.3	0.1	1,000.0			1,000.0		-	-	-
20	Core Market Administration Costs - MCRA 70%	\$000	2,187.5	819.8	490.3	58.1	0.3	3,556.0			3,556.0		-	-	-
21	Total Midstream Cost of Gas Allocated by Rate Class	\$000	\$ 92,903.0	\$ 34,817.6	\$ 20,824.7	\$ 2,465.4	\$ 14.6	\$ 151,025.2			\$ 151,025.2	\$ 151,025.2	\$ (3,037.2)	\$ (2,333.4)	\$ -
22	T-Service UAF to be recovered via delivery revenues ^(b)											375.3			
23	Total MCRA Gas Costs ^(c)											\$ 151,400.5			
24	1/2 of Pre-Tax Amort. MCRA Deficit/(Surplus) as of Apr 1, 2019	\$000	\$ 11,794.2	\$ 4,420.2	\$ 2,643.7	\$ 313.0	\$ 1.8	\$ 19,172.9			\$ 19,172.9				
25															
26															
27	MCRA Cost of Gas Unitized											Average Costs			
28	Midstream Commodity Related Costs (Net of Mitigation)	\$/GJ	\$ 0.0402	\$ 0.0403	\$ 0.0337	\$ 0.0279	\$ 0.0127				\$ 0.0388				
29	Storage Related Costs (Net of Mitigation)	\$/GJ	0.4299	0.4313	0.3602	0.2979	0.1357				0.4146				
30	Transportation Related Costs (Net of Mitigation)	\$/GJ	0.6385	0.6407	0.5350	0.4424	0.2016				0.6158				
31	GSMIP Incentive Sharing	\$/GJ	0.0076	0.0076	0.0063	0.0052	0.0024				0.0073				
32	Core Market Administration Costs - MCRA 70%	\$/GJ	0.0269	0.0270	0.0226	0.0186	0.0085				0.0260				
33	MCRA Flow-Through Costs before MCRA deferral amortization	\$/GJ	\$ 1.1430	\$ 1.1469	\$ 0.9578	\$ 0.7920	\$ 0.3610				\$ 1.1024				
34	MCRA Deferral Amortization via Rate Rider 6	\$/GJ	\$ 0.1451	\$ 0.1456	\$ 0.1216	\$ 0.1006	\$ 0.0458				\$ 0.1400				
35															

Notes:

- (a) Based on the historical 3-year (2015, 2016, and 2017 data) rolling average load factors for Rate Schedules 1, 2, 3 and 5.
(b) The total cost of UAF (Sales Rate Classes and T-Service) is included as a component of gas purchased. Sales UAF costs are recovered via gas cost recovery rates.
As the T-Service UAF costs are recovered via delivery revenues, they are excluded from the storage and transportation flow-through calculation.
(c) Reconciled to the Total MCRA Costs on Tab 1, Page 7, Col. 3, Line 48, with monthly breakdown on Tab 2, Page 7.1.

Slight differences in totals due to rounding.

FORTISBC ENERGY INC. - MAINLAND AND VANCOUVER ISLAND SERVICE AREA
MCRA FLOW-THROUGH MONTHLY COSTS FOR THE FORECAST PERIOD APR 2019 TO MAR 2020
FIVE-DAY AVERAGE FORWARD PRICES - FEB 20, 21, 22, 25, AND 26, 2019

Tab 2
Page 7.1

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
			Forecast Apr-19	Forecast May-19	Forecast Jun-19	Forecast Jul-19	Forecast Aug-19	Forecast Sep-19	Forecast Oct-19	Forecast Nov-19	Forecast Dec-19	Forecast Jan-20	Forecast Feb-20	Forecast Mar-20	Apr-19 to Mar-20 Total
1	MCRA COSTS	(\$000)													
2	<u>Midstream Commodity Related Costs</u>														
3	Midstream Commodity Costs before Hedging ^(a)	\$	(2.0)	\$ (2.1)	\$ (2.3)	\$ (2.9)	\$ (2.4)	\$ 1.8	\$ 2.0	\$ 5,468.9	\$ 9,159.3	\$ 9,631.6	\$ 9,026.7	\$ 5,607.4	\$ 38,886.0
4	Mark to Market Hedges Cost / (Gain)		-	-	-	-	-	-	-	-	-	-	-	-	-
5	Imbalance ^(b)		-	-	-	-	-	-	-	-	(608.6)	-	-	-	(608.6)
6	Company Use Gas Recovered from O&M		(416.9)	(233.8)	(206.8)	(156.8)	(104.4)	(145.8)	(219.2)	(468.3)	(760.9)	(886.0)	(698.2)	(595.4)	(4,892.4)
7	Storage Withdrawal / (Injection) Activity ^(c)		819.4	(5,080.0)	(4,913.5)	(4,969.1)	(4,609.2)	(5,627.0)	(2,431.6)	5,612.3	8,266.9	8,320.6	7,346.8	5,279.7	8,015.3
8	Total Midstream Commodity Related Costs	\$	400.5	\$ (5,315.9)	\$ (5,122.6)	\$ (5,128.7)	\$ (4,716.0)	\$ (5,771.0)	\$ (2,648.8)	\$ 10,612.9	\$ 16,056.7	\$ 17,066.2	\$ 15,675.4	\$ 10,291.7	\$ 41,400.3
9															
10	<u>Storage Related Costs</u>														
11	Storage Demand - Third Party Storage	\$	2,617.2	\$ 3,727.8	\$ 3,720.1	\$ 3,721.3	\$ 3,719.0	\$ 3,711.4	\$ 3,646.0	\$ 2,599.8	\$ 2,611.8	\$ 2,614.2	\$ 2,595.8	\$ 2,603.7	\$ 37,888.1
12	On-System Storage - Mt. Hayes (LNG)		1,518.8	1,705.1	1,711.1	1,518.9	1,518.8	1,518.8	1,716.0	1,608.1	1,523.3	1,523.5	1,523.5	1,523.0	18,909.0
13	Total Storage Related Costs	\$	4,136.0	\$ 5,433.0	\$ 5,431.2	\$ 5,240.2	\$ 5,237.8	\$ 5,230.2	\$ 5,362.0	\$ 4,207.9	\$ 4,135.1	\$ 4,137.7	\$ 4,119.3	\$ 4,126.7	\$ 56,797.1
14															
15	<u>Transportation Related Costs</u>														
16	Enbridge (BC Pipeline) - Westcoast Energy	\$	10,873.2	\$ 10,798.4	\$ 10,816.6	\$ 10,882.4	\$ 11,107.5	\$ 10,883.9	\$ 10,833.8	\$ 10,969.6	\$ 11,238.6	\$ 11,495.7	\$ 11,306.5	\$ 11,319.3	\$ 132,525.6
17	TransCanada (Foothills BC)		380.6	380.6	380.6	380.6	380.6	380.6	380.6	475.2	475.2	484.7	484.7	484.7	5,069.2
18	TransCanada (NOVA Alta)		956.2	956.2	956.2	956.2	956.2	956.2	956.2	956.2	956.2	975.3	975.3	975.3	11,531.9
19	Northwest Pipeline		380.5	386.8	393.7	405.9	386.1	380.3	375.8	739.7	772.0	778.0	725.9	771.8	6,496.6
20	FortisBC Huntingdon Inc.		10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	124.1
21	Southern Crossing Pipeline		300.0	300.0	300.0	300.0	300.0	300.0	300.0	300.0	300.0	300.0	300.0	300.0	3,600.0
22	CNG Truck Bridge		-	-	-	-	-	-	-	-	-	-	-	-	-
23	Total Transportation Related Costs	\$	12,900.9	\$ 12,832.4	\$ 12,857.5	\$ 12,935.5	\$ 13,140.8	\$ 12,911.4	\$ 12,856.9	\$ 13,451.1	\$ 13,752.4	\$ 14,044.1	\$ 13,802.8	\$ 13,861.5	\$ 159,347.4
24															
25	<u>Mitigation</u>														
26	Commodity Related Mitigation	\$	(997.9)	\$ (787.8)	\$ (1,440.8)	\$ (2,282.1)	\$ (3,032.1)	\$ (3,842.0)	\$ (939.8)	\$ (4,963.7)	\$ (2,625.8)	\$ (3,013.4)	\$ (6,121.4)	\$ (5,666.4)	\$ (35,713.2)
27	Storage Related Mitigation		-	-	-	-	-	-	-	-	-	-	-	-	-
28	Transportation Related Mitigation		(9,022.1)	(9,851.9)	(9,590.7)	(9,651.7)	(9,817.5)	(9,742.6)	(9,131.0)	(2,064.0)	(1,727.3)	(1,579.5)	(1,123.7)	(1,685.1)	(74,987.1)
29	Total Mitigation	\$	(10,020.1)	\$ (10,639.7)	\$ (11,031.5)	\$ (11,933.8)	\$ (12,849.6)	\$ (13,584.6)	\$ (10,070.7)	\$ (7,027.7)	\$ (4,353.0)	\$ (4,593.0)	\$ (7,245.1)	\$ (7,351.5)	\$ (110,700.2)
30															
31	<u>GSMIP Incentive Sharing</u>	\$	83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 83.3	\$ 1,000.0
32															
33	<u>Core Market Administration Costs</u>	\$	296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 296.3	\$ 3,556.0
34	TOTAL MCRA COSTS	(\$000)	\$ 7,797.0	\$ 2,689.5	\$ 2,514.3	\$ 1,492.8	\$ 1,192.7	\$ (834.3)	\$ 5,879.0	\$ 21,623.8	\$ 29,970.9	\$ 31,034.7	\$ 26,732.0	\$ 21,308.1	\$ 151,400.5

(Line 8, 13, 23, 29, 31 & 33)

- Notes:
- (a) The total cost of UAF is included as a component of gas purchased. Sales UAF costs are recovered via gas cost recovery rates, while T-Service UAF costs are recovered via delivery revenues.
- (b) Imbalance is composed of two components, Enbridge imbalance (difference between Enbridge metered and authorized deliveries) and Transportation imbalance (difference between the authorized receipts and customers' consumption or "burn"). For developing the forecast midstream costs opening imbalance amounts are forecast to be settled at the beginning of the prospective period. As imbalance amounts can be either a debit or credit value, and typically remain within a narrow range, FEI does not forecast future imbalance amounts.
- (c) The net impact to the MCRA related to the movement of commodity costs into or out of the Gas in Storage inventory account. Gas injections to storage result in credits to the MCRA, while withdrawals result in costs being debited to the MCRA.

Slight difference in totals due to rounding.



bcuc
British Columbia
Utilities Commission

Suite 410, 900 Howe Street
Vancouver, BC Canada V6Z 2N3
bcuc.com

P: 604.660.4700
TF: 1.800.663.1385
F: 604.660.1102

March #, 2019

Letter L-###-##

Mr. Doug Slater
Director, Regulatory Affairs
FortisBC Energy Inc.
16705 Fraser Highway
Surrey, BC V4N 0E8
gas.regulatory.affairs@fortisbc.com

Dear Mr. Slater:

Re: FortisBC Energy Inc. – Mainland and Vancouver Island Service Area
2019 First Quarter Gas Cost Report

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 Mainland and Vancouver Island service area (Report), which includes details regarding the Commodity Cost Reconciliation Account and Midstream Cost Reconciliation Account.

BCUC notes that the Commodity Cost Recovery Charge for the Mainland and Vancouver Island service area was last changed effective January 1, 2018, when it decreased by \$0.501 per gigajoule from \$2.050 per gigajoule to \$1.549 per gigajoule via Order G-173-17.

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. BCUC acknowledges receipt of the Report and accepts FEI's recommendation that the Commodity Cost Recovery Charge for the Mainland and Vancouver Island service area remain unchanged at \$1.549 per gigajoule effective April 1, 2019.

Yours truly,

Patrick Wruck